

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
February 20, 2018, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Andrews, Councilors Patrick Johnson, Denise Bacon, Mike Corey, Scott Essin, and Matt Murray. Councilor Stephen McKinney was excused. City staff present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Finance Director Matt Zook, Human Resources Director Anna Lee, and Community Development Director Doug Rux.

Mayor Andrews called the meeting to order. The Mayor had one item for Council Business.

Carr Biggerstaff, Chehalem Valley Chamber of Commerce Executive Board member, gave the Chamber quarterly report. The number of walk in visitors was 1,555, the number of people who had used the tourism website was 407, revenue from the City of Newberg was \$34,971, and revenue from the City of Dundee was \$2,500. The allocated expenses for personnel were \$15,042 and for tourism marketing was \$14,041. The allocated overhead was \$12,307. The net income for the quarter was \$86,080. The TLT dollars were spent on familiarization tours, cost of the visitor report for the first quarter, event pamphlets, and website charges for a total of \$1,441.54.

There was discussion regarding the use of the TLT money. Councilor Essin commented on how much money had been spent in the first two quarters, and how a large sum was left for the next two quarters. He asked about the Chamber giving back \$39,000.

Mr. Biggerstaff said they realized that they were not staffed to handle tourism promotion and marketing as well as doing their Chamber responsibilities. The Visitor Center was still covered because the brochures were in their lobby and there was staff to answer questions. What became more staff intensive were the familiarization tours and the bigger events. They had approached the TLT Committee and told them they were spending \$39,000 to do tourism promotion.

Mr. Biggerstaff explained the Chamber's organizational structure and the program areas, events, and training they offered. All of these were done through staff and volunteers. Councilor Essin asked about the Chamber's request for \$170,000 and that if they had received it, they would have hired one person and they would not have to give the \$39,000 back.

Mr. Biggerstaff explained they had recognized that they were not fully staffed enough to handle the Chamber duties and tourism duties. As the destination marketing activities accelerated, the Chamber was spending all of its time supporting the tourism events. They did not have enough money to hire a full time person to focus on tourism. They had submitted a proposal to the TLT Committee in 2017. The TLT Committee had about \$200,000 in annual TLT funds at its disposal, and the Chamber had \$139,000. The Chamber used the \$100,000 for the Visitor Center and the \$39,000 was discretionary. If they were to take that \$39,000 and use some of the \$200,000, they could hire someone to focus on tourism and execute the TLT plan. The rest of the money could be used for familiarization tours, print advertising, and the website as well as grant programs. The proposal was reviewed and discussed at several meetings and the TLT Committee would be making a decision on the proposal in the near future. If it was approved by the TLT Committee, the proposal would come before Council. The employee would be hired by the Chamber, would be located in the Chamber, and supervised by the Chamber Executive.

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CM Hannan said there was another proposal to hire a firm or LLC that did the tourism promotion activities. The Council would be meet with the TLT Committee on these options. Councilor Murray asked about regional Chambers and how they operated.

Mr. Biggerstaff said he had talked with multiple Chamber Directors and it was not uncommon for communities of Newberg's size that combined Visitor Center and tourism functions. Each of those organizational aspects be self-sustaining. He explained how many cities had a dual Chamber and Visitor Center, but a separate destination marketing organization. Chambers were currently focusing on business advocacy and economic development. Newberg had a great economic development strategy and had a variety of business services that people did not know about. They had been so busy doing traditional Chamber and tourism activities that they had lost sight of their core mission.

Councilor Murray asked if he had a preference between a full time employee that the Chamber managed or a firm that filled that role. Mr. Biggerstaff wanted what would be the most effective and efficient way of handling tourism with the available funding. If there was a full time employee, he would want to have a plan developed for that person. There needed to be a better plan for how funding for destination marketing was used. He thought this new employee or firm could help develop a plan that met the needs for the community and then they would implement the plan.

Councilor McKinney said the Council was concerned about TLT funding and how it should be used to move the community forward rather than cash to fill in for certain activities. With a Chamber that had a loss of 100 members, they were in a crucial state. He wanted to know how they planned to fix the Chamber especially if the TLT funds did not go to them, and whether it was in the best interest of the City to backfill money at a Chamber with difficulties. The Council was looking for a workable, substantive plan. His impression was tonight they had circled the wagons without nailing down a direction. This was an important issue and they needed to be sensitive about how TLT funds were spent.

Mr. Biggerstaff said the Chamber was working a plan to move forward and a job description for the next Executive Director. The timing fit with the idea of sharing the combined TLT dollars and hiring a full time tourism person. He thought having a dedicated person for tourism was the best use of the funds.

Councilor Bacon asked what percentage of the total bill for personnel was the Visitor Center paying for? Mr. Biggerstaff said roughly 1/3 of the overhead was allocated to the Visitor Center and about 1/3 of the personnel costs. Councilor Bacon said they were spending about \$12.61 per visitor. Mr. Biggerstaff stated some of the personnel staffing supported tourism activities and the numbers were somewhat inflated. There had been a drop off in foot traffic since they had moved out of the downtown core. Councilor Bacon said they were legally obligated to spend the money on tourism, not help the Chamber. Mr. Biggerstaff clarified they would not have moved to their current building and would not have the staffing they did if they were not also the Visitor Center. They needed the space for brochures and a reception area. They had been the Visitor Center for a long time.

Councilor Johnson said there had been a lack of communication when the Chamber/Visitor Center moved and during the current change in direction. He thought this was a partnership and asked that the City be given a heads up in the future. Mr. Biggerstaff said duly noted. They had been limited in what they could say about their current situation. Councilor Johnson said this was an opportunity to look at all of the options and the future direction of the Chamber. He would like to know the average cost per visitor with the TLT dollars.

Mayor Andrews agreed about getting the average cost per visitor numbers. He asked if the Chamber had had a similar discussion with Dundee and if they had a similar distribution of dollars from Dundee. Mr. Biggerstaff said they had not had that discussion yet. There had not been a discussion regarding the best use of the funds received from Dundee either.

CALL MEETING TO ORDER

Mayor Andrews called the business session to order at 7:25 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Stephen McKinney	Mike Corey
	Denise Bacon	Patrick Johnson	Matt Murray
	Scott Essin	Stephen McKinney	

Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney
	Sue Ryan, City Recorder	Doug Rux, Community Development Director
	Matt Zook, Finance Director	Jay Harris, Public Works Director
	Anna Lee, Human Resources Director	
	Caleb Lippard, Assistant Finance Director	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER'S REPORT: City Manager Hannan reported on his activities including the Secretary of State's visit, working with the TLT Committee Chair regarding tourism ideas, working on the veterans banner project, working with WCCCA on the communications upgrade, working on emergency preparedness and emergency notification system, working on the next phase of the Bypass, and organizing two Council partner meetings, one with the County Commission and one with CPRD.

PUBLIC COMMENTS: None

CONSENT CALENDAR:

MOTION: Bacon/Johnson moved to approve the Consent Calendar including Council Minutes for January 16 and February 5, 2018; Resolution 2018-3439, A Resolution supporting the City of Newberg's ongoing participation as a member of the Yamhill County Affordable Housing Corporations (YCAHC) regional Housing Rehabilitation Collaborative and a board of directors, and to appoint the Newberg Community Development Director as the successor to former board member Steve Olson; Resolution 2018-3440, Authorizing financing of Real and Personal property in a principal amount not to exceed \$3,500,000, and related matters; Resolution 2018-3445 Ratifying contract amendment 1.2 between Don Cushing Associates and Washington County Consolidated Communications Agency (WCCCA) for work undertaken on behalf of the City of Newberg and Authorizing payment. Motion carried (7 Yes/0 No).

PUBLIC HEARING:

Mayor Andrews opened the public hearing. He called for any conflicts of interest, abstentions or objections to jurisdiction. There were none.

City Attorney Stone presented the staff report. These were technical fixes to the Transportation Utility Fee (TUF) code language. The Fee was adopted by ordinance in May 2017 and was implemented in September 2017. A few issues had come up that needed to be addressed. One was the Citizens Rate Review Committee (CRRC) pointed out some conflicting provisions in the TUF statute and CRRC statute. There was a difference in the inflation indexing language and differences in how the CRRC was supposed to look at the Fee and apply standards to it. There was a question about whether if the TUF was increased, was it a referable matter. There was a timing issue with the biennial review of the TUF and the schedule of the CRRC and when the TUF was increased, would it be effective in January or September. The proposed changes gave more flexibility to when the CRRC could consider the TUF, the inflation index was changed from one that was no longer used to one that was still being published, and using the term "responsible party" which referred to the person who paid the municipal services statement, instead of stating it would be imposed on the owner of the property.

Proponents: None
Opponents: None
Unknown: None

Mayor Andrews closed the public hearing. CA Stone said this was written with an emergency clause, which if passed tonight would make the ordinance effective immediately.

MOTION: Bacon/Corey moved to waive the second reading of Ordinance 2018-2828. Motion carried (7 Yes/0 No).

MOTION: Bacon/Murray moved to approve Ordinance 2018-2828 to be read by title only, An Ordinance amending portions of Newberg Municipal Code Sections 3.45 related to the Transportation Utility Fee and declaring an emergency. Motion carried (7 Yes/0 No).

NEW BUSINESS: Resolution 2018-3437, AFSCME Union Contract

Human Resources Director Lee said this was a request for ratification of the AFSCME contract. The contract would be effective from January 1, 2018 to December 31, 2020 with a wage only opener for the remainder of the two year contract.

MOTION: Murray/Corey moved to approve Resolution 2018-3437, A Resolution approving the Collective Bargaining agreement between the City and AFSCME Local 1569 Association, effective retroactively to January 1, 2018 through December 31, 2020, and authorizing the City Manager to execute the agreement as well as delegating the authority to make minor amendments and interpret the agreement on behalf of the city. Motion carried (7 Yes/0 No).

Equal Pay Program: Finance Director Zook said citizens had requested an equal pay program. Staff had looked into the City's software system and what other cities did. Assistant Finance Director Lippard said the program would give citizens even payments for a 12-month period for all customer accounts except for irrigation and non-potable accounts. Staff had come up with a proposal for who was eligible, how it was calculated, how people could sign up, and questions they thought customers might have. He asked for Council input on this proposal.

Councilor Johnson asked about the Equal Pay enrollment section. It said it was the customer's responsibility to monitor the balance of their account to ensure the monthly equal payment was reasonably close to the actual consumption. He was concerned with how people would be able to track their consumption. AFD Lippard said the bill statements always stated what that month's consumption was and with the equal pay customers there would be one column that said what their equal pay charges were and there would be another column that showed what the charge would be if they were paying for their actual consumption. Typically people used more water in the summer months than other times of the year and the bills should reflect that.

FD Zook said they wanted to remind customers that even though they were on an equal pay plan they needed to watch what their consumption truly was so that if it was approaching the 12th month and they had a higher usage, the equal pay calculation for the next 12 months would be higher. Councilor Johnson asked if there would be a rolling total, and that anything that went above what customers were paying would be rolled into the next 12 months instead of having a balloon payment when the 12 months was over. AFD Lippard said that was still up for discussion. He was in favor of rolling it into the next 12 months. Councilor Johnson was concerned about a balloon payment, especially for lower income customers.

FD Zook did not think they would enforce a balloon payment as most cities rolled the balance forward. Staff would also be monitoring the customers with a high variance. He did not know what the participation rate would be, and not all customers were eligible for equal pay.

Councilor Bacon said they needed to inform customers about leaks and that they would be responsible to notify the City about them in a timely manner. Councilor Essin thought this would make it easier for people to pay their bills and it would not be as big of a hit if there was an increase. Mayor Andrews asked why storm water was not included in the calculation. AFD Lippard stated storm water was already a flat charge that did not fluctuate with consumption.

There was discussion on promotion of the program. Councilor Murray suggested sending out an FAQ with a link to the Public Works website so people understood that Newberg had its own water treatment plant and wells. AFD Lippard clarified revenues would not flatten out, even with the equal pay. They would still accrue as they did currently. He had a question out to the Department of Revenue on whether there were restrictions or regulations on reserve amounts for the wastewater/water funds going on the equal pay program. There was consensus that this program was going in the right direction.

COUNCIL BUSINESS: There was discussion on the upcoming Thursday night joint meeting with the Chehalem Parks and Recreation District. CM Hannan said Police Chief Casey was presenting an annual report to the Dundee City Council tonight. He would report back the items he covered to the Council. They were moving forward with the opt-out glass recycling program which would begin in April. If people did not want to participate, they would need to call a number that would be provided. There would be a one month trial, and people could opt-out after that as well.

ADJOURNMENT: The meeting was adjourned at 8:10 p.m.

ADOPTED by the Newberg City Council this 19th day of March, 2018.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 22nd day of March, 2018.

 Bob Andrews, Mayor

