



Kent Taylor Civic Hall
200 NE Second Street
McMinnville, OR 97128

Amended 6/21/18

**City Council Meeting Agenda
Tuesday, June 26, 2018**

5:30 p.m. – Work Session

7:00 p.m. – Regular Council Meeting

Welcome! All persons addressing the Council will please use the table at the front of the Council Chambers. All testimony is electronically recorded. Public participation is encouraged. If you desire to speak on any agenda item, please raise your hand to be recognized after the Mayor calls the item. If you wish to address Council on any item not on the agenda, you may respond as the Mayor calls for "Invitation to Citizens for Public Comment."

5:30 PM – WORK SESSION – COUNCIL CHAMBERS

1. CALL TO ORDER
2. PRESENTATIONS
 - a. Code Enforcement
 - b. Car Camping Ordinance
 - c. Yamhelas Westsider Trail
3. ADJOURNMENT

7:00 PM – REGULAR COUNCIL MEETING – COUNCIL CHAMBERS

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. INVITATION TO CITIZENS FOR PUBLIC COMMENT – *The Mayor will announce that any interested audience members are invited to provide comments. Anyone may speak on any topic other than: a matter in litigation, a quasi-judicial land use matter; or a matter scheduled for public hearing at some future date. The Mayor may limit comments to 3 minutes per person for a total of 30 minutes. Please complete a request to speak card prior to the meeting. Speakers may not yield their time to others.*
4. PUBLIC HEARINGS
 - a. Proposed supplemental budget for the fiscal year ending June 30, 2018 *(related to the Telecommunications Fund)*.
 - b. Proposed increase in the Transportation Fund expenditures in the 2018-2019 budget to be adopted by the City Council.

Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the City Recorder (503) 435-5702.

5. PRESENTATIONS

- a. Receive Report and Recommendation from Gary Eastlund, Hagan Hamilton to approve the 2018 – 2019 Property, Liability, Workers Compensation, and Auto Insurance Coverages.
- b. Yamhill County Transit Development Plan.

6. CONSENT AGENDA

- a. **Resolution No. 2018-32:** A Resolution Declaring the City's election to receive state revenues.
- b. **Resolution No. 2018-33:** A Resolution certifying provision of municipal services by the City of McMinnville as required by ORS 221.760.
- c. **Resolution No. 2018-34:** A Resolution Extending the City of McMinnville's workers compensation coverage to the City of McMinnville volunteers.
- d. **Resolution No. 2017-35:** A Resolution providing for and approving a form of contract by and between the City of McMinnville, Oregon and the McMinnville Rural Fire Protection District.

7. RESOLUTIONS

- a. **Resolution No. 2018-36:** A Resolution adopting a supplemental budget for fiscal year 2017-2018 and making supplemental appropriations (*Related to the Telecommunications Fund*).
- b. **Resolution No. 2018-37:** A Resolution making a budgetary transfer of appropriation authority for the fiscal year 2017-2018 General Fund, Finance and Library Department budget.
- c. **Resolution No. 2018-38:** A Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018 (*Ambulance Fund*).
- d. **Resolution No. 2018-39:** A Resolution adopting a new fee schedule for ambulance services provided by the City of McMinnville and repealing Resolution No. 2017-45.
- e. **Resolution No. 2018-40:** A Resolution adopting the budget for the fiscal year beginning July 1, 2018; making the appropriations; imposing the property taxes; and categorizing the property taxes.
- f. **Resolution No. 2018-41:** A Resolution Amending the City Manager's Employment Agreement. (added 6/21/18)

8. ORDINANCE

- a. Consider Second Reading of **Ordinance No. 5054:** An Ordinance Relating to Smoking Regulations in Downtown McMinnville and City Park Areas; establishing MMC Chapter 8.32; and, amending MMC 12.36.020.

9. ADVICE/ INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports

10. ADJOURNMENT



CITY OF MCMINNVILLE
Administration
230 NE SECOND STREET
MCMINNVILLE, OR 97128
503-435-5702

www.mcminnvilleoregon.gov

STAFF REPORT

DATE: June 26, 2018
TO: Mayor and City Councilors
FROM: Melissa Grace, City Recorder
SUBJECT: Work Session Presentations

Planning Director Heather Richards will be discussing Code Enforcement and a Car Camping Ordinance.

Wayne Wiebke, President of the Friends of the Yamhelas Westsider Trail will be discussing the Yamhelas Westsider Trail project.



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Public Hearing for supplemental budget for the Telecommunications Fund for fiscal year 2017 - 2018

Discussion:

Oregon Local Budget Law allows a local government to prepare a supplemental budget when an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning (ORS 294.471). The governing body must adopt a resolution to adopt the supplemental budget and make any necessary appropriations. If the supplemental budget will increase a fund's expenditures by more than 10 percent, a public hearing must be held by the governing body and public comment taken before adoption of the supplemental budget.

The purpose of this budget hearing is to take public comment on a proposed supplemental budget for the Telecommunications Fund for 2017-2018. A supplemental budget is necessary to allow disbursement of higher than anticipated telecommunication fee revenues received in 2017-2018. The supplemental budget increases materials and services expenditures by a total of \$12,000 to allow disbursement of the unanticipated revenue to McMinnville Community Media (MCM), as provided for in the City's agreement with MCM.

Because the supplemental budget increases expenditures by \$12,000, which exceeds 10 percent of total expenditures in the Telecommunications Fund, the Council is required to hold a public hearing and take public comment prior to adopting the supplemental budget. Appropriate notice of the public hearing was published in the News Register.

Action: Hold a public hearing as required by ORS 294.473



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Public Hearing on increasing expenditures in the 2018 – 2019 Budget to be adopted by City Council

Discussion:

ORS 294.456 allows the governing body to make certain changes to the budget that was approved by the budget committee. If the total increase in expenditures in a fund exceeds 10 percent, the governing body must publish notice of a second budget hearing and a new financial summary, and hold the second hearing before the adjusted budget can be adopted.

The purpose of this budget hearing is to take public comment on an increase in Transportation Fund expenditures of \$1,352,100, which exceeds the 10 percent limitation.

The 2018-2019 Transportation budget has been adjusted to include a \$162,100 increase in professional services expenditures and a \$1,190,000 increase in capital outlay expenditures. The increases are due to the carryover of 2017-2018 projects to 2018-2019, including Hill Road, Old Sheridan Road, 2nd Street, and 5th Street improvements, and 1st and 2nd street pedestrian improvements.

As required by ORS 294.456, notice of a budget hearing and revised financial summary were published on June 19, 2018.

Action: Hold a public hearing as required by ORS 294.456



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STAFF REPORT

DATE: June 26, 2018
TO: Mayor and City Councilors
FROM: Melissa Grace, City Recorder
SUBJECT: Report and Recommendation regarding 2018-2019 Insurance Coverages

Gary Eastlund, Risk Management Consultant for Hagan Hamilton Insurance Solutions, will provide a brief update on the 2018-2019 Property, Liability, Workers Compensation and Auto Insurance Coverages.



hagan hamilton

INSURANCE SOLUTIONS

June 19, 2018

McMinnville City Councilors
Scott Hill, Mayor
Jeff Towery, City Manager

Re: Insurance Programs Stewardship Report
July 1, 2018 – June 30, 2019

I would like to thank you for placing your confidence in me as your Agent of Record for the City insurance programs. I have reviewed the renewal proposals and my recommendation to the Council is to accept the renewal offers from CIS for:

- PROPERTY/LIABILITY
- AUTO
- MECHANICAL BREAKDOWN
- WORKERS COMPENSATION

The proposed annual contribution for the CIS Package, not including the workers compensation, is \$475,808. This represents a 4.5% increase over the prior year contribution of \$454,655 which is in line with the average member increase of 5%. The increase is attributed to increases in personnel services expenditures and a 2% increase of the property limits on all buildings and contents.

The CIS workers compensation renewal deposit premium has increased significantly because of these factors:

- The City experience modification factor increased from .76 to .97
- Payroll Estimates have increased \$1,510,869
- The Retro Deposit Premium percentage increased from 25% to 35%

The sum of these changes increased the initial deposit premium to \$181,846 which is up from \$92,584 last year. This deposit premium does not represent the total expected work-comp costs for the year because as losses are paid they are billed back to the City. The increase deposit means you will pay more up front, but the annual costs will not be significantly higher than prior years.

With regard to the Airport Liability Insurance I recommend acceptance of the renewal proposal from Ace Insurance Company. The renewal premium for the Airport Liability policy is the same as the expiring policy at \$5,675.

In looking to the future, it is difficult to predict where the insurance premiums will be in the next few years. My best estimate is that future premiums will continue a slightly upward trend and I will keep you informed of any changes as soon as they come to my attention. Thank you again for your support of me and Hagan Hamilton Insurance.

Respectfully,

Gary E. Eastlund CIC ARM CRM
Risk Management Consultant





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STAFF REPORT

DATE: June 26, 2018
TO: Mayor and City Councilors
FROM: Melissa Grace, City Recorder
SUBJECT: Yamhill County Transit Development Plan

Planning Director Heather Richards will briefly share the Yamhill County Transit Development Plan.



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Resolution declaring the City's election to receive certain state shared revenues

Discussion:

Oregon Revised Statute (ORS) 221.770(1) designates that a share of certain revenues of the state of Oregon shall be apportioned among and distributed to the cities of the state for general purposes as provided for in the ORS. The City shall not be included in apportionments or receive distributions of state shared revenues unless the city:

- Elects to receive distributions for the fiscal year by enactment of a resolution expressing that election and filing a copy of the resolution with the Oregon Department of Administrative Services not later than July 31 of the fiscal year
- Holds at least one public hearing, after adequate public notice, at which citizens have the opportunity to provide comment to the authority responsible for approving the proposed budget for the fiscal year on the possible uses of the State distributions and certifies its compliance as required by ORS 221.770(1)(b)
- Holds at least one public hearing, after adequate public notice, at which citizens have the opportunity to provide comment to, and ask questions of, the authority responsible for adopting the city budget on the proposed use of distributions in relation to the entire budget of the city for the fiscal year and certifies its compliance as required by ORS 221.770(1)(c)
- Levied a property tax for the year preceding the year in which revenue sharing is due under ORS 471.810 (Distribution of available moneys in Oregon Liquor Control Commission Account)

The City of McMinnville has complied with the requirements to hold public hearings, after adequate public notice, and has levied a property tax for the year preceding the year in which revenue sharing is due.

Resolution No. 2018-32 satisfies the requirement of 221.770(1(a) which requires the City to elect to receive distribution of State shared funds by adopting such resolution. Upon Council adoption, City staff will file the Resolution with the Department of Administrative Services no later than July 31, 2018.

Attachment: Resolution No. 2018-32, A Resolution declaring the City's election to receive certain state shared revenues

Action: City Council approval of Resolution No. 2018-32.

RESOLUTION NO. 2018-32

A Resolution declaring the City's election to receive certain state shared revenues.

BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. Pursuant to ORS 221.770, the City hereby elects to receive state shared revenues for fiscal year 2018 – 2019.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June, 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June, 2018.

MAYOR

Approved as to form:

CITY ATTORNEY

I certify that a public hearing before the Budget Committee was held on May 16, 2018 and a public hearing before the City Council was held on June 12 2018, giving citizens an opportunity to comment on use of State Revenue Sharing.

CITY RECORDER



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Resolution certifying provision of municipal services by the City of McMinnville as required by ORS 221.760

Discussion:

Oregon Revised Statute (ORS) 221.760(1) designates certain prerequisites for cities in a county of over 100,000 population to receive State shared revenues from cigarette, gas, and liquor taxes. The ORS states that the officer responsible for disbursing such funds to cities shall disburse such funds, in the case of a city located within a county having more than 100,000 inhabitants, only if the officer reasonably is satisfied that the city provides four or more of the following municipal services:

- a) Police protection
- b) Fire protection
- c) Street construction, maintenance and lighting
- d) Sanitary sewers
- e) Storm sewers
- f) Planning, zoning and subdivision control
- g) One or more utility services

Resolution No. 2018-33 certifies that the City meets the prerequisites for receiving cigarette, gas and liquor taxes.

Attachment: Resolution No. 2018-33, A Resolution certifying provision of municipal services by the City of McMinnville as required by ORS 221.760

Action: City Council approval of Resolution No. 2018-33.

RESOLUTION NO. 2018-33

A Resolution certifying provision of municipal services by the City of McMinnville as required by ORS 221.760.

RECITALS:

ORS 221.760 provides that a city located within a county that has more than 100,000 inhabitants according to the most recent federal decennial census must provide four or more municipal services in order to qualify to receive revenues from cigarette, gas, and liquor taxes (Shared Revenues). These revenues are provided for in ORS 323.455, 366.785 to 366.820, and 471.805.

The services to be considered are:

- 1) Police protection
- 2) Fire protection
- 3) Street construction, maintenance, lighting
- 4) Sanitary sewer
- 5) Storm sewer
- 6) Planning, zoning, subdivision control
- 7) One or more utility services

To assist the state officer responsible for determining the eligibility of the City to receive these revenues in accordance with ORS 221.760, the City may certify its eligibility.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON as follows:

1. The City certifies that it provides the following municipal services as enumerated in ORS 221.760(1):
 - 1) Police protection—Yes
 - 2) Fire protection—Yes
 - 3) Street construction, maintenance, lighting—McMinnville Water and Light provides lighting
 - 4) Sanitary sewer—Yes
 - 5) Storm sewer—Yes
 - 6) Planning, zoning, subdivision control—Yes
2. This Resolution will take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to form:

CITY ATTORNEY



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Resolution extending workers' compensation coverage to City of McMinnville volunteers

Discussion:

For purposes of workers compensation coverage, Oregon Revised Statute (ORS) 656.031 defines municipal personnel, other than those employed full-time or part-time, as volunteer personnel. A city utilizing volunteer personnel may elect to have such personnel covered by workers compensation insurance by filing a written application with the city's insurer. The city must also submit a resolution to the insurer declaring its intent to cover volunteer personnel and provide a description of the work to be performed by such personnel.

The City annually submits a written application to City County Insurance Services (CIS) electing to cover volunteer personnel under its workers compensation insurance plan. Resolution No. 2018-34 extends workers' compensation coverage to City of McMinnville volunteers and meets ORS and CIS requirements.

Attachment: Resolution No. 2018-34, A Resolution extending workers' compensation coverage to City of McMinnville volunteers

Action: City Council approval of Resolution No. 2018-34.

RESOLUTION NO. 2018-34

A Resolution extending workers' compensation coverage to City of McMinnville volunteers.

RECITALS:

The City of McMinnville's insurance provider is CityCounty Insurance Services (CIS). CIS provides coverage to City volunteers under certain circumstances. Adoption of a resolution setting out the information below is a prerequisite to coverage.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON as follows:

Pursuant to ORS 656.031, workers' compensation coverage will be provided to the classes of volunteers listed in this resolution, noted on CIS payroll schedule, and verified at audit:

1. Public safety volunteers

An assumed monthly wage of \$1600 per month will be used for public safety volunteers in the following volunteer positions:

- Police reserve

- Firefighter

- Police Citizen Emergency Response Team members

2. Police and Fire non-public safety volunteers

The assumed monthly wage for the following Police and Fire volunteers is as specified for each:

- Parking and code enforcement - \$800 per month

- Police chaplains – minimum wage

- Fire and Life Safety – minimum wage

3. Volunteer boards, commissions and councils for the performance of administrative duties.

An aggregate assumed annual wage of \$2,500 will be used per each volunteer board, commission, or council for the performance of administrative duties. The covered bodies are specified on Attachment A, attached to and incorporated into this Resolution by this reference.

4. Non-public safety volunteers

All non-public safety volunteers listed below will track their hours and Oregon minimum wage will serve as assumed wage for both premium and benefits calculations. CIS will assign the appropriate classification code according to the type of volunteer work being performed.

- Parks and Recreation, including Kids on the Block (KOB)
- Senior Center
- Public Works
- Library
- Park Watch

5. Public Events

Volunteers at the following public events will be covered under workers' compensation coverage using verified hourly Oregon minimum wage as basis for premium and/or benefit calculation:

- City sponsored community events

6. Community Service Volunteers/Inmates

Pursuant to ORS 656.041, workers' compensation coverage will be provided to community service volunteers commuting their sentences by performing work authorized by McMinnville Municipal Court.

Oregon minimum wage tracked hourly will be used for both premium and benefit calculations, verifiable by providing a copy of the roster and/or sentencing agreement from the court.

7. Other volunteers

Volunteer exposures not addressed here will have workers' compensation coverage if, prior to the onset of the work:

- a. City provides advance written notice to CIS underwriting requesting the coverage,
- b. CIS approves the coverage and date of coverage, and
- c. CIS provides written confirmation of coverage.

8. Rosters

The City will maintain verifiable rosters for all volunteers including volunteer name, date of service, and hours of service and will make the rosters available at the time of a claim or audit to verify coverage.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June, 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June, 2018.

MAYOR

Approved as to Form:

CITY ATTORNEY

**Workers' Compensation Renewal
Boards, Commissions, Councils, and Committee NCII Code #8742V
2018 - 2019**

WC Volunteer Resolution Attachment A

Type of City Organization	Assumed Wage	Totals
City Council		
Mayor		
City Councilor Ward # 1		
City Councilor Ward # 1		
City Councilor Ward # 2		
City Councilor Ward # 2		
City Councilor Ward # 3		
City Councilor Ward # 3	2,500	2,500
Airport Commission	2,500	2,500
Audit Committee	2,500	2,500
Board of Appeals	2,500	2,500
Budget Committee	2,500	2,500
Advisory Board - Building Code	2,500	2,500
Citizen's Advisory Committee	2,500	2,500
Downtown Safety Task Force	2,500	2,500
Historic Landmarks Committee	2,500	2,500
Landscape Review Committee	2,500	2,500
McMinnville Urban Area Mgt Commission	2,500	2,500
McMinnville Urban Renewal Advisory Committee	2,500	2,500
Planning Commission	2,500	2,500
Affordable Housing Task Force	2,500	2,500
Total		\$ 35,000



McMinnville Fire Department

MEMORANDUM

TO: Jeff Towery, City Manager

FROM: Rich Leipfert, Fire Chief

DATE: June 26, 2018

RE: McMinnville Rural Fire Protection District (MRFPD) Contract Renewal Resolution

Attached are the Council Resolution and the contract for the Fire Service provided to the MRFPD. This contract includes a 3 percent increase from last year's contract. The contract allows for the City of McMinnville to provide fire protection services to the McMinnville Rural Fire Protection District in exchange for monetary compensation. The total remuneration for services outlined in the 2018 – 2019 contract are \$375,619.

The MRFPD Board has their final meeting to approve the contract on 6/26/2018.

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT, authorized by ORS 190.010, is made this ____ day of June, 2018, by and between the CITY OF MCMINNVILLE, an Oregon municipal corporation, hereinafter referred to as “CITY”, and the MCMINNVILLE RURAL FIRE PROTECTION DISTRICT (MRFPD), an Oregon municipal corporation, hereinafter referred to as “DISTRICT”, the promises and agreements of each being in consideration of the promises and agreements of the other.

The parties agree as follows:

1. **Term:** The term of this Agreement is one (1) year, beginning on the 1st day of July, 2018 and ending on the 30th day of June, 2019.
2. **Scope of Services:**
 - A. The CITY agrees to provide fire protection throughout the DISTRICT, as required. In providing fire protection throughout the DISTRICT, the CITY, through its Fire Department, shall:
 1. Provide fire suppression throughout the DISTRICT.
 2. Provide the use of available pumpers, tenders and ladder equipment, and all other necessary equipment, as well as sufficient personnel to operate said apparatus, subject to the condition that reasonably sufficient apparatus and personnel shall remain within the CITY to assure adequate fire protection to the CITY. If the demands of the DISTRICT exceed the available apparatus and personnel which the CITY can provide, the CITY agrees to invoke then current mutual aid agreements as may be necessary to supplement the CITY’S apparatus and personnel.
 3. Review building and construction plans within the DISTRICT.
 - a. Request that Yamhill County submit all plans for new developments/construction in the DISTRICT requiring a “fire-and-life-safety” plan check to CITY for review. Plans will be reviewed for fire access, fire-flow, built-in-fire protection, road grades, and other fire code issues.
 - b. Perform field inspections to ensure new development and construction is accomplished in accordance with reviewed plans as regards those items listed in (3)(a) above.
 4. Investigate all fires within the DISTRICT to determine cause.
 5. Initiate and sustain a program of study, reasonably calculated to result in the formulation and necessary revision of operating procedures necessary to maintain a high level of fire protection within the DISTRICT.
 6. Review and propose fire codes and ordinances for adoption by the DISTRICT.

7. Investigate all fire code complaints; perform on-site inspection to determine validity of complaint.
8. Perform inspections as required by a priority plan adopted by the DISTRICT and agreed to by the CITY. Conduct home fire-safety inspections upon request.
9. Enforce codes, ordinances, and regulations adopted by the DISTRICT, including the assessment and collection of fees in accordance with Code Enforcement Fee Schedule adopted by DISTRICT.
10. Maintain, for the DISTRICT, adequate records of activity as may be required by the Insurance Services Office and the Oregon State Fire Marshal.
11. Participate in mutual aid agreements with the fire protection districts which are contiguous with the MRFPD and establish and maintain an automatic aid agreement in areas in which service might be improved by such an agreement, so long as it is in the best interests of all parties to do so.
12. Subject to the provisions of Section 2A of this agreement, the CITY shall maintain and operate an adequate fire protection service in the DISTRICT. CITY shall use due diligence to maintain continuous and uninterrupted service. Under no circumstances is the CITY liable to the DISTRICT for interruption or failure of service caused by acts of nature, unavoidable accident, or other circumstances beyond the control of the CITY through no fault of its own.
13. The CITY shall operate the fire protection program authorized by this Agreement twenty-four (24) hours per day, seven (7) days per week.
14. The CITY shall take all reasonable steps to maintain all of its trucks, equipment and the entire system in a good state of repair, and shall at all times conduct its operation under this Agreement in a safe and professional manner so as not to present a danger to the public or DISTRICT.
15. The CITY shall consider the needs of the DISTRICT when designing and purchasing fire apparatus, with specific regard to hill climbing ability, maneuverability, foam production and compatibility with rural fire applications.
16. The DISTRICT shall have the right to use the CITY Fire Department conference room for the DISTRICT'S regularly scheduled meetings, as well as specially scheduled meetings, given sufficient advance notice.
17. The CITY shall assist the Board of the DISTRICT in recommending the site for and development of future station needs as may be required in the DISTRICT.
18. The CITY shall provide public education as follows:
 - a. Conduct a Fire Prevention Open House each October, with announcement flyers sent to all students in all schools in the MRFPD area, including private schools.
 - b. Solicit opportunities to give fire safety education programs to all DISTRICT neighborhood associations on an annual basis.

- c. Mail out one newsletter per year to all rural district residents with pertinent fire safety information.
19. The CITY shall provide fire suppression training and provide for fire suppression preparedness as follows;
- a. Equip all operations personnel with wild land fire fighting apparel.
 - b. Conduct training for all personnel in wild land fire behavior and urban/forest interface strategy and tactics prior to fire season.
 - c. Identify locations throughout the DISTRICT where water supply might be established or improved.
 - d. Train on rural water supply operations, with surrounding rural districts, to reduce turnaround time and improve water supply procedures in rural area.
 - e. Maintain a supply of forestry type fire suppression foam.
 - f. Develop a countywide major fire event plan to be implemented as a component of the City's and County's disaster plan.
 - g. Maintain nominal staffing (call back) and situation status management plan to ensure adequate fire defense resources in the event of simultaneous responses which may deplete on-duty resources.
- B. The DISTRICT agrees that the CITY shall not be required to duplicate those efforts or services regularly provided by other governmental agencies; nor shall the CITY be required to provide any services which are, by law, reserved for another government agency.
- C. The CITY agrees to provide the DISTRICT with regular reports based on the fire protection services provided in Section 2A (see above) of this Agreement. Also, a copy of the annual audit of the City of McMinnville shall be provided to the DISTRICT. The DISTRICT agrees to provide a copy of the annual audit of the DISTRICT to the CITY.
- D. The CITY shall keep the DISTRICT informed of all new developments, issues or concerns affecting the fire operations of the CITY as they may relate to the DISTRICT. The CITY shall endeavor to notify the DISTRICT in advance of any public announcement concerning this Agreement that is to be made. The DISTRICT shall endeavor to notify the CITY of any developments or uses concerning the Agreement in advance of any public announcement on the subject.
- E. At all times during the term of this Agreement, the CITY and DISTRICT shall comply with all applicable laws, ordinances, rules and regulations of the United States of America and the State of Oregon, including all agencies and subdivisions thereof.
- F. The City agrees to support and defend the MRFPD where the MRFPD has taken action to implement rules and or ordinances at the request of, or when benefit accrues to, the City.

3. **Compensation:** The DISTRICT agrees to pay the CITY during the term of this Agreement the sum of \$375,617 for fire protection during fiscal year 20178-2019. In addition, as additional compensation, the CITY shall retain all fees collected by the CITY related to the Code Enforcement Fee Schedule adopted by DISTRICT.

- A. The CITY and DISTRICT shall retain the right to renegotiate the service level and/or service cost as of the 30th day of June, 20179, by giving 180 days' prior written notice to the other party (see Sections 4 and 5).
- B. The DISTRICT agrees to make payments to the CITY according to the following schedule unless these funds are not made available by the county tax collector.

<u>Payment #</u>	<u>Due Date</u>	<u>Amount</u>
1	Dec. 15	\$ 187,809
2	Mar. 15	\$ 93,904
3	June 15	\$ 93,904

- C. The DISTRICT agrees that it will levy taxes during the term of this Agreement sufficient to provide the payments required to be made to the CITY during this Agreement.
- D. It is understood and agreed by the parties that no director, officer or other representative of the DISTRICT shall be individually liable for any payments due to the CITY.
- E. If, as a result of the tax limitation, the CITY is unable to provide the level of service described in Section 2 above, or the DISTRICT is unable to pay for the current level of services, then the parties agree to renegotiate in good faith the amount of compensation to be paid to the CITY for the services provided.
- F. It is understood that while this agreement is in place that the City will not bill for motor vehicle accident "Fire Fees" to residents of the McMinnville Rural Fire Protection District.
4. **Future Fee Increases:** The CITY and DISTRICT agree that the fee for each future year will be increased three percent per annum. The parties agree to enter into negotiations regarding a change in the three percent increase or any other change in the fee when requested by either party so long as said request to negotiate is given not less than 180 days prior to the expiration of the Agreement. In the event negotiations have not been completed by June 30, 2019, the CITY may decline to provide the services described in Section 2 of this Agreement.
5. **Renegotiation/Termination/Renewal:** This Agreement shall be renewed unless CITY or DISTRICT gives written notice to the other party 180 days prior to the expiration of this Agreement, informing the other party that the notice-giving party wishes to renegotiate the terms of the Agreement or to terminate the Agreement.

- A. If notification of the intent to renegotiate this Agreement has been given, the parties agree that, prior to June 30, 2019, they will negotiate in good faith concerning the terms of this Agreement.
- B. If the DISTRICT has notified the CITY of its intent to renegotiate this Agreement and a successful renegotiation has not been completed before June 30, 201, this Agreement shall be automatically extended for 90 days to allow continuing negotiations. This Agreement may be extended further by mutual agreement for additional increments of up to 90 days each.
- C. If notification of the intent to terminate this Agreement has been given, the Agreement shall terminate on the 30th day of June 2019. If both parties agree in writing, a termination pursuant to this section may be effective at an earlier date.

6. **Rules of Construction/Interpretation:**

- A. Unless otherwise specifically prescribed in this Agreement , the following provisions shall govern its interpretation and construction:
 - 1. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number.
 - 2. Time is of the essence of this Agreement. Neither the CITY nor the DISTRICT shall be relieved of its obligation to comply promptly with any provisions of this Agreement by any failure of the other party to enforce prompt compliance with any of its provisions.
 - 3. Every duty and every act to be performed by either party imposes an obligation of good faith on the party to perform such.
- B. All notices, reports or demands required to be given in writing under this Agreement shall be deemed to be given a) when delivered personally to the person designated below, or b) when three (3) days have elapsed after it is deposited in the United States mail in a sealed envelope, registered or certified mail, postage prepaid, or c) on the next business day when sent by express mail, all addressed to the party to whom the notice is being given:

Fire Chief Rich Leipfert,
 City of McMinnville,
 175 NE First St,
 McMinnville, Oregon 97128

Steve Leonard
 Chairman, McMinnville Rural Fire Protection District,
 175 NE First St,
 McMinnville, Oregon 97128

- C. Neither the CITY nor the DISTRICT shall be relieved of its obligation to comply with any of the provisions of this Agreement by reason of any failure of the other party to enforce prompt compliance.
 - D. The paragraph captions and headings in this Agreement are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
 - E. For purposes of determining time of performance, time shall be computed so as to exclude the first and include the last day of the prescribed period of time. When the last day of the period falls on Saturday, Sunday or a legal holiday, the next working day shall be construed to be the last day of the prescribed period.
 - F. None of the provisions of this Agreement shall be construed to create in the DISTRICT any right, interest or ownership in any real or personal property used by the CITY for the performance of this Agreement.
7. **Hold Harmless:** The parties agree that neither the CITY nor any of the CITY'S officers, agents, representatives, employees or volunteers shall be liable to the DISTRICT, or any owner within the DISTRICT, or any other person, for any claim for injury or damage or any loss or expense growing out of or resulting directly or indirectly from the performance of this Agreement, including but not limited to, a claim for alleged failure to provide fire fighting or fire protection apparatus or services, or for court costs and attorneys' fees (including an appeal filed in connection with any legal proceedings arising out of this Agreement).
8. **Discrimination:** The parties agree not to discriminate on the basis of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation or source of income in the performance of this Agreement.
9. **Waiver of Breach:** A waiver of any breach of any provision of this Agreement by either party shall not operate as a waiver of any subsequent breach of the same or any other provision of this Agreement.

City of McMinnville
an Oregon Municipal
Corporation

McMinnville Rural Fire
Protection District, an
Oregon Municipal Corporation

By: _____
Scott Hill, Mayor

By: _____
Steve Leonard, Chairman

Date: _____

Date: _____

Approved as to form:

David Koch, City Attorney

RESOLUTION NO. 2018-35

A Resolution providing for and approving a form of contract by and between the City of McMinnville, Oregon and the McMinnville Rural Fire Protection District.

RECITALS:

The present contract between the City of McMinnville and the McMinnville Rural Fire Protection District (MRFPD) expires June 30, 2018, and it is necessary that a new contract be executed. The new contract will be in full force and effect for a period up to and including June 30, 2019.

The City of McMinnville and the McMinnville Rural Fire Protection District have mutually agreed to the renewal of the fire protection service contract. This year we have agreed to a five percent increase.

The City of McMinnville has the necessary equipment to furnish rural fire protection to the area surrounding and adjacent to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. That a contract prepared by the City Attorney, and submitted to the Council of the City of McMinnville on the 28th day of June 2018, be entered into by and between the City of McMinnville and the McMinnville Rural Fire Protection District for the period July 1, 2018 through June 30, 2019. The contract provides that the City shall furnish fire protection to the District and the inhabitants of the District. The contract, in the amount of \$375,619.00, is hereby approved and accepted as submitted. Payment shall be made as follows:

\$187,809.00 by December 15, 2018

\$ 93,904.00 by March 15, 2019

\$ 93,904.00 by June 15, 2019
2. The Mayor is hereby authorized and directed to execute the contract in duplicate and to deliver one executed copy thereof to the McMinnville Rural Fire Protection District and to retain one executed copy thereof to be kept on file in the office of the City Recorder.
3. This Resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to Form:

CITY ATTORNEY



Discussion:

Oregon Local Budget Law allows a local government to prepare a supplemental budget when an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning (ORS 294.471). The governing body must adopt a resolution to adopt the supplemental budget and make any necessary appropriations. If the supplemental budget will increase a fund's expenditures by more than 10 percent, a public hearing must be held by the governing body and public comment must be taken before adoption of the supplemental budget.

Resolution 2018-36 proposes a supplemental budget for the Telecommunications Fund. A supplemental budget is necessary to allow disbursement of higher than anticipated telecommunication fee revenues received in 2017-2018. Materials and services expenditures are increased by a total of \$12,000 to allow disbursement of the unanticipated cable franchise fees and public, education, and governmental (PEG) access fees to McMinnville Community Media (MCM), as provided for in the City's agreement with MCM.

Because the supplemental budget increases expenditures by \$12,000, which exceeds 10 percent of total expenditures in the Telecommunications Fund, the Council is required to hold a public hearing and take public comment prior to adopting the supplemental budget. As required by 294.473, a public hearing will be held at the June 26, 2018 City Council meeting. Appropriate notice of the public hearing was published.

Attachment:

Resolution No. 2018-36, a Resolution adopting a supplemental budget for fiscal year 2017-2018 and making supplemental appropriations

Action:

A motion is needed to approve Resolution No. 2018-36.

RESOLUTION NO. 2018-36

A Resolution adopting a supplemental budget for fiscal year 2017-2018 and making supplemental appropriations

RECITAL:

Oregon Local Budget Law allows a local government to prepare a supplemental budget when an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning (ORS 294.471). The governing body must adopt a resolution to adopt the supplemental budget and make any necessary appropriations. If the supplemental budget will increase a fund's expenditures by more than 10 percent, a public hearing must be held by the governing body and public comment must be taken before adoption of the supplemental budget.

This resolution proposes a supplemental budget for the Telecommunications Fund. A supplemental budget is necessary to allow disbursement of higher than anticipated telecommunication fee revenues received in 2017-2018. Materials and services expenditures are increased by a total of \$12,000 to allow disbursement of the unanticipated cable franchise fees and public, education, and governmental (PEG) access fees to McMinnville Community Media (MCM), as provided for in the City's agreement with MCM.

Because the supplemental budget increases expenditures by \$12,000, which exceeds 10 percent of total expenditures in the Telecommunications Fund, the Council is required to hold a public hearing and take public comment prior to adopting the supplemental budget. As required by 294.473, a public hearing will be held at the June 26, 2018 City Council meeting. Appropriate notice of the public hearing was published.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. **Adopt the following Supplemental Budget:** The Common Council of the City of McMinnville adopts the following Supplemental Budget for 2017-2018 in the Telecommunications Fund.
2. **Make Supplemental Appropriations:** The additional appropriations for fiscal year 2017-2018 are hereby appropriated as follows:

Telecommunications Fund resources and requirements are increased due to the unanticipated receipt of additional telecommunications fees in fiscal year 2017-2018.

<u>Telecommunications Fund:</u>	<u>Adopted Budget</u>	<u>Budget Adjustment</u>	<u>Amended Budget</u>
Resources:			
Beginning Fund Balance	\$ 1,767	-	\$ 1,767
Licenses and Permits	243,785	12,000	255,785
Miscellaneous	100	-	100
Total Resources	<u>\$ 245,652</u>	<u>12,000</u>	<u>\$ 257,652</u>

Requirements:

Materials & Services	\$ 243,785	12,000	255,785
Contingencies	1,450	-	1,450
Ending Fund Balance	<u>417</u>	<u>-</u>	<u>417</u>
Total Requirements	<u>\$ 245,652</u>	12,000	<u>\$ 257,652</u>

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nayes: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to form:

CITY ATTORNEY



Discussion:

Oregon Revised Statute (ORS) 294.463 allows a governing body to authorize a transfer of appropriation authority after a budget has been adopted by passing a resolution or ordinance. Transfers may be made between appropriation categories in the same fund. Resolution 2018-37 transfers appropriation authority from the General Fund, Fire Department to the General Fund, Library and Finance Departments, due to unanticipated personnel services expenditures in the those Departments.

In April 2018, the decision was made to fund all general service employees' Voluntary Employees Beneficiary Association (VEBA) plan accounts in an amount equal to 100 percent of the employee's annual health insurance deductible. (A VEBA plan is a type of tax-exempt trust which is used by employees to pay eligible, out-of-pocket medical expenses.) Previously, general service employees' VEBA accounts were funded equal to 50 percent of the employees' deductible. Increasing VEBA contributions for general service employees provided equity between the VEBA benefit for non-represented general service employees and Fire union members.

The higher VEBA contributions were not anticipated when the 2017-2018 budget was adopted. In the Library and Finance Departments there may not be sufficient savings to absorb the additional VEBA contribution costs and, therefore, this resolution transfers additional appropriation authority to the personnel services categories in those Departments.

Resolution 2018-37 transfers appropriation authority from the General Fund, Fire Department in an amount equal to the additional VEBA expenditures in the Library and Finance Departments. Appropriation authority is available in the Fire Department due to the supplemental budget adopted by the City Council on May 22, 2018, which increased appropriations in the Fire Department to cover unanticipated costs incurred from the Fire Department's response to wildfire conflagrations. The entire amount of the increase in appropriations was not needed to cover the additional conflagration costs.

Attachment: Resolution No. 2018-37, a Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018

Action: A motion is needed to approve Resolution No. 2018-37.

RESOLUTION NO. 2018-37

A Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018

RECITAL:

Oregon Revised Statute (ORS) 294.463 allows a governing body to authorize a transfer of appropriation authority after a budget has been adopted by passing a resolution or ordinance. Transfers may be made between appropriation categories in the same fund.

This resolution transfers appropriation authority from the General Fund, Fire Department to the General Fund, Library and Finance Departments, due to unanticipated personnel services expenditures in the Library and Finance Departments.

In April 2018, the decision was made to fund all general service employees' Voluntary Employees Beneficiary Association (VEBA) plan accounts in an amount equal to 100 percent of the employee's annual health insurance deductible. (A VEBA plan is a type of tax-exempt trust which is used by employees to pay eligible, out-of-pocket medical expenses.) Previously, general service employees' VEBA accounts were funded equal to 50 percent of the employees' deductible. Increasing VEBA contributions for general service employees provided equity between the VEBA benefit for non-represented general service employees and Fire union members.

The higher VEBA contributions were not anticipated when the 2017-2018 budget was adopted. Many departments were able to absorb the additional cost in their existing budgets with savings from position vacancies or lower than anticipated materials and services expenditures. However, in the Library and Finance Departments there may not be sufficient savings to absorb the additional VEBA contribution costs and, therefore, this resolution transfers additional appropriation authority to the personnel services categories in those Departments.

This resolution transfers appropriation authority from the General Fund, Fire Department in an amount equal to the additional VEBA expenditures in the Library and Finance Departments. Appropriation authority is available in the Fire Department due to the supplemental budget that was adopted by the City Council on May 22, 2018. The supplemental budget was necessary due to costs incurred by the Fire Department when responding to wildfire conflagrations in Oregon and California. The supplemental budget increased appropriations in the Fire Department to cover those unanticipated costs. The entire amount of the increase in appropriations was not needed to cover the additional conflagration costs.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, that the following transfer of appropriation authority under the fiscal year 2017-2018 City of McMinnville Amended Budget is hereby made, as follows:

The following emergency need exists in the **General Fund, Library and Finance Departments**:

1. Increase appropriation authority in the **General Fund, Library and Finance Departments** personnel services categories due to unanticipated cost of additional contributions to general services employees' VEBA accounts.
2. Decrease appropriation authority in the **General Fund, Fire Department** in the materials and services category from available appropriations.

<u>GENERAL FUND:</u>	<u>Amended Budget</u>	<u>Budget Adjustment</u>	<u>Amended Budget</u>
Requirements:			
Administration	1,173,438		1,173,438
Finance	764,389	6,500	770,889
Engineering	1,035,290		1,035,290
Planning	771,172		771,172
Police	8,246,883		8,246,883
Municipal Court	515,651		515,651
Fire	3,253,631	(15,000)	3,238,631
Parks and Recreation	2,714,181		2,714,181
Park Maintenance	1,176,863		1,176,863
Library	1,600,625	8,500	1,609,125
Non-Departmental (Not Allocated to Department or Program)			
Debt Service	423,775		423,775
Transfers Out to Other Funds	2,059,242		2,059,242
Operating Contingencies	900,000		900,000
Ending Fund Balance	2,663,147		2,663,147
Total Requirements	\$ 27,298,287	\$ ----	\$ 27,298,287

This Resolution will take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nayes: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to form:

CITY ATTORNEY



Discussion:

Oregon Revised Statute (ORS) 294.436(1) allows a governing body to authorize a transfer of appropriation authority after a budget has been adopted by passing a resolution or ordinance. Transfers may be made from an operating contingency appropriation to the appropriation category from which it will be expended.

Resolution 2018-38 transfers appropriations from Ambulance Fund contingency to Ambulance Fund personnel services and materials and services categories.

Due to unexpected vacancies in firefighter positions and absences due to medical leave, overtime costs for shift coverage have been higher than anticipated in 2017-2018. A transfer of \$20,000 from contingency to personnel services is necessary due to the unanticipated additional cost of overtime.

In addition, a transfer of \$75,000 from contingency to the materials and services category is necessary due to higher than anticipated ambulance revenue "write-off" expenses. Due to a personnel shortage in the Ambulance Billing Department, the amount of the ambulance accounts receivable had increased to \$1.8 million in July 2017. Since that time, additional staffing has contributed to reducing the receivable to \$1.4 million. The reduction in the receivable is partially due to identifying uncollectable accounts, which were "written off" and sent to a credit collection agency, resulting in an unanticipated increase in "write off" expenses in 2017-18. "Write off" expenses in 2016-17 were significantly lower than expected, reflecting that the increase in 2017-18 is related to the timing of the "write offs" and not an overall reduction in net revenue.

Therefore, it is necessary to transfer a total of \$95,000 in appropriation authority, as allowed in ORS 294.436(1), from the Ambulance Fund operating contingency appropriation, with \$20,000 to the Ambulance Fund personnel services and with \$75,000 to the materials and services category.

Attachment: Resolution No. 2018-38, a Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018

Action: A motion is needed to approve Resolution No. 2018-38.

RESOLUTION NO. 2018-38

A Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018

RECITAL:

Oregon Revised Statute (ORS) 294.463 allows a governing body to authorize a transfer of appropriation authority after a budget has been adopted by passing a resolution or ordinance. Transfers may be made from an operating contingency appropriation to the appropriation category from which it will be expended.

This resolution transfers appropriations from Ambulance Fund contingency to Ambulance Fund personnel services and materials and services categories.

Due to unexpected vacancies in firefighter positions and absences due to medical leave, overtime costs for shift coverage have been higher than expected in 2017-2018. A transfer of \$20,000 from contingency to personnel services is necessary due to the unanticipated additional cost of overtime.

In addition, a transfer of \$75,000 from contingency to the materials and services category is necessary due to higher than anticipated ambulance revenue "write-off" expenses. Due to a personnel shortage in the Ambulance Billing Department, the amount of the ambulance accounts receivable had increased to \$1.8 million in July 2017. Since that time, additional staffing has contributed to reducing the receivable to \$1.4 million. The reduction in the receivable is partially due to identifying uncollectable accounts, which were "written off" and sent to a credit collection agency, resulting in an unanticipated increase in "write off" expenses in 2017-2018. "Write off" expenses in 2016-17 were significantly lower than expected, reflecting that the increase in 2017-18 is related to the timing of the "write offs" and not an overall reduction in net revenue.

Therefore, due to higher than expected expenses in 2017-2018, it is necessary to transfer a total of \$95,000 in appropriation authority, as allowed in ORS 294.436(1), from the Ambulance Fund operating contingency appropriation, with \$20,000 to the Ambulance Fund personnel services and with \$75,000 to the materials and services category.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, OREGON that the following transfer of appropriation authority under the fiscal year 2017-2018 City of McMinnville Amended Budget is hereby made, to wit:

The following emergency need exists in the **AMBULANCE FUND**:

In the PERSONNEL SERVICES category due to unanticipated overtime costs for shift coverage.

In the MATERIALS & SERVICES category due to higher than anticipated "write off" expense.

<u>AMBULANCE FUND:</u>	<u>Amended Budget</u>	<u>Budget Adj ustment</u>	<u>Amended Budget</u>
Emergency Medical Services	4,572,617	95,000	4,667,617
Transfers Out to Other Funds	325,092	-	325,092
Operating Contingencies	300,000	(95,000)	205,000
Requirements	\$ <u>5,197,709</u>	\$ <u>-</u>	\$ <u>5,197,709</u>

This resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to form:

CITY ATTORNEY



McMinnville Fire Department

M E M O R A N D U M

TO: Jeff Towery, City Manager

FROM: Rich Leipfert, Fire Chief

DATE: June 26, 2018

RE: Ambulance Rate Increase Resolution

Ambulance rate recovery from Medicare and Medicaid continues to be below the actual costs of providing service. While there may be some relief on the horizon in this matter through the Ground Emergency Medical Transportation project, a cost of living adjustment is warranted to assist in offsetting some of the general fund support for the ambulance service.

Staff is recommending a 3.6% increase as outlined in the resolution. The increase will raise resident rates from \$1,722 to \$1,784 and nonresident rates from \$1,938 to \$2,008. There will also be a mileage rate increase from \$24 per mile to \$25 per mile. It also sets the Medical aid rate at \$504 and Specialty Care Transports at \$2,390.

RESOLUTION NO. 2018-39

A Resolution adopting a new fee schedule for ambulance services
aproveided by the City of McMinnville and repealing Resolution No. 2017-45

RECITALS:

Generally, it has been the City's policy to increase ambulance rates each year by the amount of the Consumer Price Index (CPI) increase for the Portland-Salem metro area. This aligns rates with the increase in the cost of providing ambulance services. Raising rates each year also helps avoid the need to impose significant rate increases to "catch up" for years when ambulance rates were not increased. The CPI increase for ambulance rates which is applicable to the 2018 – 2019 fiscal year is 3.6 percent.

In addition, reimbursements from the state and federal government for ambulance services provided by the City continue to be substantially less than the cost of providing ambulance services.

Therefore, it is appropriate to raise rates for ambulance services to enable the City to meet the requirements for providing emergency ambulance services for the City's Ambulance Service Area (ASA) and to minimize General Fund support of the ambulance service.

The following emergency ambulance service fee schedule is submitted for adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL
OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. The fee schedule for ambulance service shall be as follows:

Base rate for each call:

<u>Within City:</u>	Advance life support	\$1,784.00
	Basic life support	\$1,784.00

<u>Outside City:</u>	Advance life support	\$2,008.00
	Basic life support	\$2,008.00

<u>Transfers:</u>	Specialty Care Transport	\$2,390.00
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<u>Medical Aid:</u>		\$ 504.00
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<u>Mileage:</u>		\$ 25.00
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<u>Time Pay Contract Monthly Fee:</u>		\$5.00
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Waiting Time: \$100 per hour or fraction thereof.

All medications and nonreusable supplies are included in base rate.

2. The fee schedule for Fire Med subscriptions shall be as follows:

Within City: \$70 per family

Outside City: \$90 per family

3. Resolution No. 2017-45 is hereby repealed in its entirety.

4. This Resolution shall take effect July 1, 2018, and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to Form:

CITY ATTORNEY



DATE: June 26, 2018
TO: Jeff Towery, City Manager
FROM: Marcia Baragary, Finance Director
SUBJECT: Resolution Adopting Fiscal Year 2018 – 2019 Budget

Discussion:

Oregon Revised Statute (ORS) 294.456 requires the governing body of the local government to enact a resolution adopting the budget for each fiscal year. Resolution 2018-40 adopts the 2018-2019 budget for the fiscal year beginning July 1, 2018, makes appropriations, imposes property taxes, and categorizes property taxes.

ORS 294.456 allows the governing body to make certain changes to the budget that was approved by the budget committee. If the total increase in expenditures in a fund does not exceed 10 percent of the fund expenditures, a public hearing is not required. However, if the total increase in expenditures exceeds 10 percent, the governing body must publish notice of a second budget hearing and a new financial summary, and hold the second hearing before the adjusted budget can be adopted.

As presented, the Resolution adopting the 2018-2019 Budget includes the following changes:

Increase in appropriations in 2018-2019 Budget due to 2017-2018 projects carried forward to 2018-2019

- *Transportation Fund* – Total increase of \$1,352,100 in professional services and capital outlay appropriations for bond related projects, including Hill Road, Old Sheridan Road, 2nd Street, 5th Street, and 1st and 2nd Street pedestrian improvements
 - *The increase of \$1,352,100 in Transportation Fund expenditures exceeds the 10 percent limitation and a budget hearing is required prior to budget adoption. As required by ORS 294.456 a notice of a budget hearing and revised financial summary were published and a budget hearing will be held at the June 26, 2018 City Council meeting.*
- *Wastewater Capital Fund* – Total increase of \$480,000, with \$60,000 for major equipment replacement at the Water Reclamation Facility (WRF) and pump stations and with \$420,000 for capital outlay appropriations for I&I reduction projects
 - *Total increase of \$480,000 in Wastewater Capital Fund expenditures does not exceed 10 percent limitation; no budget hearing is required.*

Increase in personnel services appropriations for 2018-2019 Budget

- *General Fund, Park and Recreation Department* – Increase in Aquatic Center personnel services expenditures by \$3,113; position has been reclassified due to significant change in duties
- *General Fund, Library Department* – Increase in Library Department personnel services expenditures by \$50,324 due to increasing Library open hours from 45 hours per week to 50 hours per week
 - *Total increase of \$53,437 in General Fund expenditures does not exceed 10 percent limitation; no budget hearing is required.*

Attachment: Resolution No. 2018-40, A Resolution adopting the budget for the fiscal year beginning July 1, 2018, making appropriations, imposing property taxes, and categorizing property taxes

Action: City Council approval of Resolution No. 2018-40.

RESOLUTION NO. 2018 - 40

A Resolution adopting the budget for the fiscal year beginning July 1, 2018; making the appropriations; imposing the property taxes; and categorizing the property taxes.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, OREGON, as follows:

1. Adopting the Budget: The City Council for the City of McMinnville hereby adopts the budget for 2018 - 2019, now on file at City Hall, 230 NE Second Street, McMinnville, Oregon, as approved by the Budget Committee and amended by the City Council, in the sum of **\$ 111,996,208**

2. Making Appropriations: The amounts for the fiscal year beginning July 1, 2018 are for the purposes shown below and are hereby appropriated as follows:

General Fund

Administration	1,463,991
Finance	805,929
Engineering	1,091,207
Planning	1,502,007
Police	8,434,582
Municipal Court	539,655
Fire	3,423,104
Parks & Recreation	2,949,569
Park Maintenance	1,328,774
Library	1,678,331
Not Allocated to Organizational Unit or Program:	-
Debt Service	675,172
Transfers Out To Other Funds	2,182,508
Operating Contingencies	900,000
Total General Fund Appropriation \$	26,974,829

Special Assessment Fund

Community Assessments	72,300
Transfers Out To Other Funds	6,540
Operating Contingencies	20,000
Total Special Assessment Fund Appropriation \$	98,840

Transient Lodging Tax Fund

Tourism Promotion and Programs	834,441
Transfers out to Other Funds	375,375
Operating Contingencies	238,396
Total Transient Lodging Tax Fund Appropriation \$	1,448,212

Telecommunications Fund

Public Education Access	245,000
Operating Contingencies	1,450

Total Telecommunications Fund Appropriation \$ 246,450

Emergency Communications Fund

911 Emergency Communications	863,916
Operating Contingencies	75,000

Total Emergency Communications Fund Appropriation \$ 938,916

Street (State Gas Tax) Fund

Street Maintenance and Improvements	1,937,692
Transfers Out To Other Funds	828,694
Operating Contingencies	250,000

Total Street (State Gas Tax) Fund Appropriation \$ 3,016,386

Airport Maintenance Fund

Airport Maintenance and Operations	431,833
Transfers Out To Other Funds	125,619
Operating Contingencies	300,000

Total Airport Maintenance Fund Appropriation \$ 857,452

Transportation Fund

Street Capital Improvements	7,521,800
Debt Service	201,248
Transfers Out To Other Funds	173,824
Project Contingencies	500,000

Total Transportation Fund Appropriation \$ 8,396,872

Park Development Fund

Park Acquisition and Improvements	1,642,388
Transfers Out To Other Funds	54,723
Project Contingencies	257,453

Total Park Development Fund Appropriation \$ 1,954,564

Debt Service Fund

General Obligation Bond Debt Service	3,731,138
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Total Debt Service Fund Appropriation \$ 3,731,138

Building Fund

Building Plan Review and Inspection	706,304
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Transfers Out To Other Funds	79,151
Operating Contingencies	75,000
Total Building Fund Appropriation	\$ 860,455

Wastewater Services Fund

Administration	659,790
Plant	1,861,209
Environmental Services	526,925
Conveyance Systems	794,221
Transfers Out To Other Funds	6,780,115
Operating Contingencies	300,000

Total Wastewater Services Fund Appropriation \$ 10,922,260

Wastewater Capital Fund

Sewer Capital Improvements	8,636,100
Transfers Out To Other Funds	458,203
Project Contingencies	500,000

Total Wastewater Capital Fund Appropriation \$ 9,594,303

Ambulance Fund

Emergency Medical Services	5,051,158
Transfers Out To Other Funds	366,015
Operating Contingencies	300,000

Total Ambulance Fund Appropriation \$ 5,717,173

Information Systems & Services Fund

Information Technology Services	1,134,823
Operating Contingencies	65,000

Total Information Systems & Services Fund Appropriation \$ 1,199,823

Insurance Services Fund

Property, Liability and Workers Compensation Insurance	1,034,400
Transfers Out To Other Funds	226,706
Operating Contingencies	150,000

Total Insurance Services Fund Appropriation \$ 1,411,106

Total Appropriations, All Funds

\$ 77,368,779

Total Unappropriated and Reserved Amounts, All Funds 34,627,429

Total Adopted Budget

111,996,208

3. Imposing & Categorizing Property Taxes: The City Council for the City of McMinnville hereby imposes the property taxes provided for in the Adopted Budget at the

rate of \$5.0200 per \$1,000 of assessed value for general operations and in the amount of \$3,980,326 for general obligation bond debt service; and that these taxes are hereby imposed and categorized for tax year 2018 - 2019 upon the assessed value of all taxable property within the City.

	Subject to General Government Limitation	Excluded from General Government Limitation
General Fund	\$5.0200 / \$1,000	
General Obligation Bond Debt Service Fund		3,980,326
Category Totals	\$5.0200 / \$1,000	3,980,326

This resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June 2018.

MAYOR

Approved as to form:

CITY ATTORNEY

STAFF REPORT

DATE: June 26, 2018
TO: Mayor and City Council
FROM: Jeff Towery, City Manager
SUBJECT: City Manager Contract Update

Report in Brief:

This item reflects the consensus of the Mayor and City Council following the one year evaluation of the City Manager.

Background:

During the March 27, 2018 Regular Council Meeting, the City Council met in open session to review and discuss the results of the City Manager's one year performance evaluation. At the conclusion of that meeting, a number of prospective amendments to the City Manager's contract were identified for follow up.

Discussion:

The proposed amended agreement includes several changes:

- Clarification of reporting relationships consistent with the FY18-19 Budget.
- An increase in vacation accrual to better reflect career experience.
- A change in mileage reimbursement.
- An increase in deferred compensation to better reflect the average benefit packages of comparable cities.

The FY18-19 Budget is built to reflect those items that have a budget impact. A legislative version of the contract is provided as part of the agenda packet. It includes all proposed amendments to the agreement as well as more detailed comments for the Council's review. The City Attorney has reviewed the proposed agreement.

Attachments:

Attachment 1: Amended City Manager Contract – Legislative Version

Attachment 2: Amended City Manager Contract – Final Version

Recommendation:

If the Council agrees that the proposed agreement reflects the will of the Council, a motion to authorize the Mayor to sign the agreement is in order.

EMPLOYMENT AGREEMENT

This Employment Agreement ~~is was~~ entered into ~~this the~~ 14th day of February, 2017 ~~and amended this 26th day of June, 2018~~, by and between the City of McMinnville, Oregon, an Oregon municipal corporation (hereinafter referred to as "City") and Jeffrey Towery (hereinafter referred to as "City Manager").

Formatted: Superscript

The City and the City Manager wish to enter into a written Agreement creating a professional employment relationship. In consideration of the covenants set out in this Agreement and for the consideration specified in this Agreement, the City and the City Manager agree as follows:

SECTION I. EMPLOYMENT AND DUTIES.

- A. The City agrees to employ the City Manager and the City Manager agrees to accept City employment.
- B. The City Council expects the City Manager to adhere to the highest professional standards. His actions will always comply with those standards. He agrees to follow the Code of Ethics and Guidelines of the International City/County Management Association and the ethics rules, regulations, and laws of the State of Oregon.
- C. ~~The City Manager~~ shall have general supervision of the administrative affairs of the city and general control over all ~~nonselective~~~~nonelected~~ officers and employees of the city excepting those of the Water and Light Department ~~and~~ the Municipal Judge, ~~and the City Attorney~~, and shall perform such other duties as may be prescribed by the council.
- D. The City Council meets annually to establish and review the City's goals and objectives. Decisions and actions generated as a result of the goal setting sessions supplement the annual budgetary process and serve as a guide in the formulation of the budget. The City Manager will be responsible for pursuing the goals and objectives of the City Council and for providing quarterly reports to the City Council regarding the progress toward achieving the Council's goals and objectives.
- E. The City Manager job description is attached to this Agreement and incorporated by this reference.
- F. It is recognized that the City Manager must devote time outside of normal office hours to conducting business for the City. To that end, the City Manager will be allowed to establish an appropriate work schedule.

Commented [JT1]: This topic was addressed in the City Attorney's evaluation and included in the FY18-19 Budget.

SECTION II. TERM.

This Agreement will be effective as of the 15th day of February, 2017, and will continue until terminated.

- A. Nothing in this Agreement will prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the City Manager at any time, subject only to the provisions set forth in this Agreement.
- B. Nothing in this Agreement will prevent, limit, or otherwise interfere with the right of the City Manager to resign at any time, subject only to the provisions set forth in this Agreement.
- C. The City Manager agrees to remain in the exclusive employ of the City during the term of this Agreement.

SECTION III. TERMINATION AND SEVERANCE

- A. Termination without Cause by the City. This Agreement may be terminated at any time by a majority of the City Council for any reason whatsoever. If the City Manager is, at the time of termination, willing and able to continue performing the duties of City Manager, and if he executes and does not revoke a full release of claims in a form satisfactory to the City, the City will provide the City Manager with six months of severance pay and will also pay the City Manager's COBRA costs for up to six months for termination without cause. The severance pay will be subject to lawful withholding or deductions.
- B. Termination without Cause by the City Manager. This Agreement may be terminated by the City Manager for any reason whatsoever, upon ninety (90) calendar days written notice to the City. No severance will be paid in the case of a voluntary resignation.
- C. Termination for Cause. In the event of a for-cause termination, this Agreement shall not be deemed to waive statutory or constitutional rights or remedies otherwise available to the City Manager. The City Manager's employment with the City may be terminated immediately in the sole discretion of a majority of the City Council members upon the occurrence of any of the following events:
 - 1. The City Manager fails, refuses, or is unable to comply with the written policies, standards, and regulations of the City that are in existence at the time, or fails, refuses, or is unable to comply with any then-current state or federal laws;
 - 2. Dishonesty in any form;
 - 3. The City Council, after a thorough investigation, has reasonable cause to believe the City Manager has committed fraud, misappropriated City funds, goods, or services for the City Manager's own benefit, or other acts of misconduct that cause injury to the City or affect the City Manager's ability to perform his job; or
 - 4. The City Manager fails to perform his duties as City Manager faithfully and fully.

No severance will be paid in the case of a termination for cause.

- D. If the City reduces the salary or other financial benefits of the City Manager in a greater percentage than an applicable across the board reduction for other regular budgeted non-represented full time employees of the City, or if the City Manager resigns at the request of the City Council, then the City Manager may deem this Agreement to be involuntarily terminated without cause and he will be entitled to severance pay consistent with subsection A of this section.

SECTION IV. RESIDENCY.

The City Manager will reside within the City limits during the term of this Agreement.

SECTION V. PERFORMANCE EVALUATION.

A facilitated performance evaluation will be conducted after six months and after twelve months of employment. Subsequent facilitated evaluations will be conducted annually.

SECTION VI. SALARY, BENEFITS, AND MOVING EXPENSES.

- A. Salary. Starting with the first day of employment and continuing throughout the term of this Agreement, the City will pay the City Manager an annual salary of \$150,000. The salary will be paid to the City Manager at the same time as all regular budgeted non-represented full time employees of the City are paid. This salary may be adjusted from time to time, at the discretion of the City Council. The City Manager will receive the same cost of living adjustments that regular budgeted non-represented full time employees of the City receive.
- B. Vacation. The City Manager will be credited with forty (40) hours of vacation as of his first day of employment and will subsequently accrue vacation at the rate of a regular budgeted non-represented full time employee of the City with ~~eight twenty~~ one or more years of service: ~~currently 40.00~~ 13.33 hours per month. This rate will be increased as specified in the Employee Handbook in the same manner as used for other non-represented, regular budgeted, full time employees. All vacation hours will be accessible immediately. In the event employment with the City is terminated, either voluntarily or otherwise, the City Manager will be paid an amount equal to the value of the City Manager's accrued vacation hours. If the City Manager's employment is terminated either with cause or because of the City Manager's resignation within one year of the first day of the City Manager's employment by the City, the forty hours in the vacation bank will not be paid out to the City Manager or, if hours have been used, the City will offset those hours against the City Manager's final paycheck.
- C. Sick Leave. The City Manager will be credited with forty (40) hours of sick leave as of his first day of employment and will subsequently accrue sick leave at the same rate as other regular budgeted non-represented full time employees of the City: currently 8 hours per month. In the event employment with the City is terminated,

Commented [JT2]: This change acknowledges the duration of my career.

either voluntarily or otherwise, the City Manager will have unused sick leave applied toward PERS benefits, as allowed by state law.

- D. Management Leave. The City Manager will be credited with forty (40) hours of management leave as of his first day of employment. Management leave is provided to FLSA exempt City employees on an annual basis. It is granted each July 1. It is compensable only in the form of leave and is non-cumulative.
- E. Car Allowance. The City will compensate the City Manager \$500 per month for the use of the City Manager's private automobile. Travel beyond ~~seventy five (75)~~fifty (50) miles of the city limits will be reimbursed at normal City rates.
- F. Moving Expenses. In order to help defray the costs of relocation, the City will reimburse the City Manager for reasonable moving expenses and temporary living expenses in an amount up to, but not to exceed, \$15,000, upon presentation of receipts. In the event that the City Manager resigns his position or is terminated for cause within three years of his start date, the City Manager will repay all reimbursed funds on a prorated basis based on time of service, and the City Manager agrees that such amount may be withheld from his final paycheck.
- G. Except as otherwise provided in this Agreement and the Employee Handbook, the City Manager will receive the same benefits as other non-represented, regular budgeted, full time employees of the City.

Commented [JT3]: This change will better reflect the distance of work related travel that may require an overnight stay for multiple day events.

Commented [JT4]: This language was proposed to be eliminated during the evaluation since the move has been completed. Due to the pay back provision, it is recommended that the language remain until after the third year of employment.

SECTION VII. RETIREMENT, DEFERRED COMPENSATION, AND INSURANCE.

- A. Retirement. The City agrees to contribute into the Public Employees' Retirement System (PERS), on the City Manager's behalf, a percentage amount equal to the percentage given other non-represented, regular budgeted, full-time employees, and as consistent with state law.
- B. The City Manager will be eligible to participate in the City's deferred compensation program. If the City Manager elects to participate, the City will match all City Manager contributions to the deferred compensation program up to 5~~contribute 8%~~ of the City Manager's annual salary.
- C. Health Insurance. At the City Manager's option, the City agrees to provide coverage and make required premium payments for comprehensive medical, dental, and vision plans for the City Manager and his family. The City Manager will pay the same percentage of his coverage premium as do all non-represented, regular budgeted, full time City employees.
- D. Life Insurance. The City will provide, and make the premium payments for, the same long term disability and/or life insurance coverage for the City Manager as for all non-represented, regular budgeted, full time City employees.

Commented [JT5]: This change was discussed during the evaluation. Sean O'Day providing the following comment: Depending on what the Council is trying to achieve, it seems to me the best approach would be for the council to raise your deferred comp amount to a fixed 8% of your salary. That would bring you in line with the average on the total of salary + additional retirement benefit of the survey respondents, and also by going fixed vs a match you avoid the issue of busting the IRS tax cap (as matching up to 8% of your salary would exceed the IRS limitations of a 457 plan, which is \$18,500 for 2018, unless you are old enough to be in a catch up year, which I don't think you are).

SECTION VIII. PROFESSIONAL DEVELOPMENT, COMMUNITY INVOLVEMENT, AND EXPENSE.

- A. The City will pay for the City Manager's membership in the Oregon City/County Management Association (OCCMA) and the International City/County Management Association (ICMA). The City will pay for the City Manager to attend the OCCMA conferences. The City will pay for the City Manager's attendance at ICMA conferences and other related conferences insofar as budgeted funds allow.
- B. The City will pay the City Manager's dues to civic service groups, such as Rotary, Kiwanis, and the Lions.
- C. The City recognizes that certain expenses will be incurred by the City Manager on behalf of the City and agrees to reimburse or pay these expenses upon receipt of appropriate confirmation.

SECTION IX. BONDING.

Pursuant to the City Charter, the City Manager will "give a bond in such amount and with such surety as may be approved by the council." The City has provided for this Charter requirement through Citycounty Insurance Services' excess crime coverage. This insurance meets statutory bonding requirements.

SECTION X. INDEMNIFICATION.

The City agrees that it will defend, hold harmless, and indemnify the City Manager from all demands, claims, suits, actions, errors, or other omissions in legal proceedings brought against the City Manager in his individual capacity, in his official capacity, or in his official capacity as agent or employee of the City, provided the incident arose while the City Manager was acting within the scope of his employment and within the scope of this Agreement. If, in the good faith opinion of the City Manager, a conflict exists regarding the defense of any such claim between the legal position of the City and the City Manager, the City Manager may engage counsel, in which event, the City will indemnify the City Manager for the cost of legal counsel.

SECTION XI. CONFIDENTIALITY.

- A. The City Manager recognizes that, through his employment with the City, he will have access to confidential information that needs to be protected from improper disclosure. The City Manager agrees that he will not directly or indirectly use any confidential information except as necessary to perform the duties of the City Manager, and will not directly or indirectly divulge such information to anyone outside the City organization without the City's prior written consent, unless required by court order or, if in the opinion of the City Attorney, by state law.
- B. The confidentiality provisions of this Agreement will remain in full force and effect for a period of two years after the termination of this Agreement.

SECTION XII. GENERAL PROVISIONS.

- A. Amendment. Nothing will restrict the ability of the City and the City Manager to amend the terms of this Agreement. Amendments will be valid only if they are made in writing and are signed by both the City and City Manager.
- B. Severability. If any provision of this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement will be deemed severable and will remain in full force and effect.
- C. Choice of Law / Venue. This Agreement will be governed by, construed, and interpreted in accordance with the laws of the State of Oregon without reference to principles of conflict of laws. In case of a lawsuit arising from this Agreement, for enforcement and/or damages for breach or violation, the parties agree that the venue will be in Yamhill County Circuit Court, to the exclusion of all other courts in any other venue. The prevailing party in a lawsuit will be entitled to reasonable attorney's fees to be fixed by the trial court. If an appeal is taken from the decision of the trial court, the fees will include any additional sums fixed by the appellate court as reasonable attorney's fees in the appellate court, together with prevailing party costs and disbursements incurred therein.
- D. This Agreement was the result of negotiation by the parties and thus the parties agree that the rule of construction requiring that the Agreement will be construed against the drafter will not apply to the interpretation of this Agreement. Both parties acknowledge that they have read and understand the Agreement, enter into it voluntarily, and have had opportunity to have it reviewed by counsel of their choice.
- E. The failure of either party to enforce any provision of this Agreement will not be construed as a waiver or limitation of that party's right subsequently to enforce and compel strict compliance with every provision of this Agreement.
- F. Merger. This Agreement contains the entire Agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject.

Mayor Scott Hill

Jeffrey Towery

Date

Date

APPROVED AS TO FORM:

City Attorney

EMPLOYMENT AGREEMENT

This Employment Agreement was entered into the 14th day of February, 2017 and amended this 26th day of June, 2018, by and between the City of McMinnville, Oregon, an Oregon municipal corporation (hereinafter referred to as "City") and Jeffrey Towery (hereinafter referred to as "City Manager").

The City and the City Manager wish to enter into a written Agreement creating a professional employment relationship. In consideration of the covenants set out in this Agreement and for the consideration specified in this Agreement, the City and the City Manager agree as follows:

SECTION I. EMPLOYMENT AND DUTIES.

- A. The City agrees to employ the City Manager and the City Manager agrees to accept City employment.
- B. The City Council expects the City Manager to adhere to the highest professional standards. His actions will always comply with those standards. He agrees to follow the Code of Ethics and Guidelines of the International City/County Management Association and the ethics rules, regulations, and laws of the State of Oregon.
- C. The City Manager shall have general supervision of the administrative affairs of the city and general control over all nonelected officers and employees of the city excepting those of the Water and Light Department and the Municipal Judge, and shall perform such other duties as may be prescribed by the council.
- D. The City Council meets annually to establish and review the City's goals and objectives. Decisions and actions generated as a result of the goal setting sessions supplement the annual budgetary process and serve as a guide in the formulation of the budget. The City Manager will be responsible for pursuing the goals and objectives of the City Council and for providing quarterly reports to the City Council regarding the progress toward achieving the Council's goals and objectives.
- E. The City Manager job description is attached to this Agreement and incorporated by this reference.
- F. It is recognized that the City Manager must devote time outside of normal office hours to conducting business for the City. To that end, the City Manager will be allowed to establish an appropriate work schedule.

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- C. The City Manager agrees to remain in the exclusive employ of the City during the term of this Agreement.

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- A. Termination without Cause by the City. This Agreement may be terminated at any time by a majority of the City Council for any reason whatsoever. If the City Manager is, at the time of termination, willing and able to continue performing the duties of City Manager, and if he executes and does not revoke a full release of claims in a form satisfactory to the City, the City will provide the City Manager with six months of severance pay and will also pay the City Manager's COBRA costs for up to six months for termination without cause. The severance pay will be subject to lawful withholding or deductions.
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 - 1. The City Manager fails, refuses, or is unable to comply with the written policies, standards, and regulations of the City that are in existence at the time, or fails, refuses, or is unable to comply with any then-current state or federal laws;
 - 2. Dishonesty in any form;
 - 3. The City Council, after a thorough investigation, has reasonable cause to believe the City Manager has committed fraud, misappropriated City funds, goods, or services for the City Manager's own benefit, or other acts of misconduct that cause injury to the City or affect the City Manager's ability to perform his job; or
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The City Manager will reside within the City limits during the term of this Agreement.

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A facilitated performance evaluation will be conducted after six months and after twelve months of employment. Subsequent facilitated evaluations will be conducted annually.

SECTION VI. SALARY, BENEFITS, AND MOVING EXPENSES.

- A. **Salary.** Starting with the first day of employment and continuing throughout the term of this Agreement, the City will pay the City Manager an annual salary of \$150,000. The salary will be paid to the City Manager at the same time as all regular budgeted non-represented full time employees of the City are paid. This salary may be adjusted from time to time, at the discretion of the City Council. The City Manager will receive the same cost of living adjustments that regular budgeted non-represented full time employees of the City receive.
- B. **Vacation.** The City Manager will be credited with forty (40) hours of vacation as of his first day of employment and will subsequently accrue vacation at the rate of a regular budgeted non-represented full time employee of the City with twenty one or more years of service: currently 13.33 hours per month. This rate will be increased as specified in the Employee Handbook in the same manner as used for other non-represented, regular budgeted, full time employees. All vacation hours will be accessible immediately. In the event employment with the City is terminated, either voluntarily or otherwise, the City Manager will be paid an amount equal to the value of the City Manager's accrued vacation hours. If the City Manager's employment is terminated either with cause or because of the City Manager's resignation within one year of the first day of the City Manager's employment by the City, the forty hours in the vacation bank will not be paid out to the City Manager or, if hours have been used, the City will offset those hours against the City Manager's final paycheck.
- C. **Sick Leave.** The City Manager will be credited with forty (40) hours of sick leave as of his first day of employment and will subsequently accrue sick leave at the same rate as other regular budgeted non-represented full time employees of the City: currently 8 hours per month. In the event employment with the City is terminated, either voluntarily or otherwise, the City Manager will have unused sick leave applied toward PERS benefits, as allowed by state law.

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- A. Retirement. The City agrees to contribute into the Public Employees' Retirement System (PERS), on the City Manager's behalf, a percentage amount equal to the percentage given other non-represented, regular budgeted, full-time employees, and as consistent with state law.
- B. The City Manager will be eligible to participate in the City's deferred compensation program. If the City Manager elects to participate, the City will contribute 8% of the City Manager's annual salary.
- C. Health Insurance. At the City Manager's option, the City agrees to provide coverage and make required premium payments for comprehensive medical, dental, and vision plans for the City Manager and his family. The City Manager will pay the same percentage of his coverage premium as do all non-represented, regular budgeted, full time City employees.
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SECTION VIII. PROFESSIONAL DEVELOPMENT, COMMUNITY INVOLVEMENT, AND EXPENSE.

- A. The City will pay for the City Manager's membership in the Oregon City/County Management Association (OCCMA) and the International City/County Management

Association (ICMA). The City will pay for the City Manager to attend the OCCMA conferences. The City will pay for the City Manager's attendance at ICMA conferences and other related conferences insofar as budgeted funds allow.

- B. The City will pay the City Manager's dues to civic service groups, such as Rotary, Kiwanis, and the Lions.
- C. The City recognizes that certain expenses will be incurred by the City Manager on behalf of the City and agrees to reimburse or pay these expenses upon receipt of appropriate confirmation.

SECTION IX. BONDING.

Pursuant to the City Charter, the City Manager will "give a bond in such amount and with such surety as may be approved by the council." The City has provided for this Charter requirement through Citycounty Insurance Services' excess crime coverage. This insurance meets statutory bonding requirements.

SECTION X. INDEMNIFICATION.

The City agrees that it will defend, hold harmless, and indemnify the City Manager from all demands, claims, suits, actions, errors, or other omissions in legal proceedings brought against the City Manager in his individual capacity, in his official capacity, or in his official capacity as agent or employee of the City, provided the incident arose while the City Manager was acting within the scope of his employment and within the scope of this Agreement. If, in the good faith opinion of the City Manager, a conflict exists regarding the defense of any such claim between the legal position of the City and the City Manager, the City Manager may engage counsel, in which event, the City will indemnify the City Manager for the cost of legal counsel.

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- A. The City Manager recognizes that, through his employment with the City, he will have access to confidential information that needs to be protected from improper disclosure. The City Manager agrees that he will not directly or indirectly use any confidential information except as necessary to perform the duties of the City Manager, and will not directly or indirectly divulge such information to anyone outside the City organization without the City's prior written consent, unless required by court order or, if in the opinion of the City Attorney, by state law.
- B. The confidentiality provisions of this Agreement will remain in full force and effect for a period of two years after the termination of this Agreement.

SECTION XII. GENERAL PROVISIONS.

- A. Amendment. Nothing will restrict the ability of the City and the City Manager to amend the terms of this Agreement. Amendments will be valid only if they are made in writing and are signed by both the City and City Manager.

- B. Severability. If any provision of this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement will be deemed severable and will remain in full force and effect.
- C. Choice of Law / Venue. This Agreement will be governed by, construed, and interpreted in accordance with the laws of the State of Oregon without reference to principles of conflict of laws. In case of a lawsuit arising from this Agreement, for enforcement and/or damages for breach or violation, the parties agree that the venue will be in Yamhill County Circuit Court, to the exclusion of all other courts in any other venue. The prevailing party in a lawsuit will be entitled to reasonable attorney's fees to be fixed by the trial court. If an appeal is taken from the decision of the trial court, the fees will include any additional sums fixed by the appellate court as reasonable attorney's fees in the appellate court, together with prevailing party costs and disbursements incurred therein.
- D. This Agreement was the result of negotiation by the parties and thus the parties agree that the rule of construction requiring that the Agreement will be construed against the drafter will not apply to the interpretation of this Agreement. Both parties acknowledge that they have read and understand the Agreement, enter into it voluntarily, and have had opportunity to have it reviewed by counsel of their choice.
- E. The failure of either party to enforce any provision of this Agreement will not be construed as a waiver or limitation of that party's right subsequently to enforce and compel strict compliance with every provision of this Agreement.
- F. Merger. This Agreement contains the entire Agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject.

Mayor Scott Hill

Jeffrey Towery

Date

Date

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. 2018-41

A Resolution Amending the City Manager's Employment Agreement.

RECITALS:

On February 14, 2017, the City Council passed Resolution 2017-13, appointing Jeffrey Towery as City Manager for the City of McMinnville, Oregon, effective February 14, 2017 subject to the terms and conditions of an Employment Agreement.

On March 27, 2018, the City Council met in open session to review and discuss the results of the City Manager's one year performance evaluation and proposed amendments to the Agreement.

The amendments are included in the Employment Agreement attached hereto as Exhibit 'A'. These amendments include: clarification of reporting relationships consistent with the FY 18-19 Budget, an increase in vacation accrual to better reflect career experience, a change in mileage reimbursement, and an increase in deferred compensation to better reflect the average benefit packages of comparable cities.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON as follows:

1. The Amended Agreement with Jeffrey Towery is approved.
2. The Mayor is authorized to execute the Amended Agreement attached hereto as Exhibit 'A'.
3. That this resolution shall take effect on July 1, 2018 and shall continue in full force and effect until modified, revoked, or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 26th day of June, 2018 by the following votes:

Ayes: _____

Nays: _____

Approved this 26th day of June, 2018.

MAYOR

Approved as to form:

CITY ATTORNEY



City of McMinnville
Police Department
121 SW Adams Street
McMinnville, OR 97128
(503) 434-7307

www.mcminnvilleoregon.gov

STAFF REPORT

DATE: June 18, 2018
TO: Jeff Towery, City Manager
FROM: Matt Scales, Chief of Police
SUBJECT: Smoke Free 3rd Street Ordinance (2nd Reading)

Report in Brief:

On May 22nd the City Council held a discussion in regards to a “Smoke Free 3rd Street” which also included City Parks. This was a recommendation forwarded to the city council by the Downtown Safety Task Force which was appointed by the council to address downtown behavioral issues/concerns that had been pervasive in the summer of 2017.

City Council was presented with a draft ordinance entitled “Smoking Regulations” which included the adoption of a Smoke Free 3rd Street district. The downtown smoke free district was defined as the entire corridor of NE 3rd Street from NW Adams Street to NE Johnson Street, and extending 25 feet north and south along each intersecting street through the described 3rd Street corridor. There were exceptions to this smoke free district as outlined in ORS 433.850 (2). In addition, it provided an exception to those persons travelling in a motor vehicle through the district.

Also included in the presented “Smoking Regulations” ordinance was the adoption of Oregon state law that prohibits smoking within 10 feet of places of employment or enclosed areas open to the public including entrances, exits, windows that open, ventilation intakes that serve an enclosed areas, and outdoor dining areas. Additionally it prohibited smoking in City Park Areas defined by existing code. Violation of the “Smoking Regulations” ordinance would result in a Class D Violation as defined by ORS.

Council advised they would like to move forward with the proposed draft ordinance, but expressed a desire to increase the distance from 25 feet to 50 feet for those north and south streets which intersected 3rd Street.

City Council was also comfortable in moving forward with the inclusion of all areas defined under MMC as city parks to be smoke free.

Staff made the recommended changes to the ordinance to include all city parks defined under MMC, their parking lots and sidewalks adjacent to city parks.

On June 12th City Council held a first reading of the proposed ordinance and requested a 2nd reading be held on June 26th.

On June 15th, staff mailed formal communication to roughly 150 residents, business owners, and property owners outlining the ordinance and that there would be a 2nd reading on June 26th. The mailings went out to properties on NE 3rd Street from Adams to Johnson Street and intersecting properties from NE 2nd to NE 4th.

Staff has also reached out to the McMinnville Downtown Association and asked a representative from their office attend the City Council meeting to answer questions regarding what outreach they have conducted with the businesses downtown.

Staff comes before the council seeking a 2nd reading of the proposed “Smoking Regulations” ordinance.

Attachments:

Mailing sent to residents, business owners, and property owners.

Recommendation:

Staff recommends City Council approve the ordinance as presented.

City of McMinnville
Police Department
121 SW Adams Street
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June 14, 2018

Downtown Business Owners and Residents:

From October 2017 through February 2018 a Downtown Safety Task Force was convened by the McMinnville City Council. Their charge was to identify problem behaviors which had become pervasive on 3rd Street over the past couple of years. During this process the task force gathered data through online surveys and questionnaires, and met frequently to identify solutions to problematic behaviors which had been identified by those who took the survey. In addition to meeting, the Task Force spoke with other cities who had experienced the same issues as McMinnville and recommended solutions that had worked for their respective communities.

The Task Force provided a final report to the City Council in March. The final report recommended the City Council consider a number of ordinances to address behaviors, the top being a "Smoke Free 3rd Street". The City Council took the recommendation from the Task Force and requested staff return with an ordinance which would restrict smoking on 3rd Street. Staff prepared a Smoking Regulation ordinance, and there was a first reading of the ordinance at the June 12th City Council meeting. A second reading of the ordinance is scheduled for the June 26th City Council meeting.

The "Smoke Free" area identified in the proposed City Ordinance is defined as the entire corridor of NE 3rd Street from NW Adams Street to NE Johnson Street, and extending 50 feet north and south along each intersecting street through the described 3rd Street corridor. There were exceptions to this smoke free area as outlined in ORS 433.850 (2). In addition, it provided an exception to those persons travelling in a motor vehicle through the district.

Also included in the ordinance is the adoption of Oregon state law which prohibits smoking within 10 feet of places of employment or enclosed areas open to the public including entrances, exits, windows that open, ventilation intakes that serve enclosed areas, and outdoor dining areas. Violation of the "Smoking Regulations" ordinance would result in a Class D Violation as defined by ORS.

Here is the hyperlink to the City website that has a copy of the proposed ordinance.

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/city_council/meeting_packets/7564/packet.compressed.pdf

ORDINANCE NO. 5054

An Ordinance Relating to Smoking Regulations in Downtown McMinnville and City Park Areas; establishing MMC Chapter 8.32; and, amending MMC 12.36.020.

RECITALS:

In late 2017, the City Council appointed a Downtown Safety Task Force for the purpose of evaluating behaviors that negatively impact public health, welfare and safety in downtown McMinnville, following a significant rise in complaints from businesses and visitors to the downtown area in the summer of 2017.

The Task Force completed its work in early 2018, and issued a report to the City Council recommending several actions that should be considered for implementation by the City. The recommended actions included a proposed ban in smoking in the downtown core as well as at parks and other City properties.

The Council finds that a smoking ban would promote the public health, welfare and safety in the downtown area and at City parks and other facilities.

Now, therefore, THE COMMON COUNCIL FOR THE CITY OF McMINNVILLE ORDAINS AS FOLLOWS:

1. The provisions set forth in the attached Exhibit 1, which are incorporated by this reference, are hereby adopted.
2. This ordinance will take effect 30 days after its passage by the Council.

Passed by the Council on June 26, 2018, by the following votes:

Ayes: _____

Nays: _____

Approved on June 26, 2018.

MAYOR

Approved as to form:

Attest:

CITY ATTORNEY

CITY RECORDER

ORD 5054
Exhibit 1

Section 1. Add new MMC Section 8.32.010:

8.32.010 Definitions. For the purposes of this Chapter the following definitions shall apply:

- A. "City Park Areas" has the meaning provided in MMC 12.36.020.
- B. "Enclosed Area" means all space between a floor and a ceiling that is enclosed on three or more sides by permanent or temporary walls or windows, exclusive of doors or passageways, which extend from the floor to the ceiling. If no ceiling is present, "enclosed area" means all space that is included by three or more sides by permanent or temporary wall or windows, exclusive of doors or passageways.
- C. "Inhalant" means nicotine, a cannabinoid or any other substance that is in the form that allows the nicotine, cannabinoid or substance to be delivered into a person's respiratory system by inhalation and is not approved by, or emitted by a device approved by, the United States Food and Drug Administration for a therapeutic purpose.
- D. "Inhalant Delivery System" means a device that can be used to deliver nicotine or cannabinoids in the form of a vapor or aerosol to a person inhaling from the device.
- E. "Place of Employment" means every enclosed area under the control of a public or private employer that employees frequent during the course of employment, including but not limited to work areas, employee lounges, vehicles that are operated in the course of an employer's business that are not operated exclusively by one employee, rest rooms, conference rooms, classrooms, cafeterias, hallways, meeting rooms, elevators and stairways. "Place of employment" includes privately owned enclosed areas where volunteers perform work typically done by employees. "Place of employment" does not include a private residence unless it is used as a child care facility as defined in ORS 329A.250 or a facility providing adult day care as defined in ORS 410.490.
- F. "Public Place" means an enclosed area that is open to the public.
- G. "Smoking" means and includes (1) the inhaling, exhaling, burning, or carrying any lighted cigarette, cigar or tobacco in any form and (2) the use of an inhalant delivery system to inhale or exhale vapor or aerosol or tobacco.
- H. "Smoking Instrument" means any cigar, cigarette, pipe or other instrument or inhalant delivery system used to smoke tobacco, marijuana or any other inhalant.
- I. "Downtown Smoke Free District" means the entire corridor of NE 3rd Street from NW Adams Street to NE Johnson Street, and extending 50 feet north and south along each intersecting street throughout the described 3rd Street corridor.

Section 2. Add new MMC Section 8.32.020

8.32.020 Smoking Prohibited.

A. A person may not smoke, aerosolize or vaporize an inhalant or carry a lighted smoking instrument within 10 feet of the following parts of places of employment or enclosed areas open to the public:

- 1. Entrances;
- 2. Exits;
- 3. Windows that open;
- 4. Ventilation intakes that serve an enclosed area; and
- 5. Outdoor dining areas.

B. An employer must provide a place of employment that is free of tobacco smoke for all employees and must post signs that provide notice of the provision of ORS 433.835 to 433.875.

C. A person may not smoke, aerosolize, or vaporize an inhalant or carry a lighted smoking instrument within or upon any City Park Areas.

D. The activities described in ORS 433.850(2) are exempt from the provisions of this section.

Section 3. Add new MMC Section 8.32.030

8.32.030 Downtown Smoke Free District.

A. Except those activities described in ORS 433.850(2), a person may not smoke, aerosolize or vaporize an inhalant or carry a lighted smoking instrument within the Downtown Smoke Free District.

B. The restrictions of this section do not apply to persons travelling in a motor vehicle through the District.

Section 4. Add new MMC Section 8.32.040

8.32.040 Penalties for Violation. Violation of any provision of this chapter is a Class D violation pursuant to ORS 153.012.

Section 5. Amend MMC Section 12.36.020(A)(3) as follows:

“Park areas” shall include all parcels of land, beaches or bodies of water owned, leased, controlled or administered by the City of McMinnville for recreation or open space purposes which have been designated by the city as a “park,” “linear park,” “greenway,” “open space,” “playground,” “recreation facility” or as “natural areas.” For the purpose of this ordinance, the term “park” or “park areas” shall also include the McMinnville Public Library, Aquatic Center, Senior Center, Community Center, and City Hall including the grounds, plazas, ~~and~~ walkways, sidewalks and surface parking lots immediately surrounding these facilities.