

ROSEBURG CITY COUNCIL AGENDA – JULY 23, 2018
City Council Chambers, City Hall
900 S. E. Douglas Avenue, Roseburg, OR 97470



7:00 p.m. - Regular Meeting

1. **Call to Order – Mayor Larry Rich**
2. **Pledge of Allegiance**
3. **Roll Call**

Alison Eggers	Linda Fisher-Fowler	Ashley Hicks	Steve Kaser
John McDonald	Brian Prawitz	Tom Ryan	Andrea Zielinski
4. **Mayor Reports**
5. **Commission Reports/Council Ward Reports**
6. **Audience Participation – See Information on the Reverse**
7. **Consent Agenda**
 - A. Minutes of Regular Meeting of July 9, 2018
 - B. OLCC Change of Owner Applicant – RMM Clubhouse, LLC – 1005 Stewart Parkway
8. **Ordinances**
 - A. Ordinance No. 3504 – Proposed Regulations for Vehicle for Hire Services, First Reading
9. **Ordinances/Resolutions**
 - A. Ordinance No. 3503 – Proposed City Voters' Pamphlet, Second Reading
 - B. Resolution No. 2018-16 – City of Roseburg Voters' Pamphlet Policy
 - C. Resolution No. 2018-17 – Adding Fees for Submissions to a City of Roseburg Voters' Pamphlet
10. **Department Items**
 - A. League of Oregon Cities Legislative Priorities
 - B. EDC Funding Recommendations – Visitor Services Evaluation
 - C. Fire Station No. 2 Seismic Rehabilitation Contract Amendment – 17GR13
 - D. Municipal Court Update
11. **Informational**
 - A. Activity Report
 - B. Financial Quarterly Report
12. **Items from Mayor, City Council**
13. **Adjournment**
14. **Executive Session ORS 192.660(2)(d) – Labor Negotiations**

***** AMERICANS WITH DISABILITIES ACT NOTICE *****

Please contact the City Recorder's Office, Roseburg City Hall, 900 SE Douglas, Roseburg, OR 97470-3397 (Phone 541-492-6866) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TDD users please call Oregon Telecommunications Relay Service at 1-800-735-2900.

AUDIENCE PARTICIPATION INFORMATION

The Roseburg City Council welcomes and encourages participation by citizens at all our meetings, with the exception of Executive Sessions, which, by state law, are closed to the public. To allow Council to deal with business on the agenda in a timely fashion, we ask that anyone wishing to address the Council follow these simple guidelines:

Persons addressing the Council must state their name and address for the record, including whether or not they are a resident of the City of Roseburg. All remarks shall be directed to the entire City Council. The Council reserves the right to delay any action requested until they are fully informed on the matter.

TIME LIMITATIONS

With the exception of public hearings, each speaker will be allotted a total of 6 minutes. At the 4-minute mark, a warning bell will sound at which point the Mayor will remind the speaker there are only 2 minutes left. All testimony given shall be new and shall not have been previously presented to Council.

CITIZEN PARTICIPATION – AGENDA ITEMS

Anyone wishing to speak regarding an item on the agenda may do so when Council addresses that item. If you wish to address an item on the Consent Agenda, please do so under "Audience Participation. For other items on the agenda, discussion typically begins with a staff report, followed by questions from Council. If you would like to comment on a particular item, please raise your hand after the Council question period on that item.

CITIZEN PARTICIPATION – NON-AGENDA ITEMS

We also allow the opportunity for citizens to speak to the Council on matters not on this evening's agenda on items of a brief nature. A total of 30 minutes shall be allocated for this portion of the meeting.

If a matter presented to Council is of a complex nature, the Mayor or a majority of Council may:

1. Postpone the public comments to "Items From Mayor, Councilors or City Manager" after completion of the Council's business agenda, or
2. Schedule the matter for continued discussion at a future Council meeting.

The Mayor and City Council reserve the right to respond to audience comments after the audience participation portion of the meeting has been closed.

Thank you for attending our meeting – Please come again.

The City Council meetings are aired live on Charter Communications Cable Channel 191 and rebroadcast on the following Tuesday evening at 7:00 p.m. Video replays and the full agenda packet are also available on the City's website: www.cityofroseburg.org.

**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL MEETING
July 9, 2018**

Mayor Larry Rich called the regular meeting of the Roseburg City Council to order at 7:01 p.m. on July 9, 2018 in the City Hall Council Chambers, 900 SE Douglas Avenue, Roseburg, Oregon. Councilor Zielinski led the Pledge of Allegiance.

ROLL CALL

Present: Councilors Alison Eggers, Ashley Hicks, John McDonald, Brian Prawitz, Tom Ryan, Steve Kaser and Andrea Zielinski.

Absent: Linda Fowler-Fisher

Others present: City Manager Lance Colley, City Recorder Amy Sowa, City Attorney Bruce Coalwell, Public Works Director Nikki Messenger, Human Resources Director John VanWinkle, Fire Chief Gary Garrisi, Community Development Director Stuart Cowie, Police Chief Gary Klopfenstein, Library Director Kris Wiley, Management Assistant Koree Tate and Kyle Bailey of KQEN.

MAYOR REPORTS

Introduced and welcomed Kris Wiley, Roseburg Public Library Director, from Minnesota to the City of Roseburg. Mayor Rich congratulated newly appointed Gary Garrisi, Fire Chief, and Gary Klopfenstein, Police Chief, to their first Council meeting in their new position. Mayor Rich expressed appreciation to City Staff for helping with the 4th of July Celebration and Graffiti Car Cruise community events.

AUDIENCE PARTICIPATION

James Wilkson, 1025 Standley Road, Glide, Sleep in Heavenly Peace Chapter President, provided information about the program that was founded in 2012. Sleep in Heavenly Peace is the only charity providing hand-made bunk beds to children who do not have beds of their own. They deliver to children in need and partner with organizations, churches, businesses and individuals to build beds at events called Build Days. On June 9, fifty-five volunteers built 40 beds. Their goal is to have no child sleep on the floor. Mr. Wilkson explained their chapters are growing in numbers with 57 more in process of coming on board. By recommendation of Councilor Fisher-Fowler, he was invited to meet Council and provide information about their program. In response to Mayor Rich, Mr. Wilkson explained people can request assistance themselves or through referrals from different agencies working with children and by completing an online application that is reviewed by the Chapter.

Wallace Cegaske, 15 NE Spyglass Loop, addressed Council regarding compliance concerns for portable garages, multiple cars, trash and tarps. He asked for assistance to help keep Beulah Park mowed to avoid fires, enforce nuisance properties on Lincoln Street and to evaluate the deteriorating condition of Beulah Drive.

Dennis Rogers, 1605 NW Evans, suggested the Roseburg Police Department use traffic enforcement grant funds on public service announcements or commercials to educate citizens rather than write tickets during crosswalk safety events.

CONSENT AGENDA

Councilor Ryan moved to approve the minutes of the regular meeting of June 25, 2018. Motion was seconded by Councilor Hicks and carried unanimously.

ORDINANCE NO. 3502 – DIAMOND LAKE URBAN RENEWAL PLAN

Ms. Sowa read Ordinance No. 3502, entitled: “An Ordinance Making Certain Determinations and Findings Relating to and Approving the Diamond Lake Urban Renewal Plan and Directing that Notice of Approval be Published” for the second time. Councilor Kaser moved to adopt Ordinance No. 3502. The motion was seconded by Councilor Zielinski. Roll call vote was taken and motion was carried unanimously. Mayor Rich declared the adoption of Ordinance No. 3502.

PROPOSED CITY VOTERS’ PAMPHLET

Ms. Sowa explained candidates for local office in Roseburg do not have the opportunity to submit their information for a Voters’ Pamphlet. Citizens often contact the City to get additional information on local candidates and measures, but the City is limited to provide only the State filing documents candidates are required to file. Producing a local Voters’ Pamphlet would provide electors with additional information about the candidates and measures on the ballot.

In order to proceed with creating a City Voters’ Pamphlet, code revisions would be required. The proposed changes to the Roseburg Municipal Code would allow production of a City Voters’ Pamphlet for candidates and measures for the following agencies: City of Roseburg, Roseburg School District, Roseburg Urban Sanitary Authority, Umpqua Community College and Douglas Education Service District. In conjunction with adoption of the ordinance, a resolution and draft policy would need approved. Ms. Sowa proposed the Online Voters’ Pamphlet be titled, “City of Roseburg Election Information” to avoid confusion with the State Voters’ Pamphlet. It was recommended that Council set a fee for submittals to the City Voter’s Pamphlet of \$25 to help offset staff costs. The fee would be required for any candidate submitting their information, or anyone submitting an argument in favor or in opposition to a local measure.

In response to Councilors Prawitz and Hicks, Ms. Sowa explained a minimal number of copies would be available for citizens without internet access. To ensure factual information, Councilor Kaser suggested having the City Attorney review information provided regarding measure summaries. Ms. Sowa confirmed it was standard practice to include the attorney in this process. In response to Councilor Ryan, Mr. Colley explained a bond measure could be included if information was provided, but would also include attorney review. Ms. Sowa agreed to make some minor housekeeping changes to the policy as recommended by Mayor Rich. Council agreed to proceed with a first reading of Ordinance No. 3503. Ms. Sowa read Ordinance No. 3503, entitled: “An Ordinance Amending Section 2.02.005 “Definitions”, Adding Section 2.02.075 “Local Voters’ Pamphlet”, and Amending Section 2.06.005 “Definitions” of the Roseburg Municipal Code Establishing a Process for Creating a Voters’ Pamphlet” for the first time.

PROPOSED REGULATIONS FOR VEHICLE FOR HIRE SERVICES UPDATE

Ms. Sowa reported that after discussing components of the ordinance with Mr. Isaacs from Uber during the June 22, 2018 conference call, it was determined that Uber would be

comfortable with the City retaining their current background check requirements for each driver to obtain a Driver's Permit from the City. Uber would continue to do their background check per their policy, but each driver would need to be approved by the City based on our requirements in order to receive the City's driver's permit. Roseburg currently requires a criminal background investigation on all business applicants, including taxi operators or drivers, be performed by the City of Roseburg Police Department. If a person has ever been convicted of a felony, or of a misdemeanor within the past five years, the applicant can be denied. Mr. Isaacs expressed concern with the City's requirement for vehicles to be "no more than ten years old" and asked if that could be changed to "no more than fifteen years old" to match the Uber requirement. Staff felt this was reasonable and has made that change in the proposed ordinance. If Council agrees with this change, it would also apply to taxis. The updated draft ordinance was sent to Uber on June 22, 2018.

Ms. Sowa reviewed questions and comments that followed the April 16, 2018 City Council Meeting. The updated draft ordinance increased the number of audits the City could perform per year from "up to two", to "up to three times per calendar year". Mr. Colley stated the City did not have staffing resources to provide unlimited audits; therefore three was a good compromise.

The current Code section relating to taxicab services currently has the following language regarding direct routes: "Unless otherwise directed by the passenger, any taxicab driver employed to transport passengers to a definite point shall take the most direct route possible that will carry the passenger to the desired destination safely and expeditiously." The draft ordinance includes the following language regarding direct routes: "All TNC, vehicle for hire or taxi drivers employed to carry a passenger to a definite point shall take the most direct route possible that will carry the passenger safely and expeditiously to his destination." Mayor Rich suggested leaving the original language from the Municipal Code for a direct route provision. He felt it was up to the passenger to determine if they want a scenic or direct route. There were several comments regarding requirements for drivers and driver permits that Council discussed in detail. Council agreed to the importance of vehicle safety checks. Councilor Hicks provided information from Uber's website stating drivers must pass an inspection and safety certification. If Council wanted to require proof of that inspection, Ms. Sowa stated drivers would only need to provide a copy of the certification when applying to drive in Roseburg. If a driver changes vehicles, Council agreed to require notification to the City Recorder's Office within 30 days. Ms. Sowa provided information on questions relating to fines for violation, insurance requirements, and license fees. Council directed staff to bring back proposed fees that were comparable to fees paid by taxi operators and drivers.

In response to an email question from Evan Lasley of the Oregon AFL-CIO, Mr. Coalwell relayed that he and staff would review the request and bring back any recommended changes. The current definition was created to mirror that of the City of Medford per Council's original direction.

Council discussed the option of requiring a City sticker once a driver is approved. Councilor Hicks expressed concern of requiring an additional sticker which did not seem necessary. After further discussion, Council agreed to avoid requiring a separate Roseburg sticker during the registration process. Council directed Ms. Sowa to proceed with the preparation of an ordinance to present at the next meeting and to include a resolution regarding fees.

LIBRARY RENOVATION CM/GC CONTRACT AMENDMENT – CONSTRUCTION 18PW06

Mr. Colley stated the City went through a proposal process to select a contractor to perform the CM/GC services for the project. The CM/GC master contract utilizes amendments to authorize phases of work. These amendments are similar to task orders the City utilizes with other types of master contracts. Staff has been working closely with the Douglas ESD, the architect and the CM/GC contractor to develop plans for the Library building upgrades. Final plans were provided to the CM/GC contractor in late May. The contractor publicly advertised and competitively bid the subcontract work. The contractor has submitted the Guaranteed Maximum Price (GMP) for completing the proposed work. The GMP is similar to a formal bid and would be the basis for the proposed contract amendment. The total GMP, including both the library and ESD responsibilities is \$1,526,167. This includes the long lead items that were captured as part of the second amendment to the contract.

To date the City has received financial commitments in the approximate amount of \$610,000 and have additional asks outstanding in the amount of \$150,000. Mr. Colley did receive confirmation of an additional \$60,000 since the last Council Meeting and anticipates award notification by mid-July. Staff at the City and Douglas ESD will continue to pursue additional library funding over the next sixty days. The City has not yet secured 100% of the Library cost and our portion of the common area funding per the updated Guaranteed Maximum Price presented above. He asked that Council commit to the additional funding necessary to complete the project while staff continues to identify funding sources. Our potential commitment would consist of less than 15% of the cost of the Library renovation and our portion of the common area (\$775,214). This commitment would potentially require a budget amendment to transfer additional funds from the General Fund to the Facilities. The potential amount necessary will be known by early August and could be accommodated by a Council resolution to reappropriate funds. Much of the original design cost was expended in 2017-18 and some direct costs will be provided by the ESD and will not impact the City Facilities Fund budget.

Councilor Prawitz moved to authorize Amendment #3 to the contract with Vitus Construction, Inc. for CM/GC services in the amount of \$1,184,032 for Library Renovation Project subject to approval of the ESD dollar amount included in the funding agreement between the City of Roseburg and Douglas ESD. Motion was seconded by Councilor McDonald and carried unanimously.

ITEMS FROM MAYOR, COUNCIL AND CITY MANAGER

Councilor Zielinski shared information about the Special Olympic Torch run taking place on July 12, 2018. Law enforcement will begin in Myrtle Creek and continue north for Lane County to take over. The total distance for Douglas County is 38 miles with each team running six to seven miles. The day of celebration is taking place at Riverbend Park in Winston. Councilor Zielinski also shared information about Costco Safety Day from 10:00 a.m. to 1:00 p.m. on July 14, 2018 in the parking lot. There will be fun activities for families.

Mr. Colley reported the City Fire Department and all public safety agencies recently completed their training at the site of the former Windmill Inn. Over 25 agencies participated with approximately 2,750 hours of training during the months of April, May and June. Mr. Colley added it was not often these agencies had an opportunity to use a large multi-room facility to

provide all types of training. He thanked Fire Chief Garrisi and former Fire Chief Gregg Timm and the Roseburg Police Department for arranging this training. The use of the facility and property was made possible by Hanna Limited Partnership and the Hanna Family.

ADJOURNMENT

The meeting adjourned at 8:21 p.m.



Koree Tate
Management Assistant

ej
7/17/18

at

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



OLCC APPLICATION – CHANGE OF OWNER RMM Clubhouse, LLC – 1005 Stewart Parkway

Meeting Date: July 23, 2018
Department: City Manager's Office
www.cityofroseburg.org

Agenda Section: Consent Agenda
Staff Contact: Koree Tate
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

Roseburg Municipal Code Chapter 9.12 requires staff review of all applications submitted to the Oregon Liquor Control Commission for a license to sell alcoholic beverages within the City. Upon completion of staff review, the City Recorder is required to submit the application and a recommendation concerning endorsement to the Council for its consideration. Changes to existing licenses must be processed in the same manner.

BACKGROUND

OLCC has received an application from Richard Merlino located at 1005 Stewart Parkway as a change of owner granted for "Limited On-Premises and Off-Premises."

- A. Council Action History.** Chapter 9.12 requires Council to make a recommendation to OLCC on the approval or denial of all liquor license applications submitted by any establishment located inside City limits.
- B. Analysis.** The Police Department conducted a background investigation on the applicant and found no reason to deny the application.
- C. Financial and/or Resource Considerations.** The applicant has paid the appropriate fee for City review of the application.
- D. Timing Issues.** The applicant is requesting endorsement from the Council for immediate submittal to OLCC.

COUNCIL OPTIONS

Council may recommend OLCC approval of the application as submitted or recommend denial based on OLCC criteria.

STAFF RECOMMENDATION

Staff recommends Council approval of the application as submitted.

SUGGESTED MOTION

"I MOVE TO RECOMMEND APPROVAL OF THE OLCC CHANGE OF OWNER APPLICATION FOR RMM CLUBHOUSE, LLC AT 1005 STEWART PARKWAY IN ROSEBURG, OREGON.

ATTACHMENTS

A. Subject Application

cc: License Applicant w/copy of agenda
Jonathan Crowl, OLCC Representative



LIQUOR LICENSE APPLICATION

LICENSE FEE: Do not include the license fee with the application (the license fee will be collected at a later time).

APPLICATION: Application is being made for:

- Brewery
- Brewery-Public House
- Distillery
- Full On-Premises, Commercial
- Full On-Premises, Caterer
- Full On-Premises, Passenger Carrier
- Full On-Premises, Other Public Location
- Full On-Premises, Nonprofit Private Club
- Full On-Premises, For-Profit Private Club
- Grower Sales Privilege
- Limited On-Premises
- Off-Premises
- Off-Premises with Fuel Pumps
- Warehouse
- Wholesale Malt Beverage & Wine (WMBW)
- Winery

CITY AND COUNTY USE ONLY

Date application received _____

Name of City or County _____

Recommends this license be _____ Granted _____ Denied

By _____

Date _____

OLCC USE

Application received by OK

Date 05/25/18

License Action: C/O, Add/Priv. & C/TN

1. LEGAL ENTITY (example: corporation or LLC) or INDIVIDUAL(S) applying for the license:

Applicant #1

RMM Clubhouse, LLC

Applicant #2

Applicant #3

Applicant #4

2. Trade Name of the Business (the name customers will see):

Caddyshack Bar & Grill

3. Business Location: Number and Street 1005 Stewart Parkway

City Roseburg

County Douglas

ZIP 97471

4. Is the business at this location currently licensed by the OLCC? Yes No

5. Mailing Address (where the OLCC will send your mail):

PO Box, Number, Street, Rural Route 920 SE Stephens St

City Roseburg

State OR

ZIP 974700

6. Phone Number of the Business Location: (541) 672-0623

7. Contact Person for this Application:

Name Melissa Halttunen

Phone Number 541-517-1414

Mailing Address, City, State, ZIP

2167 Bonnie Lane, Springfield OR 97477

Email melissah@sbht.com

I understand that marijuana (such as use, consumption, ingestion, inhalation, samples, give-away, sale, etc.) is prohibited on the licensed premises.

Signature of Applicant #1

[Signature]

Signature of Applicant #2

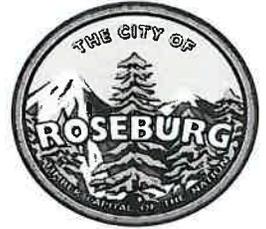
Signature of Applicant #3

Signature of Applicant #4

aps

A. J. 7/17/18

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



PROPOSED REGULATIONS FOR VEHICLE FOR HIRE SERVICES

Meeting Date: July 23, 2018
Department: Administration
www.cityofroseburg.org

Agenda Section: Items from Departments
Staff Contact: Amy L. Sowa, City Recorder
Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY: Council has discussed the proposed draft of an ordinance regulating vehicle for hire services during several Council meetings. The most recent draft of this ordinance is being presented this evening. This ordinance will allow transportation network companies (TNC) such as Uber and Lyft to operate in Roseburg, while allowing traditional taxi service to continue to operate as well.

BACKGROUND

A. Council Action History.

- March 26, 2018: Council directed staff to prepare an ordinance that would allow TNCs to operate in Roseburg along with traditional taxi operators. The ordinance was to be based primarily on the ordinances that had been recently adopted by Medford, Corvallis, Redmond, Salem and most recently Eugene.
- April 16, 2018: Staff presented a draft ordinance to Council during a Special Meeting. After review and hearing testimony on the draft ordinance, Council determined they would continue their review and provide comments to staff over the course of the following week.
- The draft ordinance was further reviewed by the City Attorney who proposed some minor corrections and clarifications.
- June 22, 2018: City Manager Lance Colley, City Attorney Bruce Coalwell and City Recorder Amy Sowa held a conference call with Jon Isaacs, a representative of Uber, to discuss the proposed ordinance.
- June 22, 2018: The City Recorder updated the draft ordinance with the change to the age of the vehicle. This ordinance was then emailed to Mr. Isaacs at Uber for final comments.
- July 9, 2018: Council discussed the comments submitted by Council members and asked that the proposed ordinance come back to Council for a first reading with the minor changes outlined below.

B. Analysis. Over the course of the discussions to amend the Roseburg Municipal Code to allow all vehicles for hire, including TNCs, to operate within the city, Staff and Council have taken into consideration the input and testimony from local taxi companies, Uber representatives and Oregon AFL-CIO, as well as input from the full City Council.

Based on comments from the Oregon AFL-CIO, the City Attorney recommended a slight change to the definition of "Transportation Network" to include the word 'employees.' That change is reflected in the draft ordinance.

Staff proposed changing the age of the vehicle from 'no more than 10 years' to 'no more than 15 years' (Section 9.08.120(A)), and to increase the number of audits allowed to three times per year (Section 9.08.150) based on input collected during the Uber conference call. Council was comfortable with those changes.

Additional changes requested by the Council during their July 9 meeting included:

- Requiring drivers to provide proof from a certified mechanic that the vehicle has been inspected and passes a safety test (Added as Section 9.08.080(6))
- Requiring drivers to report a change of vehicle to the City within 30 days. (Added as Section 9.08.120(B))
- Changing the language regarding the Direct Route, adding "Unless otherwise directed by the passenger . . ." (Added to Section 9.08.120(F))

C. Financial/Resource Considerations. Council directed staff to look at making the TNC operator's license and driver's permit fees comparable to those currently charged to taxi companies and drivers. Attached is a resolution with proposed fees.

As a comparison, the taxi fees are listed below along with the proposed TNC fees:

Taxicab:

Driver's Permit (<i>annual</i>)	20.00
On or after 7/1	10.00
Original Application Investigation Charge	30.00
Operator's License (<i>per cab per year</i>)	150.00
On or after 7/1	75.00
Original Application Investigation Charge	200.00
Stand Permit (<i>annual</i>)	150.00
On or after 7/1	75.00
Vehicle Permit (<i>annual</i>)	10.00

Transportation Network (PROPOSED):

Driver's Permit (<i>annual</i>)	20.00
On or after 7/1	10.00
Original Application Investigation Charge	30.00
Operator's License (<i>annual</i>) (NOTE: this charge is equivalent to what a taxi company would pay for the minimum requirement of three vehicles)	480.00
On or after 7/1	240.00
Original Application Investigation Charge	200.00

D. Timing Considerations. Uber has indicated an interest in serving the citizens of the City of Roseburg. If Council supports the draft ordinance and adopts the ordinance upon second reading, Uber could start operating in Roseburg this fall.

STAFF RECOMMENDATION/COUNCIL OPTIONS: No motion is required at this time, only consensus to proceed with first reading of Ordinance #3504 and direction on the proposed fees.

SUGGESTED MOTION: No motion required at this time. First reading only.

ATTACHMENTS: #1 – Draft Ordinance – City of Roseburg
#2 – Draft Fee Resolution – City of Roseburg

cc: Uber, Inc.-1455 Market St. 4th Floor-San Francisco, CA 94103; Sunshine Taxi-1276 Cleveland Rapids Rd.-Roseburg, OR 97471; Elite Taxi-864 SE Stephens St.-Roseburg, OR 97470; Chrono File

ORDINANCE NO. 3504

**AN ORDINANCE REPEALING ROSEBURG MUNICIPAL CODE CHAPTER 9.08, ENTITLED
"TAXICAB AND LIMOUSINE SERVICES" AND REPLACING IT WITH NEW CHAPTER 9.08
ENTITLED "VEHICLE FOR HIRE SERVICES"**

SECTION 1. Roseburg Municipal Code Chapter 9.08, entitled "*Taxicab and Limousine Services*" is hereby repealed in its entirety and replaced with a new Chapter 9.08, entitled "*Vehicle For Hire Services*" to read as follows:

**RMC CHAPTER 9.08
VEHICLE FOR HIRE SERVICES**

Sections:

9.08.005	Definitions
9.08.010	Purpose
9.08.020	Vehicle for Hire Operator's License Required
9.08.030	Application for Operator's License
9.08.040	Term of Operator's License
9.08.050	Operator's License Fee
9.08.060	Transfer of Operator's License
9.08.070	Vehicle for Hire Driver's Permit Required
9.08.080	Application for Driver's Permit
9.08.090	Term and Fee for Driver's Permit
9.08.100	Standards of Issuance for Driver's Permit
9.08.110	Insurance Requirements
9.08.120	Operational Requirements
9.08.130	Registered Agent Required
9.08.130	Charges for Vehicle for Hire Services
9.08.140	Audit
9.08.150	Indemnification
9.08.160	Denial, Suspension and Revocation

9.08.005 Definitions. As used in this Chapter, unless the context clearly indicates otherwise, the following words and phrases shall mean:

"Digital Dispatch System" is an internet-based software application, website, platform or interface that allows for the solicitation, arrangement or provision of vehicle for hire services and the display of rates, calculation of fares or acceptance of payment for vehicle for hire services.

"Driver" is any individual person who drives a vehicle for hire within the City.

"Employee" is any person employed for remuneration or under any contract of hire, written or oral, express or implied, including independent contractors. All persons who drive vehicles for hire, including any person who has an ownership interest in the company, shall be considered employees of the vehicle for hire company for purposes of this Chapter.

“Key Personnel” is any owner, officer, manager, employee or agent of the licensee who exercises management or supervisory authority.

“Licensee” is the holder of an operator’s license as described in this Chapter.

“Limousine” is any luxury motor vehicle which has a total length of twenty feet or more or a seating capacity of more than six but less than ten passengers, which carries passengers for hire, whose journey has originated in the City and where the destination and route may be controlled by the passenger and the fare is calculated on the basis on an hourly rate.

“Operator” or “Owner” is any person engaged in the business of furnishing vehicle for hire services or operating a vehicle for hire company, whether upon contract or by offering such service to the public generally. A driver who is an employee of an operator does not him/herself become a separate operator solely because of such employment relationship.

“Operator’s License” is a license issued to an operator pursuant to this Chapter.

“Person” means and includes any individual natural person, partnership, corporation, unincorporated association, or other entity.

“Taxi” or “Taxicab” is any motor vehicle for hire, other than a limousine or a transportation network vehicle which carries passengers for hire, whose journey has originated in the City, the destination is controlled by the passenger and the fare is calculated on the basis of any combination of an initial fee, distance traveled and delays.

“Taxi Company” is a business operating one or more vehicles for hire, regardless of the legal form of the entity and regardless of whether the taxis so operated are owned by the company, leased, or owned by individual members of an entity. Taxi companies do not include Transportation Network Companies.

“Transportation Network” is one or more drivers working as independent contractors or employees and utilizing a digital dispatch system and personal motor vehicles in the provision of transportation services.

“Transportation Network Company” or “TNC” is a company that operates or facilitates a transportation network using an Internet-enabled technology application service, website or system to connect passengers to TNC affiliated drivers who provide prearranged rides in TNC vehicles for hire.

“Transportation Network Vehicle” or “TNV” is any personal motor vehicle which is used as a vehicle for hire and is part of a transportation network.

“Vehicle for Hire” is any motor vehicle used for the ground transportation of passengers for compensation within the City, including taxis and transportation network vehicles. The following vehicles shall not be considered as vehicles for hire for the purposes of this Chapter: limousines as defined by this Chapter; regularly scheduled buses; bona fide state-approved buses engaged in charter service with a seating capacity of more than twenty persons; vans and mini-buses which carry passengers for hire and have a seating capacity of more than seven passengers; courtesy vehicles

operated by vehicle repair businesses, hotels, motels, or residential facilities without charge to the user; ambulances licensed under State law; specially equipped vehicles used exclusively to transport wheelchair-bound passengers and their attendants; and non-motorized vehicles such as horse-drawn buggies.

“Vehicle for Hire Company” is a business engaged in furnishing or providing one or more vehicles for hire through a digital dispatch system or by any other means, regardless of whether such business has employees or delivers its services through independent contractors, including a taxi company or a transportation network company.

“Vehicle for Hire Driver” is any person who carries on the vocation of driving a vehicle for hire.

“Vehicle for Hire Services” shall mean motor vehicle transportation services provided by a TNC, taxi or vehicle for hire company.

9.08.010 Purpose. It is the purpose of this Chapter to require persons operating vehicles for hire to do so in a safe, fair and efficient manner. The vehicle for hire industry should be allowed to operate without unnecessary restraint, but because the provision of such services constitutes an essential part of the City’s transportation system and because transportation fundamentally affects the City’s well-being and that of its citizens, some regulation is necessary to ensure the public safety is protected, the public need provided for and the public convenience promoted. The provisions contained in this Chapter should be applied and enforced in such a manner as to require the vehicle for hire industry to regulate itself, under City supervision, to promote innovation and adaptation to changing needs, and respond to the economics of the marketplace, so long as the public interest is served thereby.

Nothing in this Chapter is intended or shall be construed to create any liability on the part of the City or its employees for any injury or damage related to any provision of this Chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this Chapter.

9.08.020 Vehicle for Hire Operator’s License Required. No person shall own or operate a vehicle for hire company or provide vehicle for hire services within the City without first obtaining an operator’s license as required by this Chapter. An application for a vehicle for hire operator’s license shall be filed with the City Recorder on a form provided by the City. The City may issue a license to an operator if the operator certifies that it is in compliance with, and will continue to comply with, all requirements of this Chapter, including but not limited to driver and insurance requirements, operating standards and any other Code requirements. The City may include conditions, restrictions or special provisions in the license, including but not limited to conditions related to routes, times of operation, lighting, alternative requirements or means of meeting requirements, if, in the sole discretion of the City, the applicant’s vehicles or operations warrant conditions, restrictions or special provisions.

9.08.030 Application for Operator’s License.

A. An application for an original operator’s license shall be filed with the City Recorder on a form provided by the City, verified under penalty of perjury, accompanied by a nonrefundable application investigation fee in an amount set by Council resolution and contain the following:

1. The name, date and place of birth, driver’s license number and residence address of the operator of the proposed vehicle for hire company and any of the company’s key personnel;

2. The company name under which the vehicle for hire service shall operate;
3. A statement whether the operator of the proposed vehicle for hire company, or any key personnel of the company, have ever:
 - a. Been convicted of any felony, misdemeanor or violation of any federal or state law or municipal ordinance (other than minor traffic and parking offenses), the nature of the offense and the punishment or penalty assessed;
 - b. Had a business license or bond denied, revoked or suspended and, if so, a description of the reason for such revocation or suspension.
4. The rates applicant proposes to charge for vehicle for hire service;
5. Such other relevant information as the City Recorder may deem necessary for the proper protection of the public.

B. Each licensed vehicle for hire operator shall maintain accurate, current records for each vehicle for hire driver employed by, contracting with, or otherwise affiliated with the company, including all drivers accessing the business's digital network to operate within the City. The records shall include the driver's name, date of birth, address, driver's license information, motor vehicle registration and proof of automobile insurance. Operators shall provide a person in compliance with this Section written confirmation of compliance. Both the operator and each driver must submit a copy of such confirmation of compliance with their application for a vehicle for hire operator's license or a vehicle for hire driver's permit.

C. An operator must revoke a driver's authority to operate as a driver for their vehicle for hire company and inform the City if it finds at any time that the standards set forth in this Chapter are no longer being met by the driver.

D. Each licensed vehicle for hire operator shall continue to keep the information provided in its application current, and shall inform the City Recorder of any changes within ten days of the occurrence.

9.08.040 Term of Operator's License. An operator's license shall be issued for a term of one year, or any portion thereof if the application is received after January 1 of any calendar year. All operator licenses shall expire on December 31st of the year issued. If a licensee intends to continue to operate in the next following license year, not less than thirty days prior to the license expiration date, licensee shall complete a license renewal application and submit the annual license fee as described in Section 9.08.050, to the City Recorder.

9.08.050 Operator's License Fee. The annual license fee for an operator's license shall be as set by Council resolution and shall be paid before an original license is issued and thereafter on or before January 1st of each year before a renewal license shall be issued. If the initial operator's license is issued on or after July 1st, the fee shall be reduced by one-half for the initial license year.

9.08.060 Transfer of Operator's License. No operator's license may be sold, assigned, mortgaged or otherwise transferred without the consent of the City Recorder. Such transfer shall be subject to the same terms, conditions and requirements as the application for the original license.

9.08.070 Vehicle for Hire Driver's Permit Required. No person shall drive a vehicle for hire within the City without first obtaining a vehicle for hire driver's permit issued pursuant to this Chapter.

9.08.080 Application for Driver's Permit. Application for a vehicle for hire driver's permit shall be made to the City Recorder on a form provided by the City and accompanied by the payment of a nonrefundable original application investigation fee as set by Council resolution. Upon approval of the application, the annual license fee as set by Council resolution must be paid before the license is granted. Applicants shall provide the following:

1. The applicant's name, date and place of birth, driver's license number and residence address;
2. The name of the TNC, taxi or vehicle for hire company under which the driver shall provide vehicle for hire services;
3. A statement whether the applicant has ever been convicted of any felony, misdemeanor or violation of any federal or state law or municipal ordinance (other than minor traffic and parking offenses), the nature of the offense and the punishment or penalty assessed;
4. Satisfactory proof that the applicant is at least 21 years of age and possesses the appropriate valid Oregon driver's license;
5. Satisfactory proof that the applicant has a current vehicle registration as well as current automobile liability insurance that meets the requirements of this Chapter and state law; and
6. Proof from a certified mechanic that the vehicle has been inspected and passes a safety test.
7. Such other relevant information as the City Recorder may deem necessary for the proper protection of the public.

9.08.090 Term and Fee for Driver's Permit. Each person approved to be a vehicle for hire, TNC or taxi driver under this Chapter shall pay an annual permit fee as set by Council resolution. All permits shall expire on December 31st of the year issued. If the original permit is issued on or after July 1st, the permit fee may be reduced by one-half the annual fee for the initial permit year. If permittee intends to continue to operate as a vehicle for hire driver during the next following permit year, not less than 30 days prior to the permit expiration date, permittee shall complete a permit renewal application and pay the annual permit fee as described in Section 9.08.090.

9.08.100 Standards for Issuance of Driver's Permit. The City Recorder shall review each application to determine the applicant's fitness to obtain a TNC, taxi or vehicle for hire driver's permit. Among the factors which may be considered are:

1. Applicant's prior criminal history;
2. Prior traffic violations by the applicant and prior violations of municipal regulations of the City or other municipalities governing vehicle for hire services;
3. The applicant's driving safety record; and
4. Any other relevant factor which the City Recorder may deem necessary.

9.08.110 Insurance Requirements.

A. General Coverage. Every vehicle for hire operator and driver licensed under this Chapter shall maintain continuous, uninterrupted insurance coverage as described herein, for the duration of the license and any operations within the City. Any lapse in insurance coverage, even if it is later backdated by the insurance company is a violation of this Chapter. Operators shall secure and maintain commercial general liability insurance with limits of not less than \$1 million per occurrence and \$2 million aggregate for claims arising out of, but not limited to, bodily injury and property damage incurred in the course of operating within the City. For all insurance required by this Chapter, operators shall provide certificates of insurance naming the City, its officers, agents and employees as additional

insured parties and give at least 30 calendar days' notice to the City before a policy is canceled, expires or has any reduction in coverage. Insurance requirements of this Chapter shall be satisfied by insurance issued by a licensed insurer or an eligible surplus lines insurer in the State of Oregon. The insurance limits for operators are subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon, other statutory changes or other changes deemed necessary by the City during the term of the operator's license. The adequacy of insurance coverage is subject to the review and approval of the City. Upon request or as part of an application, all TNC, taxi and vehicle for hire operators shall provide the City proof of current, valid insurance covering the affiliated TNC, taxi and vehicle for hire company, and any vehicles and drivers associated with the company

B. Insurance for Taxi Operators. Taxi operators licensed under this Chapter shall secure and maintain commercial automobile liability insurance, with a combined single limit of not less than \$1 million per occurrence for claims arising out of, but not limited to, bodily injury and property damage on all vehicles owned by the taxi operator but driven by a vehicle for hire driver.

C. Insurance Limits During Service Periods for TNC or Vehicle for Hire Operators. Service periods for operators providing vehicle for hire or TNC services shall be defined as follows:

- 1. Period 1:** The TNC or vehicle for hire driver has logged into the operator's digital dispatch system app or is otherwise connected to the operator's digital network, but has not yet accepted a request for a ride from a passenger (when the app is open and the driver is waiting for a match).
- 2. Period 2:** A passenger match has been accepted, but the passenger is not yet picked up (the driver is on the way to pick up the passenger).
- 3. Period 3:** The passenger is in the vehicle.

D. Insurance for TNC or Vehicle for Hire Operators. All TNC or vehicle for hire operators licensed under this Chapter shall secure and maintain the following automobile liability insurance:

- 1.** Primary insurance coverage during Period 1, as defined in the above Subsection 9.08.110(C), with minimum liability limits of \$50,000 per person for death and injury, \$100,000 per incident for death and injury, and \$25,000 for property damage, plus any other state compulsory coverage.
- 2.** Primary coverage during Periods 2 and 3, as defined in the above Subsection 9.08.110(C), with minimum liability limits of \$1 million in combined single limit coverage for death, personal injury and property damage per incident; and \$1 million in combined single limit under/uninsured motorist coverage for death, personal injury and property damage per incident.
- 3.** The required automobile liability insurance shall specifically recognize the driver's provision of TNC or vehicle for hire services and shall comply with the laws of the State of Oregon and/or other applicable governing bodies.

E. Insurance for TNC or Vehicle for Hire Drivers. TNC or vehicle for hire drivers shall be responsible for maintaining all personal automobile liability insurance as required by State law.

9.08.120 Operational Requirements.

A. All vehicles operating for a TNC, vehicle for hire or taxi company shall be no more than fifteen years old and maintained in a clean, sanitary, safe and mechanically sound condition and shall be clearly marked with the TNC, taxi or vehicle for hire's company name or logo. Vehicles operating for a taxi company shall include the company name or logo, phone number and a vehicle identification

number in plain sight. No vehicle may display the words "taxi", "taxicab" or "cab", or attempt to appear as a taxi unless such vehicle is directly affiliated with a taxi company licensed under this Chapter. Vehicles operated solely for TNC or vehicle for hire companies shall be clearly marked as operating for the TNC or vehicle for hire company, although any vehicle marking requirements imposed by a TNC or vehicle for hire company may apply. The signage identifying a TNC or vehicle for hire must be clearly visible from the front and rear of the vehicle from a distance of 20 feet and shall be placed on the interior or exterior of the vehicle body. No vehicle shall be operated as a TNC vehicle or vehicle for hire unless affiliated with a TNC or vehicle for hire company licensed by this Chapter. The TNC's or vehicle for hire's software application or website shall display for the passenger the make, model and license plate number of the TNC vehicle or vehicle for hire.

B. Vehicle for Hire drivers shall report a change of vehicle to the City within 30 days.

C. TNCs and vehicle for hire companies shall maintain records of all trips made by all drivers for at least one year from the date of the trip. The data may be aggregated or anonymized, and shall at a minimum include the locations by ZIP code of trip origination and destination, vehicle miles traveled, trip origination and completion times, trip duration and passenger wait times from a driver's acceptance of a request for passenger pick-up. The City may require a TNC or vehicle for hire company to enter a data sharing agreement in order to receive a license.

D. All operators licensed under this Chapter shall implement and maintain at all times a zero tolerance policy on the use of drugs or alcohol applicable to all drivers employed by or affiliated with the company while providing vehicle for hire services. All operators shall provide notice of the zero tolerance policy on their website and/or have it clearly displayed in each vehicle. The notice must include contact information to report a complaint about a driver for possible violation of this policy. An operator shall immediately suspend a driver upon receipt of a passenger complaint alleging violation of the zero tolerance policy for at least the duration of the investigation of the complaint.

E. Operators must provide reasonable accommodations to passengers with disabilities, including passengers accompanied by a service animal, passengers with hearing and visual impairments and passengers with mobility devices and must comply with all applicable requirements of the Americans with Disabilities Act.

F. Unless otherwise directed by the passenger, all vehicle for hire drivers employed or contracted to carry a passenger to a definite point shall take the most direct route possible that will carry the passenger to the destination safely and expeditiously.

G. It shall be unlawful for any TNC, vehicle for hire or taxi driver to smoke in the presence of any passenger without the consent of such passenger. It shall at all times be unlawful for any person to smoke in a vehicle for hire if oxygen tanks or other devices containing inflammable materials are present in the vehicle.

H. All taxi meters shall be inspected and tested for accuracy by the taxi or vehicle for hire company at least once every six months.

9.08.130 Registered Agent Required. TNC and vehicle for hire companies must maintain a registered agent for service of process in the State of Oregon. The name, telephone number, physical

address, electronic mail address of the registered agent shall be provided as part of the operator's license application. The company shall notify the City in writing of any changes regarding its registered agent.

9.08.140 Charges for Vehicle for Hire Services.

A. All charges for vehicle for hire services shall be calculated and displayed by a taximeter or digital dispatch system. When charges are to be displayed by a taximeter, the taximeter shall be placed in the vehicle for hire so that the reading dial showing the amount to be charged is illuminated and readily discernable to passengers.

B. No taximeter or digital dispatch system shall be operated in a manner so as to cause any charge to be registered thereon except during the time while the vehicle for hire is engaged by a passenger.

C. No passenger shall be carried in a vehicle for hire unless the taximeter or digital dispatch system is in operation, whether or not the trip is entirely within or partially outside the boundaries of the City. The taximeter or digital display system shall be in continuous operation during the entire time that a passenger is being transported for compensation.

D. A TNC, taxi or vehicle for hire company may impose a specialized charge to carry extra passengers or to deliver goods or other items so long as such specialized charge is clearly calculated and displayed before any service is provided.

9.08.150 Audit. The City may audit operators licensed under this Chapter up to three times per calendar year for compliance with this Chapter. Upon request, an operator shall provide the City a sample of records for up to thirty (30) drivers affiliated with the operator that have operated in the thirty (30) days preceding the audit. An audit shall occur at a time and location designated by the City. In addition to an audit, the City may require an operator to produce records related to an investigation of a specific allegation of a violation of the Chapter or other applicable law, or to evaluate a complaint. Production of records for an investigation or to evaluate a complaint does not count toward the three-time-per-year auditing limit.

9.08.160 Indemnification.

A. All operators and drivers issued a license or permit under this Chapter shall agree to pay all damages and penalties the City may legally be required to pay as a result of granting such license or permit and shall agree to defend and indemnify the City against all claims resulting from the granting of such license or permit. These damages or penalties shall include, but not be limited to, damages arising out of the operation or maintenance of a vehicle used to provide vehicle for hire services pursuant to this Chapter whether or not any act or omission complained of is authorized or prohibited by the Chapter.

B. By its application and the granting of an operator's license under this Chapter, the operator agrees to pay all necessary and reasonable expenses incurred by the City in defending itself under this Section, including, but not limited to, reasonable attorney's fees.

9.08.170 Denial, Suspension and Revocation.

A. Operator's License. In addition to the grounds in Chapter 9.100, the City Recorder may deny an application for an operator's license or suspend or revoke an operator's license upon finding that:

1. The application, operator or key personnel fails to meet the requirements of this Chapter or is doing business in violation of this Chapter or applicable federal, state, county or City law;
2. The applicant, operator or key personnel has provided false or misleading material or information or has omitted disclosure of a material fact on the application or related materials or on the applicant's business records.
3. The applicant's, operator's or key personnel's past or present violation of law or ordinance presents a reasonable doubt about the applicant's or operator's ability to provide TNC, taxi or vehicle for hire services without endangering property or the public health and safety.
4. The information supplied in the application does not indicate that the applicant or key personnel has the experience, knowledge or ability to provide the services required under this Chapter.

B. Driver's Permit. In addition to the grounds in Chapter 9.100, the City Recorder may deny an applicant for a TNC, taxi or vehicle for hire permit, or suspend or revoke the driver's permit if the Recorder determines the applicant to be unfit based upon the factors in Section 9.08.100 or if the permittee is convicted of a violation of this Chapter or similar regulations of another municipality or of any state statute involving the operation of a motor vehicle; or if the City Recorder has reasonable grounds to believe that the permittee would endanger life or property while operating a motor vehicle.

C. Recorder's Decision and Applicant's, Licensee's or Permittee's Right. The City Recorder's decision to deny an application, to suspend or revoke a license or permit and the rights of an applicant, licensee or permittee shall be governed by this Chapter and Chapter 9.100.

D. Summary Suspension. In addition to the grounds in Chapter 9.100, the City Recorder may summarily suspend an operator's license if any vehicle used to provide TNC, taxi or vehicle for hire services under the licensee's business operates without the insurance required by Section 9.08.110 of this Chapter.

SECTION 2. Applicability to Existing Licenses and Permits. Any individual currently possessing a taxi operator's license, taxi vehicle permit or taxi driver's permit issued under the provisions of Chapter 9.08 as previously in effect prior to the effective date of this ordinance may continue operating under the standards and conditions in place prior to the effective date of this ordinance, and is exempt from new Chapter 9.08 "Vehicle for Hire Services" until January 1, 2019; unless the licensee or permittee wishes to apply under new Chapter 9.08 at an earlier date. All taxi operator licenses, vehicle and driver permits issued prior to the effective date of this ordinance shall expire automatically on December 31, 2018.

ADOPTED BY THE CITY COUNCIL ON THIS _____ DAY OF _____, 2018.

APPROVED BY THE MAYOR ON THIS ____ DAY OF _____, 2018.

LARRY RICH, MAYOR

ATTEST:

AMY L. SOWA, CITY RECORDER

RESOLUTION NO. 2018-___

**A RESOLUTION ADDING FEES FOR TRANSPORTATION NETWORK
OPERATORS AND DRIVERS**

WHEREAS, On _____, 2018, the Roseburg City Council adopted an ordinance repealing Roseburg Municipal Code Chapter 9.08, Entitled "Taxicab and Limousine Services" and replacing it with new Chapter 9.08 entitled "Vehicle for Hire Services"; and

WHEREAS, Council directed staff to set fees for Transportation Network operators and drivers that would be comparable to those of taxi drivers within the City of Roseburg.

IT IS HEREBY RESOLVED by the City Council of the City of Roseburg, that Resolution No. 92-13 adopted by the City Council on August 24, 1992, is amended as follows:

Section 1: The following fees will be added to the City of Roseburg Fee Schedule under Business Permits/Licenses:

Transportation Network:

Driver's Permit (<i>annual</i>)	20.00
On or after 7/1	10.00
Original Application Investigation Charge	30.00
Operator's License (<i>annual</i>)	480.00
On or after 7/1	240.00
Original Application Investigation Charge	200.00

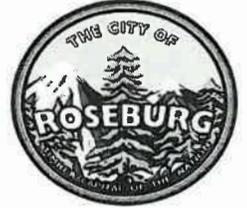
Section 2. This resolution shall become effective immediately upon adoption by the Roseburg City Council on _____, 2018.

**ADOPTED BY THE ROSEBURG CITY COUNCIL AT ITS REGULAR MEETING
ON THE ____ DAY OF _____, 2018.**

Amy L. Sowa, City Recorder

Je
7/18/18

**ROSEBURG CITY COUNCIL
AGENDA ITEM SUMMARY**



PROPOSED CITY VOTERS' PAMPHLET

Meeting Date: July 23, 2018
Department: Administration
www.cityofroseburg.org

Agenda Section: Ordinances
Staff Contact: Amy L. Sowa, City Recorder
Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY

On June 25, 2018, Council reviewed a proposal to amend the Roseburg Municipal Code to allow the City to create a City Voters' Pamphlet, and a resolution authorizing the City Recorder to draft a policy and procedures to allow City of Roseburg candidates to submit information to be included in an Online Voters' Pamphlet. In addition, arguments for or in opposition to local measures could be submitted.

BACKGROUND

A. Council Action History.

- June 25, 2018: Staff presented information to the Council regarding a proposed City Voters' Pamphlet that would be an online version, with limited printed copies made for accessibility purposes. Council was supportive of an Online City Voters' Pamphlet that would include candidates and measures from the City of Roseburg, Roseburg Public Schools, Roseburg Urban Sanitary Authority (RUSA), Umpqua Community College and the Douglas Education Service District (ESD).
- July 9, 2018: Council conducted a first reading on the proposed ordinance amending Roseburg Municipal Code (RMC) Section 2.02.005, adding RMC Section 2.02.075, and amending RMC Section 2.06.005. Council discussed possible amendments to the policy which staff has included in the attached policy.

B. Analysis. Currently, candidates for local office in Roseburg do not have the opportunity to submit their information to the State Voters' Pamphlet. Voters often contact the City to get additional information on local candidates and measures, but the City is limited to provide only the State documents candidates are required to file. Producing a local Voters' Pamphlet would provide electors with additional information about the candidates and measures on the ballot.

The draft ordinance with the proposed changes to the Roseburg Municipal Code (RMC) allows production of a City Voters' Pamphlet for candidates and measures for the following agencies: City of Roseburg, Roseburg School District, Roseburg Urban Sanitary Authority, Umpqua Community College and Douglas Education Service District.

In addition to holding a first reading of the ordinance on July 9, Council directed staff to make some minor changes to the policy. A resolution and draft policy with those changes is attached

for Council consideration. Staff proposes that the Online Voters' Pamphlet be titled, "*City of Roseburg Election Information*" to avoid confusion with the State Voters' Pamphlet.

C. Financial/Resource Considerations. It is recommended that Council set a fee for submittals to the City Voters' Pamphlet of \$25 to help offset staff costs. This fee would be required for any candidate submitting their information, or anyone submitting an argument in favor or in opposition to a local measure. A resolution setting that fee is attached.

D. Timing Considerations. In order for a City Voters' Pamphlet to be prepared in time for the upcoming General Election in November, the ordinance and resolutions should be adopted during tonight's meeting.

STAFF RECOMMENDATION/COUNCIL OPTIONS: Staff recommends Council conduct a second hearing and adopt the proposed ordinance amending the Roseburg Municipal Code to allow for the preparation of a local voters' pamphlet, adopt the resolution approving the policy for a local voters' pamphlet, adopt the resolution setting fees for submissions to a local voters' pamphlet, and make a motion for the City Recorder to proceed with publication of an electronic voters' pamphlet for the City of Roseburg.

SUGGESTED MOTIONS: If Council would like to move forward with the local voters' pamphlet, the following motions are appropriate:

"ADOPT ORDINANCE NO. 3503"

"ADOPT RESOLUTION NO. 2018-16"

"ADOPT RESOLUTION NO. 2018-17"

"AUTHORIZE THE CITY RECORDER TO PREPARE AND MAKE AVAILABLE AN ELECTRONIC VOTERS' PAMPHLET TITLED, 'CITY OF ROSEBURG ELECTION INFORMATION."

ATTACHMENTS: #1 – Proposed Ordinance Amending RMC Section 2.02.005, Adding RMC Section 2.02.075, and Amending RMC Section 2.06.005.

#2 – Proposed Resolution w/Attached City Voters' Pamphlet Policy

#3 – Proposed Fee Resolution for Voters' Pamphlet Submissions.

ORDINANCE NO. 3503

AN ORDINANCE AMENDING SECTION 2.02.005 “DEFINITIONS”, ADDING SECTION 2.02.075 “LOCAL VOTERS’ PAMPHLET”, AND AMENDING SECTION 2.06.005 “DEFINITIONS” OF THE ROSEBURG MUNICIPAL CODE ESTABLISHING A PROCESS FOR CREATING A VOTERS’ PAMPHLET

SECTION 1. Chapter 2.02, Section 2.02.005, titled “Definitions” of the Roseburg Municipal Code is hereby amended by adding the following definitions:

- A. “Candidate” means an individual whose name is printed or expected to be printed on the ballot after meeting filing requirements.
- B. “College” for purposes of this Section means Umpqua Community College.
- C. “Education Service District” for purposes of this Section means Douglas Education Service District.
- D. “Electorate” means the registered voters in the City of Roseburg, Roseburg School District 4, Roseburg Urban Sanitary Authority district, Umpqua Community College district, and Douglas Education Service District.
- E. “Sanitary Authority” for the purposes of this Section means the Roseburg Urban Sanitary Authority.
- F. “School District” for purposes of this Section means the Roseburg School District #4.

SECTION 2. Chapter 2.02, Section 2.02.075, titled “Local Voters’ Pamphlet” is hereby added to the Roseburg Municipal Code to read as follows:

Except as may be required by ORS Chapter 192, it shall not be necessary, in connection with any election conducted pursuant to this section, to prepare or distribute any voters’ pamphlet, nor distribute to voters any copies of candidate lists, measures or arguments.

- A. The Council may, by motion, resolution or ordinance, provide for the preparation and distribution of a printed voters’ pamphlet that includes copies of candidates list, statements from candidates, measures or arguments relative to measures to be considered and voted upon at any such election.
- B. The Council may, by motion, resolution or ordinance, provide for the preparation and make available, an electronic voters’ pamphlet or make available electronically, candidates list, statements from candidates, measures or arguments relative to measures to be considered and voted upon at any city, school district, college, sanitary authority or education service district election. An electronic voters’ pamphlet may be prepared independent of or in lieu of, a printed voters’ pamphlet.

- C. Standards for printed and electronic voters' pamphlet shall be set by policy and approved by the City Manager.

SECTION 3. Chapter 2.06, Section 2.06.005, titled "Definitions" of the Roseburg Municipal Code is hereby amended by adding the following definitions:

- B. "Initiative" means the process of initiating legislation and its enactment or rejection by the electorate.
- C. "Measure" means legislation referred to the voters either by referendum or initiative.
- D. "Referendum" means the process of referring legislation to the electorate.

ADOPTED BY THE ROSEBURG CITY COUNCIL THIS ___ DAY OF JULY, 2018.

APPROVED BY THE MAYOR THIS ___ DAY OF JULY, 2018.

LARRY RICH, MAYOR

ATTEST:

AMY L. SOWA, CITY RECORDER

RESOLUTION NO. 2018-16

**A RESOLUTION ADOPTING
THE CITY OF ROSEBURG VOTERS' PAMPHLET POLICY**

WHEREAS, the City of Roseburg adopted Ordinance No. 3503 Amending Section 2.02.005 "Definitions", Adding Section 2.02.075 "Local Voters' Pamphlet", and Amending Section 2.06.005 "Definitions" of the Roseburg Municipal Code Establishing a Process for Creating a Voters' Pamphlet; and

WHEREAS, Ordinance No. 3503 provides the option of a printed or electronic voters' pamphlet with a list of candidates, statements from candidates, measures or arguments relative to measures to be considered and voted upon in the City;

WHEREAS, Ordinance No. 3503 authorizes that the City Council by motion, resolution or ordinance may provide for the preparation and make available an electronic voters' pamphlet;

WHEREAS, Ordinance No. 3503 sets forth that standards for the printed and electronic voters' pamphlet shall be set by Policy approved by the City Manager;

WHEREAS, the Voters' Pamphlet Policies written and approved are attached;

WHEREAS, Council now wishes to adopt by resolution the City Manager's policies for a City of Roseburg Voters' Pamphlet.

IT IS HEREBY RESOLVED by the City Council of the City of Roseburg as follows:

Section 1: The City of Roseburg hereby adopts the City Manager's policy for a Voters' Pamphlet.

Section 2: This resolution shall become effective immediately upon adoption by the Roseburg City Council.

**ADOPTED BY THE ROSEBURG CITY COUNCIL AT ITS REGULAR MEETING
ON THE ____ DAY OF _____, 2018.**

Amy L. Sowa, City Recorder

VOTERS' PAMPHLET POLICY
CITY OF ROSEBURG

I. Definitions

Ballot Title. A ballot title describes a City, School District, Sanitary Authority, College or Education Service District measure. All ballot titles must be qualified by the county elections filing officer.

Candidate. An individual whose name is printed or expected to be printed on the ballot after meeting filing requirements set forth in Roseburg Municipal Code §2.02.040 for city offices and ORS 255.235 for school district offices, sanitary authority offices, college offices and education service district offices.

City Elections Filing Officer. The City Recorder is the elections filing officer for the City of Roseburg Mayor and City Council positions.

College. Umpqua Community College.

County Elections Filing Officer. The County Clerk is the elections filing officer for Douglas County and Special Districts.

Education Service District. Douglas Education Service District.

Elective Office. Elective offices shall include Mayor, City Councilor, Roseburg School District 4 board members, Roseburg Urban Sanitary Authority board members, Umpqua Community College board members and Douglas Education Service District board members.

Electorate. The registered voters in the City of Roseburg, Roseburg School District 4, Roseburg Urban Sanitary Authority district, Umpqua Community College district, and Douglas Education Service District.

Initiative. The process of initiating legislation and its enactment or rejection by the electorate.

Measure. Legislation referred to the voters either by referendum or initiative for the City of Roseburg, Roseburg School District 4, Roseburg Urban Sanitary Authority, Umpqua Community College, or Douglas Education Service District.

Referendum. The process of referring legislation to the electorate.

Referral. The process of the governing body referring a measure to voters for approval.

Regular Election. An election held at the same time as the statewide primary or general biennial election.

Sanitary Authority. Roseburg Urban Sanitary Authority.

School District. Roseburg School District 4.

Special Election. An election held on a date that is not a regular election date.

Voters' Pamphlet. An informational brochure that may be in print or electronic form regarding candidate or measure information for an upcoming general or special election. The Voters' Pamphlet may also be referred to as "City of Roseburg Election Information".

II. Purpose

- (1) It is the purpose of the City of Roseburg to create a voters' pamphlet that will provide voters with easy access to information regarding upcoming elections for candidates and/or ballot measures for the City of Roseburg, the Roseburg School District, the Roseburg Urban Sanitary Authority (RUSA), Umpqua Community College (UCC), or Douglas Education Service District (ESD);
- (2) The policy guidelines provided here are designed to provide the City Recorder with flexibility to generate a voters' pamphlet that balances the interests of voters' access to information and the City's interest in efficient and economical means to provide access to that information.

III. City Recorder Duties and Voters' Pamphlet Content

- (1) The City Recorder shall include additional general information related to the election process in the Voters' Pamphlet such as the location of drop boxes, requirements for a citizen to qualify as an elector, how an elector may register or re-register to vote, and how an elector may obtain a ballot.
- (2) The City Recorder shall create a voters' pamphlet for a general or special election only when directed to do so by City Council pursuant to RMC § 2.02.075.
- (3) The order of candidates will be by election (City of Roseburg, Roseburg Public School District 4, Roseburg Urban Sanitary Authority, Umpqua Community College and Douglas Education Service District), and then by order of position. The order of measures will be in numeric order of the ballot number.
- (4) If the City Recorder is directed to create a voters' pamphlet, it shall include:
 - a. For a Measure:
 - i. the full text of the measure;
 - ii. the ballot number;
 - iii. a summary of the measure, created by the City Recorder's Office (for city measures) or by an agency representative (for measures from the other agencies), that does not exceed 500 words, that which concisely and impartially summarizes the measure and its major effects. If not filed, the Voters' Pamphlet may be printed without it;
 - iv. any arguments relating to the measure and filed with the City Recorder's Office in compliance with Section IV of this policy. Such arguments shall not exceed 325 words.
 - b. For a Candidate:
 - i. the candidate's name to be included on the ballot;
 - ii. the office sought;
 - iii. a portrait no smaller than 1.5 inches by 1.75 inches of the candidate submitted by the candidate no later than 56 days prior to the election date, that is less than four years old, only shows the face and shoulders of the candidate, and has no background or other identifying markers in the picture that would associate the candidate with an organization

- or other entity (if candidate does not submit a portrait then no portrait will be included);
- iv. a statement submitted by the candidate no later than 56 days prior to the election date that includes the candidate's current occupation, occupational and educational background, and any additional information the candidate may deem relevant to the election. The length of the statement shall not exceed 325 words.
 - c. The City Recorder makes no guarantees as to whether the information submitted is accurate and current.
- (5) The City Recorder shall reject any statement, argument or other matter offered for filing and printing in the Voters' Pamphlet which:
 - a. Contains any obscene, profane or defamatory language;
 - b. Incites or advocates hatred, abuse or violence toward any person or group; or
 - c. Contains any language which may not be legally circulated through the mail.
 - (6) The City Recorder's determination regarding subsection (5) of this Section III shall be final.
 - (7) Nothing in these guidelines shall make the author of any statement or argument exempt from any civil or criminal action because of any defamatory statements offered for printing or contained in the Voters' Pamphlet. The persons writing, signing or offering a statement or argument for filing shall be deemed its authors and publishers.
 - (8) The City Recorder shall notify a person who offered a portrait, statement, argument or other matter that was rejected pursuant to this section. Subject to the Voters' Pamphlet deadlines, the City Recorder will allow the person upon notification to revise the portrait or statement so that it does not violate the provisions of this section.

IV. Submission and Printing of Arguments/Statements of Endorsement For or Against a Measure or Candidate

- (1) Arguments or statements of endorsement must be filed no later than 56 days prior to the date of the general election. Arguments or statements of endorsement for or against the measure or the candidate shall not exceed 325 words. Arguments or statements of endorsement must include a signature of the individual responsible for submission.
- (2) Each argument or statement of endorsement that is printed in the Voters' Pamphlet will include the name of the person who submitted the argument, the name of the organization the person represents (if any), whether the argument supports or opposes the measure or the candidate, and a disclaimer that the argument does not constitute an endorsement by the City and that the City does not warrant the accuracy of any statement made in the argument.
- (3) The filing fee for an argument or statement of endorsement shall be set by resolution. If a person is unable to pay the filing fee, the City Manager may waive the fee.
- (4) The City Recorder shall reject any statement, argument or other matter offered for filing and printing in the Voters' Pamphlet in the same manner as outlined in Section III (5).

V. Candidate Statement Fees

- (1) The filing fee for a candidate's statement for inclusion in the voters' pamphlet shall be set by resolution. Fees are due at the time the candidate submits his or her portrait and candidate statement. If a person is unable to pay the filing fee, the City Manager may waive the fee.

VI. Distribution and Access to the Voters' Pamphlet

- (1) The City Recorder may publish the Voters' Pamphlet in hard-copy or electronically.
 - a. A hard-copy voters' pamphlet may be produced and distributed in a manner that provides voters with reasonable access to the pamphlet. Reasonable access may include, but is not limited to, providing copies of the Voters' Pamphlet at City Hall, the Public Safety Center, or other public facility. (Mailing hard copies to each eligible voter is not required to provide reasonable access); or
 - b. An electronic voters' pamphlet may be provided on the City website or may be provided through a website created for the sole purpose of providing voters with information about upcoming elections.
- (2) The City Recorder shall provide the Voters' Pamphlet in a manner that is reasonably likely to reach registered and potential voters no later than 21 days before the election. Distribution of hard-copy voters' pamphlets to Roseburg residences are "reasonably likely" to reach voters.
- (3) If the pamphlet is only available electronically, the City Recorder shall provide notice to voters that the Voters' Pamphlet is available online. The City Recorder will have discretion to select a method that is reasonably likely to reach voters; methods may include, but are not limited to, mailing a post-card to Roseburg residences notifying the voter(s) of the electronic pamphlet or notification in a city or local newspaper.

VII. Construction and Interpretation of this Policy

- (1) The provisions of this Policy shall be liberally construed to provide the City Recorder or designee with the authority and flexibility to affect the purposes of this Policy.
- (2) Any aspect of the voters' pamphlet not specified in this policy or made ambiguous by the provisions of this policy shall not restrict the City Recorder's authority to use his or her discretion in determining reasonable means to implement this policy.
- (3) The information presented in the voters' pamphlet is not the view of the City. This information is a means of disseminating candidates' and others' views. This is only a platform for information. The information has not been verified for accuracy or truthfulness. The City accepts no responsibility for the accuracy or veracity of the statements or information contained herein.

RESOLUTION NO. 2018-17

**A RESOLUTION ADDING FEES FOR SUBMISSIONS TO A
CITY OF ROSEBURG VOTERS' PAMPHLET**

WHEREAS, On July 23, 2018, the Roseburg City Council adopted an ordinance to allow the City of Roseburg to produce an online voters' pamphlet for City of Roseburg, Roseburg School District 4, Roseburg Urban Sanitary Authority, Umpqua Community College or Douglas Education District candidates and measures, providing the citizens of Roseburg easy access to information regarding upcoming elections for candidates and/or ballot measures for the City of Roseburg, the Roseburg School District 4, Roseburg Urban Sanitary Authority, Umpqua Community College or Douglas Education District; and

WHEREAS, The City Recorder has drafted a Voters' Pamphlet Policy outlining the process and requirements for submissions to the Voters' Pamphlet; and

WHEREAS, It is appropriate to set fees for submissions to the Voters' Pamphlet to help offset the cost of staff time in preparing and posting the Voters' Pamphlet.

IT IS HEREBY RESOLVED by the City Council of the City of Roseburg, that Resolution No. 92-13 adopted by the City Council on August 24, 1992, is amended as follows to include the filing fees for submissions to a City of Roseburg Voters' Pamphlet:

Section 1: The following fees will be added to the City of Roseburg Fee Schedule under Administration:

Voters' Pamphlet Submissions:

Candidate Statement.....	\$25.00
Measure Argument or Statement of Endorsement.....	\$25.00

Section 2. This resolution shall become effective immediately upon adoption by the Roseburg City Council on _____, 2018.

**ADOPTED BY THE ROSEBURG CITY COUNCIL AT ITS REGULAR MEETING
ON THE ____ DAY OF _____, 2018.**

Amy L. Sowa, City Recorder

AKS

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

ek
7/17/18

DEPARTMENT ITEMS A
7/23/2018



LEAGUE OF OREGON CITIES LEGISLATIVE PRIORITIES

Meeting Date: July 23, 2018
Department: Administration
www.cityofroseburg.org

Agenda Section: Items from Departments
Staff Contact: Amy L. Sowa, City Recorder
Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY: The League of Oregon Cities (LOC) provided a list of legislative objectives for Council to review, discuss and prioritize for the City of Roseburg.

BACKGROUND:

A. Council Action History. In June of 2018, the legislative priorities list was submitted to staff from the League of Oregon Cities (LOC) with the request to review the recommendations and provide input to the LOC Board of Directors as it prepares to adopt the League's 2019 legislative agenda. Staff provided the list to the full Council via email on June 22, 2018 with a request for councilors to identify their top four and lowest four priorities and return their list to Staff.

B. Analysis. Staff has compiled the results from the Mayor and Councilors prioritizing the LOC legislative topics. Based on the input from the five Council members that submitted their priorities, there are 13 topics that ranked as the top priorities, and 5 topics that ranked as the lowest priorities (see Attachment 1). Staff will request that Council review only those ranked by Council members and come to a decision on which four will be their top priorities, and which four will be their lowest priorities.

Those ranked top priorities were:

- PERS Reform (3)
- Property Tax Reform (3)
- Annexation Flexibility (2)
- Mental Health Investment (2)
- Permanent Supportive Housing Investment (2)
- Qualification Based Selection (QBS) (1)
- Broadband Infrastructure (1)
- Infrastructure Financing and Resilience (1)
- Least Cost Public Contracting (1)
- Lodging Tax Definition Broadening (1)
- PERS Unfunded Liability Revenue Stream Dedication (1)
- Small Area Cell Deployment (1)
- Wetland Development Permitting (1)

Those ranked lowest priorities were:

- Auto Theft (1)
- Qualification Based Selection (QBS) (1)

- Small Area Cell Deployment (1)
- Speed Cameras (1)
- Tobacco Taxes Share Increase (1)

Staff would like to share that we have been working with the Public Works Commission for many years on issues surrounding Qualification Based Selection, and it has been an issue that we would like Council to consider supporting. QBS is the process statute requires when selecting engineering and architectural firms when costs are anticipated to exceed \$100,000. When that occurs, we are required to select a firm first, then negotiate the fee without that being considered before selection. Council has questioned many times how we select the firm without knowing the cost.

City Manager Colley testified during the short session in 2018 regarding some amendments to ORS that would allow price to be considered once finalists (up to 3) have been chosen through the QBS process. Given our involvement with the LOC and our Public Works Commission and Council at various times in the past, staff would like Council to at least consider the QBS legislation as a local priority.

C. Financial/Resource Considerations. There are no financial considerations relating to this discussion.

D. Timing Issues. The deadline to return the City's priorities list to the LOC is Friday, August 3, 2018.

COUNCIL OPTIONS: After Council review and discussion, Council can either direct staff to submit the top four and bottom four priorities to the LOC, or choose not to submit a list of priorities.

STAFF RECOMMENDATION: Staff has no recommendation.

RECOMMENDED MOTION: No formal motion is needed; however, Council must decide as a full Council which priorities, if any, to submit to the LOC, and direct staff to submit those priorities prior to August 3, 2018.

ATTACHMENTS: #1 – LOC List with Council rankings
#2 – LOC Priorities Summary

City of: Roseburg

Please check or mark 4 boxes with an X that reflects the top 4 issues that your city recommends be added to the priorities for the League's 2019 legislative agenda.

Lowest	Legislation	Top
	A. 9-1-1 Tax	<input type="checkbox"/>
	B. Annexation Flexibility	<input checked="" type="checkbox"/>
	C. Auto Theft	<input type="checkbox"/>
0	D. Beer and Cider Tax Increase	<input checked="" type="checkbox"/>
	E. Broadband Infrastructure	<input type="checkbox"/>
	F. Carbon Cap-and-Invest Program Adoption	<input type="checkbox"/>
	G. City Comparability for Compensation	<input type="checkbox"/>
	H. Green Energy Technology Requirement Changes	<input type="checkbox"/>
	I. Infrastructure Financing and Resilience	<input checked="" type="checkbox"/>
	J. Least Cost Public Contracting	<input checked="" type="checkbox"/>
	K. Local Control Over Speed Limits on City Streets	<input type="checkbox"/>
	L. Lodging Tax Definition Broadening	<input checked="" type="checkbox"/>
	M. Mental Health Investment	<input checked="" type="checkbox"/>
	N. Permanent Supportive Housing Investment	<input checked="" type="checkbox"/>
	O. PERS Reform	<input checked="" type="checkbox"/>
	P. PERS Unfunded Liability Revenue Stream Dedication	<input checked="" type="checkbox"/>
	Q. Place-Based, Water Resource Planning (Program Support)	<input type="checkbox"/>
	R. Property Tax Reform	<input checked="" type="checkbox"/>
0	S. Qualification Based Selection (QBS)	<input checked="" type="checkbox"/>
	T. Right-of-Way and Franchise Fee Authority	<input type="checkbox"/>
	U. Safe Routes to School Match	<input type="checkbox"/>
0	V. Small Area Cell Deployment	<input checked="" type="checkbox"/>
0	W. Speed Cameras	<input type="checkbox"/>
	X. Speed Limit Methodology	<input type="checkbox"/>
	Y. Third Party Building Inspection	<input type="checkbox"/>
0	Z. Tobacco Taxes Share Increase	<input type="checkbox"/>
	AA. Waste Water Technical Assistance Program	<input type="checkbox"/>
	BB. Wetland Development Permitting	<input checked="" type="checkbox"/>
	CC. Wood Smoke Reduction Program Support	<input type="checkbox"/>

In addition to your ranking of the priorities shown above, please use this space to provide us with any comments (supportive or critical) you may have on these issues, or thoughts on issues or potential legislative initiatives that have been overlooked during the committee process.):

A. 9-1-1 Tax

Legislation:

Support legislation enhancing the effectiveness of the state's emergency communications system by increasing the 9-1-1 tax and/or seeking other sources of revenue and prohibiting legislative "sweeps" from emergency communications accounts managed by the Oregon Office of Emergency Management.

Background:

The League worked with other stakeholder groups in 2013 to extend the sunset date on the statewide 9-1-1 emergency communications tax to January 1, 2022 ([HB 3317](#)). In 2014, the League also worked to pass legislation including prepaid cellular devices and services under the 9-1-1 tax ([HB 4055](#)). As concerns mount with regard to disaster preparedness and recovery and as upgrades to communications technology become available, it is apparent that state and local governments do not have the resources necessary to address challenges or take advantage of opportunities (see an analysis in the League's 2018 State Shared Revenue Report, [here](#), and the Oregon Office of Emergency Management's "Emergency Communications Tax" webpage, [here](#)). Additional funding is needed and the practice of periodically sweeping funds out of the state's emergency management account for other uses must cease. It is worthy of note that the practice of "sweeps" disqualifies the state from receiving federal funds for emergency communications. It is unknown how many federal dollars have been foregone as a result of this policy.

Presented by the Telecom, Broadband & Cable Committee and endorsed by the Finance & Taxation Committee

B. Annexation Flexibility

Legislation:

The League will work to increase the flexibility for cities to annex residential areas and to encourage voluntary annexations, with a primary focus on improving the island annexation process.

Background:

There is a significant disconnect between the state's land use process and the [process of annexation](#), which has created issues for a variety of cities. The annexation process requirements are particularly difficult for areas known as "islands". Even though cities can involuntarily annex islands, most cities have adopted a policy to only engage in voluntary annexation. This has left significant islands un-annexed. In addition, waiting for surrounding properties to voluntarily annex often means the process and order of annexation does not necessarily match the plans for infrastructure development. Unannexed lands remain on the buildable land supply but much of it will contain some level of development that was approved by the county, but is often underdeveloped when compared to the comprehensive plan.

However, there have been bills that have been introduced over the last few sessions that aim to make non-voluntary annexation more difficult (see e.g., [HB 2039](#) and [HB 2040](#)). As these bills have gotten hearings, the League has taken the opportunity to discuss how annexation and land use are very disconnected. This is particularly of interest as interest in housing development remains at the top of the list of legislative priorities. If local governments have greater control over the annexation process and can better incentivize voluntary annexation, they can better meet the development expectations of the land use system and their comprehensive plans. It also assists in the orderly development of infrastructure.

Tools that were recommended to consider included partial island annexation in residential areas, relaxation of the limit of 10 years to bring a property fully onto the city's property tax level, changing the boundary requirements for islands, and looking at how the withdrawal of special district territory can be better regulated.

Presented by the Community Development Committee

C. Auto Theft

Legislation:

Address the deficiencies in the Unauthorized Use of a Motor Vehicle statute that were created after an adverse court ruling.

Background:

A 2014 Oregon Court of Appeals ruling requires that prosecutors prove beyond a reasonable doubt that a person driving a stolen car knew they were in violation of the law prohibiting the unauthorized use of a motor vehicle. Because of this ruling, unless confesses to the crime, obtaining a conviction for stealing a car is near impossible. The National Insurance Crime Bureau's 2017 "Hot Spots" report stated that Oregon experienced a 19 percent increase in auto theft over 2016. News stories on this issue may be found [here](#), [here](#) and [here](#).

Because of the ruling, auto theft has increased exponentially across rural and urban Oregon. A legislative fix was proposed in 2018 and was generally agreed to but was never voted on by either chambers due to the fiscal impact it would have on the state. A copy of the legislation can be found [here](#). This issue was brought to the Committee by a representative of the Oregon Association of Chiefs of Police and they have requested the League's supported in seeking to fix this issue. Of particular concern to the General Government Committee was the fact that vehicles being stolen tend to be older cars and trucks that are more likely to be owned by people of more modest means who would be unable to readily replace their vehicles without considerable impact.

Presented by the General Government Committee

D. Beer and Cider Tax Increase

Legislation:

The League proposes increasing the state taxes on malt beverages and cider to assist with rising public safety costs, improve public health, reduce alcohol consumption by minors, and provide alcohol tax equity with wine and liquor.

Background:

Oregon's tax has not been increased since 1978 and is currently \$2.60 per barrel which equates to about 8 cents on a gallon of beer. The tax is by volume and not on the sales price. (Yes, the bottle deposit is 60 cents and the tax is only about 4 cents on a six-pack!) Oregon is tied with Kentucky for the lowest beer taxes of all [states](#) (see page 98 in link). To get to the middle, Oregon would need to raise the tax to 80 cents per gallon (10-fold increase). Cities are [preempted](#) from imposing alcohol taxes. In exchange, cities receive approximately [34% of the state alcohol revenues](#) (see page 9 in link)(beer and wine taxes, license fees, and liquor profit sharing) as state shared revenues. However, because the tax is so small on beer, the share is also small. The beer tax brings in only about \$7 million per year state-wide; thus, the city share is about \$2.3 million of the total shared revenues. The total share for cities for all alcohol-based state shared revenues is estimated at over \$86 million. The League anticipates that excise tax increases including those on alcohol will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

Presented by the Finance and Tax Committee and endorsed by the General Government Committee

E. Broadband Infrastructure

Legislation:

Seek additional state support and funding for increased and equitable broadband infrastructure deployment, especially in rural areas. Oppose legislative efforts to restrict existing municipal authority to provide broadband services.

Background:

The deployment of broadband and telecommunications networks and services (public and/or private) throughout Oregon is critical to economic development, education, health and safety and the ability of residents to be linked to their governments. Mapping research shows large areas of the state either not served or underserved by competitive broadband technology. A significant barrier to the deployment of broadband infrastructure is funding. Cities need additional funding and support from various sources, including the state and federal government, allocated for increased or new broadband infrastructure, especially for fiber connections to schools, community libraries, and public safety buildings. Also, oppose efforts by private internet service providers to restrict local efforts to make broadband technology available within their jurisdiction.

Presented by the Telecom, Broadband & Cable Committee

F. Carbon Cap-and-Invest Program Adoption

Legislation:

The League's Energy & Environment Policy Committee has recommended support, if specific principles are recognized and codified, of legislation that would implement a statewide cap on carbon emissions over time and that would generate revenues for strategic investments that further Oregon's greenhouse gas reduction goals. The cap on emissions would apply to certain "regulated entities" with carbon emissions over 25,000 metric tons annually. Regulated entities would receive allowances, or would generate offset credits, to emit carbon. The revenue from the purchase of allowances would be invested in specified programs aimed at furthering GHG reductions and mitigating program impacts. It is anticipated that funds generated from a cap on the transportation fuel industry may be subject to use per state Constitutional requirements related to the state highway fund. The statewide cap on carbon would be reduced over time to meet updated greenhouse gas reduction goals for Oregon.

For the League to support a statewide cap on carbon, the following principles would need to be recognized and codified in any legislation:

- The legislation and subsequent rulemaking processes would need to establish a forum to generate meaningful dialogue with rural Oregon communities and those with energy-intensive, trade-exposed industries. Equity considerations should be considered throughout this process by including cities and counties representing a variety of populations, regions of the state, and community demographics (e.g. low-income and underserved populations). Specific action should be taken to have representation from cities with populations of less than 1,500.
- The cap would need to apply to all sectors including utilities, industry and the transportation fuels sector (e.g. fuel producers) if annual carbon emissions exceed 25,000 metric tons.
- The program should be designed to link to the Western Climate Initiative which has a multi-jurisdictional carbon market (linking with programs in California, Ontario and Quebec)
- The revenue from the purchase of allowances would be invested in evidence-based technologies to reduce emissions from regulated sectors with excess revenues being invested in statewide programs to support climate resilience and rural Oregon economies. Requiring the reinvestment of allowance revenue will help regulated sectors become more efficient over time and less carbon intensive.

- In addition, LOC will advocate that additional revenues generated be dedicated to support programs including:
 - Technical assistance grants that local governments could access to help fund the adoption and implementation of local climate action/sustainability plans.
 - Funding for local woodstove smoke reduction programs to help communities in, or at risk of, non-attainment from woodstove smoke.
 - Funding to study and incentivize an expanded, yet sustainable, cross-laminated timber industry in Oregon with the intent of stimulating job creation in rural Oregon communities.
 - Funding for drought mitigation planning and resilience for Oregon water systems.

Background:

The League anticipates that the Legislature is very likely to pass legislation during the 2019 session that would implement a “cap-and-invest” program in Oregon, similar to the program adopted by California. Similar legislation has been considered by the Oregon Legislature during previous legislative sessions, but has failed to be brought for a vote. The political will to pass such a policy/program for Oregon appears to be incredibly strong; the Speaker of the House and President of the Senate are co-chairing the Joint Interim Committee on Carbon Reduction and the Governor’s team is staffing a new Carbon Policy Office to assist in the Committee’s efforts. The League’s Energy & Environment Committee has spent considerable time discussing this policy, including how best to craft a policy recommendation that makes both environmental and economic sense for the state and cities.

Presented by the Energy & Environment Committee

G. City Comparability for Compensation

Legislation:

The League will seek legislation to ensure that cities are compared only with cities of a similar cost of living when negotiating with strike prohibited bargaining units.

Background:

Oregon labor law doesn’t allow police officers, firefighters, emergency communicators and other public safety critical employees to strike. Instead when an impasse is reached when bargaining with labor unions that represent those workers, the state proscribes a set procedure involving an outside arbitrator to resolve those contract disputes. In that process the arbitrator will compare the city to other cities of similar size. As a result, the cities in rural areas are being compared with to cities in metropolitan areas that have different economic circumstances. Klamath Falls with 20,000 people in it and a median home value of \$160,000 could be compared to Tualatin with a similar population and a median home value of \$355,000. This is not a reasonable comparison.

The Human Resources Committee notes that the Legislature created a variable minimum wage in Oregon in recognition of the different costs of living across the state. Each Oregon county is assigned to one of three wage zones with one being the Portland Metropolitan area, that second are less populous regions and the third are rural counties. The Committee recommends that cities only be compared to cities in the same wage zones. A detailed explanation and graphics of the proposal may be found here.

Presented by the Human Resources Committee

H. Green Energy Technology Requirement Changes

Legislation:

Advance legislation to statutorily modify the existing “1.5 percent green energy technology for public buildings” requirement to allow for alternative investment options such as offsite solar or energy efficiency projects.

Background:

Oregon statute currently requires public contracting agencies to invest 1.5% of the total contract price for new construction or major renovation of certain public buildings on solar or geothermal technology. The requirement allows for offsite technology, but only if the energy is directly transmitted back to the public building site and is more cost-effective than onsite installation. Removing the requirement that an offsite project be directly connected to the public building project could result in increased flexibility for local governments to invest in solar projects that are more cost-effective and provide for increased solar energy generation. In addition, the League will advocate to allow 1.5 percent funds to be invested in alternative projects that provide a greater economic or social return on investment including energy efficiency.

Presented by the Energy & Environment Committee

I. Infrastructure Financing and Resilience

Legislation:

The League will advocate for an increase in the state’s investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, and Regionally Significant Industrial Site loan program. The advocacy will include seeking an investment and set aside through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient.

Background:

A key issue that most cities are facing is how to fund infrastructure improvements (both to maintain current and to build new). Increasing state resources in programs that provide access to lower rate loans and grants will assist cities in investing in vital infrastructure. Infrastructure development impacts economic development, housing, and livability. The level of funding for these programs has been inadequate compared to the needs over the last few biennia and the funds are depleting and unsustainable without significant program modifications and reinvestments.

The funds are insufficient to cover the long-term needs across the state. While past legislative sessions have focused on finding resources for transportation infrastructure, the needs for water, wastewater, and storm water have not been given the same attention. A LOC survey of cities in 2016 identified a need of \$7.6 billion dollars over the next 20 years to cover water and wastewater infrastructure projects for the 120 cities who responded. This shows a significant reinvestment in the Special Public Works Fund (SPWF) is needed to help meet the needs of local governments. Without infrastructure financing options, cities cannot meet the needs of new housing or new business – high priorities for cities across the state.

In addition, there is a critical need to improve upon the seismic resilience of public drinking water and wastewater systems. The Oregon Resilience Plan (2013) identified Oregon’s water and wastewater systems as especially vulnerable to damage resulting from a Cascadia subduction zone earthquake. The plan recommended all public water and wastewater systems complete a seismic risk assessment and mitigation plan for their system. This plan would help communities identify and plan for a backbone water system that would be capable of supplying critical community water needs after a significant seismic event.

However, there is currently no dedicated funding to assist communities with this planning effort and the funding needed to repair/retrofit water infrastructure is significantly inadequate. Investments have been made in Oregon to seismically retrofit public safety facilities and schools, but without planning for infrastructure resilience, communities may not have access to water for critical needs, including drinking water and water for fire suppression, in the immediate aftermath of a seismic event.

This priority will focus on maximizing both the amount of funding and the flexibility of the funds to meet the needs of more cities across the state to ensure long-term infrastructure investment.

Presented by the Community Development Committee and endorsed by the Finance & Taxation and Water/Wastewater committees

J. Least Cost Public Contracting

Legislation:

Introduce and/or support legislation repealing [Section 45\(2\)\(a\)\(G\)](#) and [Section 45\(3\)\(a\)\(G\)](#) of HB 2017 (enacted in 2017) relating to compliance with least cost public contracting requirements as a condition for fuel tax increases after 2020.

Background:

As a matter of public policy, the League fundamentally disagrees with this linkage of transportation projects funding with public contracting standards applicable to specific local projects. Under HB 2017 (enacted in 2017) cities must comply with least cost public contracting standards set forth by [ORS 279C.305](#) for subsequent the two-cent increases in the state gas tax to occur in 2020, 2022 and 2024. Literally interpreted, one recalcitrant city *might* be able to stop the next gas tax increase by its failure to comply with this statute.

Presented by the Transportation Committee and endorsed by Finance and Taxation Policy Committee

K. Local Control Over Speed Limits on City Streets

Legislation:

Introduce legislation that allows Oregon cities to opt-in (voluntarily) to adjust their speed limits on residential streets 5 mph lower than the statutory speed limit.

Background:

[HB 2682](#) (enacted in 2017) allows the city of Portland to establish by ordinance a designated speed for a residential street under the jurisdiction of the city that is five miles per hour lower than the statutory speed provided the street is not an arterial highway. This authority should be extended to all cities and be considered permissive (not required). Cities should be able to determine speeds that are adequate and safe for their communities.

Presented by the Transportation Committee

L. Lodging Tax Definition Broadening

Legislation:

The League proposes adjusting and broadening the definitions of tourist, tourism promotion, and tourism-related facility as those terms are defined in the lodging tax statutes to ensure state-wide continued tourism and related [economic](#) (see page 17 of link) and [tax growth](#) (see page 223 of link), assist with city tourist costs, and provide local choice and revenue flexibility.

Background:

In 2003, when the state imposed a state lodging tax, the Legislature preempted cities by imposing restrictions on the use of local lodging tax revenues. (The percentage of restricted revenues varies by city.) Restricted tax revenues must be used for tourism promotion or tourism-related facilities. While the League will support all legislation that provides more flexibility on local tax usage, the League will advocate for lodging tax legislation that broadens those terms to clearly cover city costs of tourist events, tourism-related facility maintenance, tourist amenities, tourist attraction enhancement and public safety costs for special tourist events. Language from Section 3 of the [dash 1 amendment to HB 2064 \(2017\)](#) and [Section 1 of HB 2064 \(2017\)](#) will likely serve as a starting place. See also this [power point presentation](#) and this [LOC testimony](#) (supporting HB 2064) for further information.

Presented by the Finance and Tax Committee

M. Mental Health Investment

Legislation:

The League will seek to protect and enhance the investments made to Oregon's treatment of the mentally ill.

Background:

In 2015, the Legislature funded rental and housing assistance for persons suffering from mental illness, specialized training for police officers to assist people in mental health crisis, multi-disciplinary crisis intervention teams and expanded access to treatment. While providing direct mental health services is not a standard city service, the state of care for persons in crisis had deteriorated to the point city police officers were regularly the primary public employee to provide interventions. The December, issue of Local Focus was devoted to cities and mental health, those articles may be found [here](#).

Because of the anticipated budget shortfalls in 2019, the General Government Committee would like the League to ensure that services established in 2015 are not cut and to capitalize on any opportunities that may exist or be created to enhance those investments.

Presented by the General Government Committee

N. Permanent Supportive Housing Investment

Legislation:

The League will support increased investments in the services that are provided to people who are living in permanent supportive housing.

Background:

[Permanent supportive housing](#) serves specific populations that traditionally face difficulty in remaining in housing due to additional, complex needs by providing housing and other services at the same time. A [variety of populations](#), such as seniors, veterans, families, and those with mental health conditions, have different services that accompany their housing support. Permanent supportive housing models that use a Housing First approach have been proven to be highly effective for ending homelessness, particularly for people experiencing chronic homelessness who have higher service needs. Investment in the services is as important as the housing because residents that do not receive these additional supports often end up returning to homelessness based on issues related to their other issues.

However, in many areas the funding for housing is not well matched with the funding for the services. The state is the primary funding source for these services. However, there is some disconnect between the housing support provided by the [Oregon Housing and Community Services Department \(OHCS\)](#) and the [Oregon Health Authority \(OHA\)](#).

To help communities that are working to provide opportunities for permanent supportive housing and those seeking to find long-term solutions to local homelessness issues, better investment in the services is vital to success of these programs. By supporting appropriations to OHCS and OHA for these services, more support services can be provided to those that are in permanent supportive housing and lead to better outcomes.

Presented by the Community Development Committee

O. PERS Reform

Legislation:

The League will seek legislation to modernize the PERS investment pool, ensure proper financial controls are adhered to, and give cities a greater voice in how their monies are invested. The League will also seek legislation that shares the risk and costs of the pension benefit with employees but does so in a manner that impacts employees based on the generosity of the benefit plan they will retire under.

Background:

Oregon's Public Employee Retirement System (PERS) is a three-tiered program that provides a defined benefit pension (a pension that pays a retiree and their beneficiary a set amount for the length of their retirement) and a deferred compensation program that is funded through employee contributions. Each of the three tiers pays a different benefit and an employee's placement in a given tier is based on the date they were hired. Tier I is the most generous benefit and has an option for an annuity based retirement that has been incredibly expensive to maintain. Tier I was replaced by Tier II in 1996. Tier II costs, though reduced, were also unsustainable and were replaced with a third tier, known as the Oregon Public Service Retirement Plan (OPSRP) which is designed to provide a 45 percent salary replacement after a full career. A primer on the PERS system may be found [here](#).

The cost to employers for this system has risen steadily since the market crash of 2008, and will increase again on July 1, 2019 (projected individual employer rates may be found [here](#)) and then again in 2021 and possibly again in 2023. Rates are anticipated to remain at a system wide average of around 29 percent of payroll and remain at that level until 2035 without reforms.

Adverse court rulings to previous attempts at reforms have limited our options to addressing benefits not yet earned. With that in mind the Human Resources Committee recommends reforms in the three following areas:

- Ensure that investments into the PERS system are achieving the maximum possible return in the most efficient manner possible while safeguarding the funds with proper financial controls.
- Requiring that employees absorb some of the costs for the pension system but ensure that OPSRP employees are impacted more favorably than Tier I and Tier II employees who will receive more generous retirement benefits.
- Establishing a fourth tier that provides similar benefits to employees but is funded in a more sustainable manner. Providing incentives to retirees and current employees in the other tiers to switch to the fourth tiers should be explored as well.

Presented by the Human Resources Committee

P. PERS Unfunded Liability Revenue Stream Dedication

Legislation:

The League proposes that a new state revenue stream be dedicated to paying down the unfunded liability over a period of years to sustain the Public Employees Retirement System (PERS).

Background:

The present unfunded liability has grown extraordinarily large and is causing rate increases for most local governments and schools that are not sustainable. The League would support all reasonable revenue stream ideas. Ideas include but are not limited to a new temporary limited sales tax, a new payroll tax, and a new temporary state property tax. The League will advocate that PERS cost-containment measures be pursued along-side revenue raising efforts to pay down the liability; both seem necessary to address the state-created problem.

Presented the Finance and Tax Committee and endorsed by the Human Resources Committee

Q. Place-Based, Water Resource Planning (Program Support)

Legislation:

The League will advocate for the funding needed to complete existing place-based planning efforts across the state.

Background:

Oregon's water supply management issues have become exceedingly complex. Lack of adequate water supply and storage capacity to meet existing and future needs is an ongoing concern for many cities in Oregon and is a shared concern for other types of water users including agricultural, environmental and industrial. Most of the surface water in Oregon (during peak season months) is fully allocated with no new water available. As a result, the ability to meet existing and future demand for various water uses will require collaboration, improved management and coordinated conservation among a variety of stakeholders, including municipalities. For this reason, the Legislature passed legislation to create a place-based planning pilot program in Oregon. This program, administered through the Oregon Water Resources Department, is providing a framework and funding for local stakeholders to collaborate and develop solutions to address water needs within a watershed, basin or groundwater area. Place-based planning is intended to provide an opportunity for coordinated efforts and the creation/implementation of a shared vision to address water supply challenges. Four place-based planning efforts are currently underway across the state in the Malheur Lake Basin, Lower John Day sub-basin, Upper Grande Ronde sub-basin and mid-coast region. Without continued funding, these efforts will not be able to complete their work. The LOC Water & Wastewater Policy Committee recognized that while this funding is limited to specific geographic areas, they also recognize the importance of successfully completing these pilot efforts and conducting a detailed cost/benefit analysis. It is a critical step in order to demonstrate the benefits of this type of planning. If these local planning efforts prove to be successful, there will likely be future efforts to secure additional funding for other place-based planning projects across the state.

R. Property Tax Reform

Legislation:

The League of Oregon Cities proposes that the property tax system should be constitutionally and statutorily reformed as part of the 2019 session work on state and local tax reform and improving funding for [schools](#) (see pages 69-72 of link; property taxes make up 1/3 of school funding).

Background:

The property tax system is [broken and in need of repair](#) due to [Measures 5 and 50](#), which are both now over 20 years old. All local governments and schools rely heavily on property tax revenues to pay for services and capital expenses. Therefore, the League will participate in coalitions to help draft and advocate for both comprehensive and incremental property tax reform option packages. The League will remain flexible to support all legislation that improves the system, with a focus on a property tax package with these elements:

- To achieve equity, a system that transitions to a market-based property tax valuation system (RMV) rather than the present complex valuation system from Measure 50 (requires constitutional referral).
- To enhance fairness and adequacy, a system that makes various statutory changes, some of which would adjust the impact of a return to RMV. For example, the League supports a new reasonable homestead exemption (percentage of RMV with a cap) but also supports limiting or repealing various property tax exemptions that do not have a reasonable return on investment.
- To restore choice, a system that allows voters to adopt tax levies and establish tax rates outside of current limits (requires constitutional referral).

[SJR 3](#) (see page 50 of link)(constitutional referral with return to real market value system) and [SB 151](#) (see page 48 of link) (homestead exemption bill) from the 2017 session will likely serve as starting points. City property tax data including real market values and assessed values can be accessed [here](#).

Presented by the Finance and Tax Committee

S. Qualification Based Selection (QBS)

Legislation:

The League will seek to reform the Qualification Based Selection (QBS) requirements to allow for the consideration of price in the initial selection of architects, engineers, photogrammetrists and surveyors.

Background:

The state currently prohibits the consideration of price when making an initial selection when awarding contracts for certain design professionals when conducting public improvements. Instead of issuing a request for proposals as is done with most public improvement projects, contracting agencies issue “requests for qualifications” on a project. Cities may negotiate price only after the initial selection of a contractor is made. Under this system a city or other contracting agency will never know the price of other qualified and responsible bidders on a project.

The League’s General Government Committee concluded that this process is not in the interests of cities or tax payers as it precludes the use of competitive bids. There is no other area in which a consumer, public or private, would procure a service or product without considering the price.

Presented by the General Government Committee

T. Right-of-Way and Franchise Fee Authority

Legislation:

Oppose legislation that, in any way, preempts local authority to manage public rights-of-way and cities’ ability to set the rate of compensation for the use of such rights-of-way.

Background:

In its commitment to the protection of Home Rule and local control, the League consistently opposes restrictions on the rights of cities to manage their own affairs. From time to time, in the context of public rights-of-way management authority discussions, proposals to restrict to this authority arise. Such was the case during the 2017 legislative session with [SB 202](#) and [SB 840](#). These efforts to restrict local authority often include proposals for a statewide right-of-way access policy and compensation system as well as limiting the ability of cities to charge fees of other government entities. This is contrary to local government management authority; the ability to enter into agreements with users of the right-of-way either by agreement/contract or ordinance; and to set the rate of compensation.

Presented by the Telecom, Broadband & Cable Committee

U. Safe Routes to School Match

Legislation:

Introduce legislation lowering the local Safe Routes to Schools matching grant requirement to 20 percent from 40 percent and lowering the matching grant requirement for areas qualifying for exceptions to 10 percent from 20 percent.

Background:

[Section 123 of HB 2017](#) (enacted in 2017) authorizes the Oregon Transportation Commission to provide matching grants for safety improvement projects near schools. To receive the grant cities must provide a 40 percent cash match unless the school is located in a city with a population of less than 5,000; is within a safety corridor; or qualifies as a Title I school in which case the cash match requirement is reduced to 20 percent. While cities support the availability of matching grant funds provided by the state, the current cash match requirements are too high for most cities to participate in the program.

Presented by the Transportation Committee

V. Small Area Cell Deployment (also known as “Small Cell Deployment”)

Legislation:

Oppose legislation that preempts local authority to manage public property while supporting deployment of wireless technology, including small area cell and 5G.

Background:

Legislative efforts involving the deployment of small area cell facilities are increasing around the nation. Currently 20 states ([Arizona](#), [Colorado](#), [Delaware](#), [Florida](#), [Hawaii](#), [Illinois](#), [Indiana](#), [Iowa](#), [Kansas](#), [Minnesota](#), [North Carolina](#), [New Mexico](#), [Ohio](#), [Oklahoma](#), [Rhode Island](#), [Tennessee](#), [Texas](#), [Utah](#), [Virginia](#), and [Washington](#)) have passed bills that limit cities ability to collect appropriate and fair rights-of-way, permitting, and lease fees on municipal property; to control their own design and aesthetics; or otherwise manage wireless technology deployment within their jurisdictions. This type of legislation is not going away. In fact, it is just beginning.

During the 2017 session, the League was approached independently by representatives of two wireless companies with draft concepts that could have resulted in legislation compromising local authority to manage the deployment of small area cell and 5G technology. Issues raised included “shot clock” (time allowed for cities to rule on applications), fee structures and limits, contract terms and duration, land use issues etc. These efforts are expected to continue in 2019 and with greater urgency as the technology approaches deployment status. While cities in Oregon support the advent of new wireless technology including small cell and 5G, authority to ensure their deployment complies with local laws and policies must be maintained.

Presented by the Telecom, Broadband & Cable Committee

W. Speed Cameras

Legislation:

Introduce and/or support legislation authorizing cities to use fixed speed cameras at locations other than intersections.

Background:

Speeding is a public safety issue. The Oregon Transportation Safety Action Plan envisions no deaths or life-changing injuries on Oregon's transportation system by 2035. Currently, cities have the authority as a result of [HB 2409](#) (enacted in 2017) to issue a speeding citation from the same camera and sensor system used to enforce red light compliance at intersections.

Further, speeding does not only occur at intersections. Additional automated enforcement, outside of intersections, would be a valuable tool allowing cities to mitigate dangerous behaviors and speeding. In 2015, the Oregon Legislature granted the city of Portland the authority to implement a fixed speed safety camera program ([HB 2621](#)). The fixed speed camera systems have been operating on "urban high crash corridors" that are also part of the city of Portland's High Crash Network. While this program has not been in place long, the comparison of before and after speeds near the fixed photo radar system is indicating that the automated enforcement is positively influencing speed reduction (see [PBOT report](#)). This legislation would extend the authority to all Oregon cities to implement fixed speed safety camera programs to help reduce the number of deaths and serious injuries that occur as a result of speeding.

Presented by the Transportation Committee

X. Speed Limit Methodology

Legislation:

Introduce legislation that directs the Oregon Department of Transportation to develop a new speed setting methodology for cities and other urban areas that uses a safe systems approach validated by expert system tools as recommended by [NTSB Safety Study SS-17/01](#).

Background:

The NTSB safety recommendations represent current data-driven best practices to determine speed limits. Currently, Oregon speed limits are set based on the guidance that speed limits in speed zones within cities should be within 10 mph of the 85th percentile speed as determined by ... [The NTSB Safety Study SS-17/01](#), "Reducing Speeding-Related Crashes Involving Passenger Vehicles" concludes,

- "Speed increases the injury severity of a crash;"
- "...that unintended consequences of the reliance on using the 85th percentile speed for changing speed limits in speed zones include higher operating speeds and new, higher 85th percentile speeds in the speed zones, and an increase in operating speeds outside the speed zones;"
- "...that the safe system approach to setting speed limits in urban areas is an improvement over conventional approaches because it considers the vulnerability of all road users."

Presented by the Transportation Committee

Y. Third Party Building Inspection

Legislation:

The League will clarify the ability for local government programs to have private party building officials and building inspectors provide services for local building inspection programs, including recognizing that privately employed specialized inspectors can to perform specialized inspections.

Background:

Beginning in 2017, the League has been working to defend local building inspection programs that contract with third-party companies to provide building official and inspectors to run the local program. However, the Oregon Building Codes Division (BCD) has stated that the Oregon Department of Justice (DOJ) [has informed BCD](#) that programs that are structured this way violate the constitutional prohibition on delegating government authority. The League has repeatedly asserted that we disagree with that legal assessment. There was a bill introduced in 2018, [HB 4086](#), that would have adopted new requirements for

local governments running programs. The League worked with other stakeholders to prevent passage of the bill, but we committed to working on a legally defensible solution that does not prevent these locally run programs from continuing.

After the session, the BCD determined that it would implement new rules for locally run inspection programs to meet the asserted legal opinion on delegation. On April 23, the BCD enacted [emergency, temporary rules](#) that added significant requirements for local building inspection programs. The new rules required local programs to designate a government employee as a city's building official. The rules also required the city to have a government-employed, certified electrical inspector. Both positions could be filled by hiring the person directly or by an agreement between municipalities to share the employee(s). The rules further stated that a shared employee could only service three jurisdictions.

In May, the Director of the Consumer and Business Services, who oversees the BCD, informed the League that the temporary rules were rescinded. The Department's decision to rescind the rules included a statement that they would seek a formal opinion from the DOJ to clarify the issue of delegation. However, the BCD did replace the rescinded rules with [another temporary, emergency rule](#). This new rule was enacted on May 18 and states that a local government must appoint a government-employed building official.

In addition to the concerns about using third-party building officials, there is currently statutory prohibition on specialized inspectors that are employed in the private sector to complete specialized inspections. There are a limited number of these inspectors, and, without removal of this prohibition, larger scale projects will not be able to move forward because they cannot be inspected and permitted. This issue was the catalyst for the overall discussion related to third-party building officials, but is not related to the asserted legal claims.

There is a commitment to work on this issue in the 2019 session, but it remains an issue of high concern as it directly impacts the flexibility of local government choice on how to provide services at the local level. Using third-party providers allows smaller jurisdictions to have local, efficient programs that provide clarity for the local development community. It also allows a base of business for these companies, which also serve to provide over-flow capacity to programs that primarily staff these programs with government staff. Therefore, this issue is vital to the long-term success of locally run building inspection programs.

Presented by the Community Development Committee

Z. Tobacco Taxes Share Increase

Legislation:

The League proposes seeking a share of all state tobacco product tax revenues to assist with rising public safety costs and provide state shared revenue equity.

Background:

Only cigarette tax revenues are included in the [state-shared revenue](#) distribution to cities and those revenues are decreasing; cities receive about 2% of the cigarette tax revenues or \$3.6 million a year under the formula. [Other tobacco](#) (chew, snuff, cigars, pipe tobacco, etc.) is also taxed by the state and those revenues have been increasing ([now over \\$60 million a year](#)), but those revenues are distributed only to the state. Cities are preempted from taxing cigarettes and other tobacco products. However, cities are often left to enforce tobacco laws and handle sales and use complaints. The League proposes that cities should receive a fair share of all the tobacco tax revenues. The League anticipates that excise tax increases to cigarettes and other tobacco products, and a new vaping tax will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

Presented by the Finance and Tax Committee

AA. Waste Water Technical Assistance Program**Legislation:**

The League will advocate for the creation of a circuit rider program, within the Department of Environmental Quality, to provide needed technical assistance for communities on water quality issues, including wastewater treatment and permit compliance options. Staffing for the circuit rider program would be provided through a third-party contract (or contracts). The League will work to identify funding resources to support this program, including a possible set aside of Oregon's federal Clean Water State Revolving funds.

Background:

As Clean Water Act requirements for public wastewater systems continue to evolve, with new and more stringent requirements being placed on a number of Oregon communities; cities have expressed concern over how best to comply with those requirements, especially with the limited technical and financial resources that many face. The League's Water & Wastewater Committee discussed the need for technical assistance for communities experiencing these challenges and looked to an existing program within the Oregon Health Authority's (OHA) Drinking Water Services division as a template for addressing this need. The OHA funds a circuit rider program through a third-party contract. The program is funded through federal Drinking Water State Revolving Loan Funds. The program is intended to help more communities be successful in complying with state and federal requirements. The services provided through the program are free for communities with populations of less than 10,000.

Presented by the Water/Wastewater Committee

BB. Wetland Development Permitting**Legislation:**

The League shall work to establish legislative authority for the Department of State Lands to assume the federal program from the U.S. Army Corps of Engineers under section 404 of the Clean Water Act.

Background:

In many communities looking to develop in the wetlands creates regulatory uncertainty, particularly where development is occurring in previously un-identified wetlands, because there are two agencies that must provide permits, the Oregon Department of State Lands (DSL) and the U.S. Army Corps of Engineers (USACE). The state's process has set deadlines which provides certainty for developers. However, the USACE process is much less consistent or timely. This uncertainty increases risk related to development that can cause projects to stop before they start. In a time where cities are trying to encourage development to meet the housing shortages and economic development goals to support citizens, any increased barriers can impact success.

There is a process in place at the federal level that would allow for the state to assume the USACE permitting process increasing the efficiency and certainty in the process. ~~The state has taken steps~~ in the past to ensure alignment of the state program to the requirements for federal approval. However, there were concerns raised at the time that the process related to the Endangered Species Act and cultural resource protections. The DSL has continued to work on these conflicts and believes it is positioned to work with the federal government to assume the federal permitting process if so authorized by the state legislature. For further information, the DLS provided a presentation for the committee, available [here](#).

Presented by the Community Development Committee

CC. Wood Smoke Reduction Program Support

Legislation: Support increased funding to support local wood smoke reduction programs and efforts. The League will advocate the need for an additional \$3-5 million, recognizing that any additional funding to assist communities is helpful.

Background: Woodstove smoke is one of the most significant sources of fine particulate and toxic air pollution in Oregon, often jeopardizing public health and putting communities at risk of violating federal air quality standards. Woodstove smoke is a problem for many Oregon communities that struggle with both the public health impacts and economic threat of being designated as nonattainment under the federal Clean Air Act. To address this challenge, local governments need access to funding for wood smoke reduction programs. Such programs have proven effective at reducing wood smoke in communities and include public education, enforcement, incentives for woodstove change-outs (to ductless heat pumps or certified stoves, weatherization assistance for low-income households and providing residents with dry, seasoned fire wood which burns cleaner. A 2016 taskforce report that was submitted to the Legislature indicated that there are approximately 150,000 uncertified stoves in the state, and that while Oregon has a long and successful history of replacing woodstoves in certain communities, money is sporadic and limited. The report went on to suggest that “an allocation in the range of \$3-5 million per biennium could target high-risk communities and would support a meaningful level of effort to replace old, dirty woodstoves.”

In 2017, the Legislature provided \$250,000 in funding for community wood smoke reduction programs. The need for local communities, including a number of small cities, is much greater.

Presented by the Energy & Environment Committee

7/18/18

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



EDC Funding Recommendation - Visitor Services Evaluation

Meeting Date: July 23, 2018
Department: City Manager
www.cityofrosburg.org

Agenda Section: Department Items
Staff Contact C. Lance Colley/Stuart Cowie
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

A. Background.

The City of Roseburg adopted a Hotel/Motel occupancy tax or Transient Occupancy Tax (TOT) through a voter authorized Charter amendment in 1982. The initial tax was imposed at 5% as approved by voters, and was allocated to tourism promotion (35%), street lights, sidewalks, and signals (50%), Economic Development (10%) and 5% retained by the operator. The tax amount was increased to 6% in 1998, 7% in 2000 and 8% in 2002. Each of the Commission initiated increases was dedicated to tourism and economic development, ultimately resulting in a resource allocation percentage of 57.25% for tourist promotion, 32.89% for street lights/sidewalk/signals and 9.86% for economic development. Please see the attached history of the transient room tax.

The TOT has been imposed since 1982 and has been used primarily for tourism, economic development and infrastructure in accordance with the initial charter amendment and subsequent tax increases. In 2017-18 the amount allocated to our tourism contract with the Chamber of Commerce was approximately \$600,000, up from \$399,088 in 2012-13.

At your **March 12, 2018** meeting, the Roseburg Visitor Center representative Rachael Miller provided Council with their annual update and report. At the conclusion of the presentation, Council requested that staff schedule a work study session regarding the contract.

In an effort to provide adequate information for a work session, staff requested that the EDC consider recommending that City Council authorize the use of \$20,000 in available transient lodging tax revenue to hire from a selection of qualified independent firms to evaluate existing tourism promotion, branding, advertising and marketing activities for the area by the Chamber to determine if the City is getting the best value for its money.

B. Analysis.

The Chamber of Commerce has provided Visitor Services for many years and has provided the City with a written extension of the current contract for an additional five years. The contract outlines the terms and conditions of the contract and does not allow the City to modify the contract. There has not been contractual language that requires independent analysis of the performance of the contract and staff and the EDC agree that an evaluation should take place. To modify the contract, it would require notice of termination in

accordance with section 3.8 and development of a new contract for visitor services. This could be done through negotiation or a request for proposal or both.

In performance of the contract the Chamber has agreed to focus its efforts on four main areas. These areas include: Outreach Marketing, Visitor Services, Group Travel Service & Support, and Industry Support. As stated within the contract the Chamber should determine its annual work plan, goals and objectives with regard to these four primary areas considering industry trends and local needs and opportunities.

The goal of an independent study would be to determine the effectiveness of the Chamber surrounding each of these areas, but primarily concerning efforts involving Outreach Marketing. Outreach Marketing as identified within the contract means communicating with potential visitors the reasons to visit the Roseburg area. Activities include print and broadcast media advertising, creation and distribution of printed promotional material, digital and social media and attending trade shows. Staff would also reach out to other established local, regional and statewide travel groups to determine the level of outreach, membership and cooperation they have received through our local visitor services program.

Results from the study should help to provide insight surrounding the effectiveness of the Chamber in providing the four areas of work, with an emphasis on Outreach Marketing efforts and how the City should proceed with the contract.

The \$20,000 used to fund this study would come from the Restrictive Fund, which is currently in excess of \$300,000.

C. Financial and/or Resource Considerations.

There are sufficient funds available in the Hotel/Motel Tax Fund, however funding requests in excess of \$5,000 require Council approval.

D. Timing Issues

Council directed staff to prepare for a work study session related to the Visitor Service Contract. In an effort to move this forward in a timely manner, staff requested the EDC to consider a recommendation to Council to expend up to \$20,000 at its regular meeting of July 10, 2018. The EDC did not have a quorum, but we held a discussion with the five members present and all were supportive of the contract evaluation and Council supporting the expenditure of Hotel/Motel tax funds. One member who was present indicated that he had a conflict given he is on the Board of the Chamber of Commerce however he did indicate that an evaluation would be appropriate. Staff would like to move forward with the evaluation and a work study with Council in a timely manner and requests that Council consider this item with the unofficial recommendation from EDC, not a formal motion. Only Council has the authority to authorize expenditures of EDC funds in excess of \$5,000.

COUNCIL OPTIONS

The City Council's options are to:

1. Direct staff to expend up to \$20,000 for an independent evaluation of the current Visitor Services, or
2. Decline to authorize the expenditure of funds.

STAFF RECOMMENDATION

Staff recommends the Council authorize the expenditure of Hotel/Motel Fund resources to provide for independent analysis of the Visitor Services Contract.

SUGGESTED MOTION

I move to direct staff to expend up to \$20,000 to provide for an independent evaluation of the effectiveness of the current Visitor Services Contract.

ATTACHMENTS

Visitor Services Contract

HISTORY OF TRANSIENT ROOM TAX

- ***The Charter Amendment placed on the June 29, 1982, ballot read:***

AMENDMENT TO THE MUNICIPAL CHARTER OF THE CITY OF ROSEBURG

Charter Amendment for Transient Room Tax

QUESTION: Should the Roseburg Charter be amended to provide a means to tax occupants of hotels and motels?

PURPOSE: The proposed amendment will allow the City of Roseburg to tax occupants of hotels and motels. The funds generated from this tax will be used for street lighting, signals, sidewalks, economic development activities and the promotion of tourism. It is anticipated that a portion would be retained by the hotel-motel owners for the administration costs in collecting the tax.

- ***Section XIX of Ordinance No. 2366, adopted July 26, 1982, following election approval, is the original ordinance providing for the tax which read:***

“All revenues received from the tax shall be deposited into a special fund known as the Transient Room Tax Fund. Of the total monies collected, five percent (5%) to be withheld by operator, as provided in Section VII(3). Thirty-five percent (35%) for tourist promotion through the Tourist Promotion Bureau and fifty percent (50%) for street lights, signals and sidewalks and ten percent (10%) for economic development. All administrative costs incurred by the City of Roseburg in administering and enforcing this fund shall be borne by the Transient Room Tax Fund.”

(Note: the tax rate and distribution formula, obviously, did not appear in the ballot measure. These were recommended by a study subcommittee, supported by the Chamber of Commerce and adopted by the City Council and used to promote passage of the charter amendment. Thus, their inclusion in the implementation ordinance.)

- ***Ordinance No. 2515, adopted June 23, 1986, amended the appropriation section to refer to only that portion of the taxes received by the City (i.e. excluded the portion to be kept by operators because that was provided for in another section). This changed the percentages then slightly. Thus, the section then read:***

“All transient room tax revenues received by the City shall be deposited in the transient room tax fund. Of the tax revenues received by the City, after deducting the city’s cost of administration and enforcement of the tax, 36.84% shall be used for tourist promotion, 52.63% shall be used for street lights, signals and sidewalks; and 10.5% shall be used for economic development.”

- ***Ordinance No. 2611, adopted April 25, 1998, increased the rate to 6%, thus the appropriation section read:***

“All transient room tax revenues received by the City shall be deposited in the transient room tax fund. Of the tax revenues received by the City, 16.66% shall be for tourist promotion, and the remaining 83.34%, after deducting the city’s cost of administration and enforcement of the tax, shall be used as follows: 36.84% for tourist promotion, 52.63% for street lights, signals and sidewalks; and 10.5% for economic development.”

The Section pertaining to withholdings by the motel operators was changed to read:

“The operator may withhold five percent of 80% of the tax to cover the expense of collecting the remitting the tax.” The “of 80%” was new language.

- ***Ordinance No. 3065, adopted April 10, 2000, increased the rate to 7% effective 7/1/00 at the request of the Economic Development and Visitors and Convention Commission.***

The additional 1% was then distributed 70% for tourism; 25% for economic development; and 5% for the hotel/motel operators. Therefore, the distribution of the overall tax went as follows: 35.71% for streetlight/sidewalk; 10.71% for economic development; 48.58% for tourism; and 5% for the motel/hotel operators.

- ***Ordinance No. 3081, adopted November 13, 2000, required distribution of a portion of the economic development portion of the funds to be used for a small business development revolving loan program account.***

- ***Ordinance No. 3108, adopted March 25, 2002, increased the rate to 8% effective April 1, 2002, to fund an event sales/convention coordinator. Change resulted in the following (current) distribution.***

57.25% for tourist promotion; 32.89% for street lights/sidewalks/signals; 9.86% for economic development.

In 2003 the State of Oregon added a 1% statewide tax which is dedicated to the State Visitor function. Therefore, Roseburg visitors pay a total of 9%



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P.O. Box 1026
Roseburg, OR 97470
Phone 541.672.2648
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www.RoseburgAreaChamber.org

RECEIVED

DEC 19 2017

CITY OF ROSEBURG
City Administration Office

December 15, 2017

Mr. Lance Colley
City Manager
City of Roseburg
900 SE Douglas Avenue
Roseburg, OR 97470

Re: Services Agreement

Dear Lance:

By this letter, the Roseburg Area Chamber of Commerce is exercising its option, under 1.2.1 *Renewal Term* of our current services agreement, to renew the Personal Services Contract between the chamber and the city beginning July 1, 2018.

Please let me know if you have any questions. Thank you.

Best regards,

ROSEBURG AREA CHAMBER OF COMMERCE

Debra L. Fromdahl
President & CEO

cc: Board of Directors
Roseburg Area Chamber of Commerce



To advocate for and be the voice of the business community in the greater Roseburg area.
To strengthen, enhance and protect our members through political advocacy, economical development, community promotion and member programs and services.

PERSONAL SERVICES CONTRACT

This contract is made and entered into this 11th day of April 2013 by and between the CITY OF ROSEBURG, an Oregon municipal corporation, hereinafter called "CITY," and the ROSEBURG AREA CHAMBER OF COMMERCE, an independent contractor, hereinafter called "CHAMBER."

RECITALS

SECTION 1. CHAMBER AGREES:

1.1 Purpose. The CHAMBER shall operate the Roseburg Visitors Center, provide visitor services and manage tourism destination promotion, advertising and marketing services more particularly set forth in this contract.

1.2 Term. Beginning July 1, 2013 and continuing thereafter until June 30, 2018, unless sooner terminated as provided herein, CHAMBER shall perform the services required by the contract.

1.2.1 Renewal Term. CHAMBER shall have the option to renew this contract for a renewal term of five additional years, beginning on the expiration of the initial term. To exercise this option, CHAMBER must give written notice of its intention to exercise the renewal not sooner than 360 days or later than 180 days prior to the expiration of the initial term. Contract terms and conditions during the renewal term including the right of termination shall be the same as set forth in this Contract, except for this right of renewal.

1.3 Services Provided. The CHAMBER will focus its efforts on four primary areas in performance of this Contract. These are:

Outreach Marketing—Communicating with potential visitors the reasons to visit the Roseburg area. Activities include print and broadcast media advertising, creation and distribution of printed promotional materials, digital and social media and attending trade shows.

Visitor Services—Providing information to visitors while they are in the Roseburg area including, maintaining Visitors Center exhibits and displays, informational brochures on local lodging, dining, attractions, events, experiences and activities. This shall also include social media activities.

Group Travel Service & Support—Increasing the number of group travel activities and opportunities including significant sporting/outdoor events, meetings and conferences through local outreach and promotion. Maintain *Meeting Planner* and supporting informational materials specific to group travel, provide support and facilitation and disseminate leads.

Industry Support—Working with local hospitality industry partners to ensure unified and cooperative effort for above three focus areas and, to ensure a collaborative

sharing of materials and information between Visitors Center and local hospitality industry. This also, includes maintaining affiliations and participation with regional and statewide visitor industry members.

The CHAMBER shall determine its annual work plan, goals and objects with regard to these four primary areas considering industry trends and local needs and opportunities. The CHAMBER shall also provide specific services and activities as follows:

1.3.1 General Provisions

- A. Operational and contractual obligation issues of concern to CITY and CHAMBER will be discussed regularly and as they arise to reach a conclusion related to customer service and the implementation of this Contract.
- B. CHAMBER's services under this Contract shall at all times align with general tourism industry standards and state tourism guidelines. The CHAMBER shall comply with state statutes and the CITY's municipal codes regarding the use of transient lodging tax dollars. Visitor services provided by the CHAMBER under this contract shall fulfill the mission to "market and promote the City of Roseburg and the surrounding area to draw visitors to our community and increases room-occupancy tax revenue.
- C. The CHAMBER shall designate a staff member employed for the fulfillment of this Contract to serve as a resource or an ex officio member of the appropriate CITY Commission, as determined by the CITY. The designated staff member will attend all meetings of said Commission, as possible, or as requested by the CITY.
- D. The name of the visitor services performed under this contract shall be Roseburg Visitors Center. The CHAMBER may determine the use of "Visit Roseburg," "Travel Roseburg," "Roseburg VCB," "Roseburg CVB" or other designations that may best align with current visitor industry trends. The CHAMBER may also use the "Land of Umpqua" brand. However, the CHAMBER shall at all times ensure the name "Roseburg" is prominent in all print, broadcast, digital and social media, website, brochures and other printed publications and collateral material created in the performance of this Contract. CHAMBER may add its name to said advertising, branding and promotional pieces to reflect joint endeavor.
- E. A toll free number shall be maintained for visitor services and shall be advertised on publications.
- F. The CHAMBER shall maintain a separate post office box address for the Visitors Center as advertised on current publications.
- G. At a minimum, public hours for the Visitors Center shall be 9:00 a.m. to 5:00 p.m. daily, except weekends. In addition, from Memorial Day Weekend through

Labor Day Weekend, public hours shall be from 10:00 a.m. to 2:00 p.m. on Saturdays and Sundays, at a minimum.

- H. The CHAMBER shall maintain a monthly visitor count report and quarterly report of general inquiries and information requests received.
- I. Publications and services paid for with visitor/transient lodging tax dollars shall be provided at no charge visitors and the general public.
- J. The CHAMBER's annual Visitors Center/visitor services budget shall provide specifically for maintenance, repair, upgrading, replacement and purchase of exhibits, equipment, displays and other items designed for use in the Visitors Center ("Exhibits"). Any and all Exhibits purchased through these funds shall be and remain property of the CITY. All Exhibits purchased before October 2006 are and shall remain the property of the CHAMBER/Chamber Foundation.
- K. The Visitors Center's portion of the general operational costs of occupying and maintaining the facility will be paid from CHAMBER's annual Visitors Center/visitor services budget. The CHAMBER shall be responsible for its own operational costs and its portion of costs associated with occupying and maintaining the facility. Any and all capital improvements to the premises shall be and remain property of the CITY.

1.3.2 Affiliations. CHAMBER staff hired specifically to fulfill the obligations and duties of this Contract shall have memberships in and affiliations with relevant regional and statewide industry organizations. Staff shall participate in said organizations and attend industry conferences and events as deemed appropriate for the advancement of the visitor services program.

1.3.3 Promotions/Advertising/Marketing. The CHAMBER shall:

- A. Develop and maintain mutually-beneficial working relationships with local hospitality industry members. Maintain visitor brochures and other print materials to local visitor destinations and industry partners.
- B. Create and distribute a monthly e-newsletter.
- C. Provide annual hospitality/customer service training for area businesses and citizens before the beginning of the tourist season.
- D. Continue Familiarization (FAM) Tours for Visitors Center volunteers.
- E. Maintain a file of tear sheets of advertising placed in various publications by contract year.
- F. Regularly distribute promotional articles suitable for printing in out-of-the-area newspapers and magazines which promote the Roseburg area as a destination.

- G. Develop cooperative working relationships with other groups and organizations in Douglas County to attract visitors to county areas beyond Roseburg. However, the primary emphasis of this program shall remain to bring visitors to the immediate Roseburg area.
- H. Maintain and regularly update a website serving the local hospitality industry and targeting visitors. Information on the website shall include, but not be limited to: lodging, meeting accommodations, dining, attractions and events. Such website will be linked to the CITY website and other relevant local websites. The CHAMBER may use such social media as Facebook and Twitter to promote Roseburg as a tourist destination and to promote local events and activities.

1.3.4 Visitor-Related Attractions/Events. The CHAMBER shall provide:

- A. Technical assistance and support for local institutions and organizations, including outreach marketing for special events and attractions for visitors in and around Roseburg that attract overnight visitors to Roseburg area motels.
- B. Cooperative advertising and printing expenses, to be matched by group promoting the event and assistance with issuing promotional news releases, when appropriate.

1.3.5 Group Travel Prospecting & Assistance. The CHAMBER shall, whenever reasonably possible, solicit group travel relating to athletic events, meetings, conferences and seminars of size and type that can be accommodated in Roseburg. Visitors Center staff shall work directly with group, meeting and event planners by providing information on meeting places, lodging, banquets, entertainment and recreational opportunities. An inventory of materials, supplies and services available to groups meeting in the City of Roseburg shall be maintained and regularly updated. Assistance shall be provided to said groups and a master calendar of group meeting, events and activities will be maintained and, at a minimum, be made available electronically. The CHAMBER will make every effort to expand the size and scope of the market area for group activities, events and meetings.

1.3.6 Staffing. The CHAMBER shall have sole authority to hire full-time and part-time staff dedicated to the Visitors Center operation and to providing visitor services, promotion and destination marketing activities required under this Contract. The CHAMBER's staffing expenses under this Contract shall not exceed 35% of the total annual Visitors Center/visitor services operations budget.

Should the position of the CHAMBER's senior staff member, employed for the purpose of this Contract, become available during the term of this Contract, the City Manager will have the opportunity to review the list of applicants for the open position and advise the CHAMBER's president/CEO of any potential conflicts between the CITY and potential candidates.

1.4 Reporting

1.4.1 Monthly Report. The CHAMBER shall provide a monthly report to the CITY regarding Visitors Center/visitor services operations. At a minimum, the report shall include: year-to-date financials reflecting operations budget versus actuals, monthly visitor count, website activity, general operations and staff activities report, Visitors Center hours of operation, media coverage, materials distribution and support services. General inquiries and visitor information requests may be reported on a quarterly basis.

1.4.2 Annual Report. The CHAMBER shall provide an annual written report to the CITY which will include, at a minimum:

1. Previous year's goals and objectives;
2. Affiliations and participation with regional, state and national industry organizations;
3. List and fulfillment status of specific requirements identified under this Contract;
4. Visitor services statistics—print materials distributed, visitor counts, website activity, social and digital media, phone and email contacts
5. Annual Visitors Center/visitors services operations budget versus actual.
6. Update on e-newsletter *Visitor and Community News*;
7. Promotion and print materials produced in previous year;
8. Service and support provided to local hospitality industry members, organization and visitor events and activities;
9. Specifics relating to out-of-area destination marketing and advertising campaign, including niche marketing;
10. General media plan statistics including number of impressions, web hits and web visits, with sampling of print and digital ad placement and broadcast TV campaign;
11. Report on articles and editorials resulting from marketing/advertising campaign;
12. Results of surveys, studies and/or research projects undertaken to evaluate ongoing marketing, advertising and branding activities; and,
13. Results of periodic ad conversion studies conducted.

The CHAMBER shall present the annual report to the City Council on a date and time agreed to by the CITY and the CHAMBER, but no later than March 31st each year.

1.5 Finances.

1.5.1 An audit of the CHAMBER's Visitors Center/visitor services operation's accounting and business records shall be conducted annually by an independent certified public accounting firm. A copy of the audit shall be delivered to CITY's City Manager.

1.5.2 The CHAMBER shall maintain the Visitors Center/visitors services operations funds—checking and money market accounts—separate from CHAMBER operations fund and other CHAMBER accounts. The CHAMBER requires two signatures on all

its checking accounts. The primary signatories are the CHAMBER president/CEO and board treasurer. Other designated signatories are the CHAMBER board chair and vice chair.

1.5.3 CHAMBER will provide CITY a monthly financial statement reflecting year-to-date budget versus actual expenditures for the Visitors Center/visitor services operation.

1.6 Expenditures and Conditions. Extraordinary unbudgeted expenditures, from contracted funds, outside the scope of the work program may be made by CHAMBER only with the prior written approval of CITY's City Manager.

1.7 Workers Compensation Insurance. CHAMBER, its subcontractors, if any, and all employers working under this Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers.

1.8 Insurance Requirements. At all times during the term of this Contract, at the sole expense of the CONTRACTOR, CONTRACTOR shall maintain continuously in effect the insurance policies described herein. Each policy shall be written as a primary policy, not contributing with or in excess of any coverage the CITY may carry. A copy of each policy or a certificate, and copies of additional insured endorsements, satisfactory to the CITY shall be delivered to the CITY prior to commencement of any work or services provided under this Contract. The certificates shall specify and document all insurance-related provisions within this Contract. A renewal certificate will be sent to the CITY 10 days prior to coverage expiration. Unless specified, each policy shall be written on an "occurrence" form. Policies must be underwritten by an insurance company deemed acceptable to the CITY and admitted to do business in Oregon, or, in the alternative, rated A- or better by AM Best. The CITY reserves the right to reject any insurance carrier with an unacceptable financial rating. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the CITY. The 30-day notice of cancellation provision must be physically endorsed on the policy. In the event the statutory limit of liability of a public body for claims arising out of a single accident or occurrence is increased above the combined single limits specified in this Contract, CITY shall have the right to require CONTRACTOR to increase the CONTRACTOR's coverage by an amount equal to the increase in the statutory limit for such claims and to increase the aggregate coverage by twice the amount of the increase in the statutory limit. Failure to maintain any insurance coverage required by this Contract shall be cause for immediate termination of the Contract by the CITY, but termination shall not relieve CONTRACTOR of its obligation to provide and maintain such coverage, and CITY shall be entitled to enforce all liability and indemnity provisions of this Contract following such termination. In addition, all requirements concerning insurance and indemnity shall survive the termination of this Contract.

1.8.1 Commercial General Liability. Throughout the term of this Contract, CONTRACTOR shall maintain continuously in a broad commercial general liability insurance policy with coverage of not less than \$2,000,000 combined single limit per occurrence, with an aggregate of \$4,000,000, for bodily injury, personal injury or property damage. The policy shall also contain an endorsement naming the CITY as an additional insured, on a form satisfactory to CITY, and expressly provide that the

interest of the CITY shall not be affected by CONTRACTOR's breach of policy provisions. Such policy must be maintained in full force and effect for the duration of this Contract, failure to do so shall be cause for immediate termination of this Contract by CITY. Any additional insured requirements included in this Contract shall both provide completed operations coverage after job completion and coverage that is primary and non-contributory. Claims Made policies will not be accepted.

1.8.2 Automobile Liability Insurance. At all times during the term of this Contract, and at the sole expense of CONTRACTOR, CONTRACTOR shall maintain "Symbol 1" automobile liability coverage including coverage for all owned, hired and non-owned vehicles, equivalent to a combined single limit per occurrence on not less than \$1,000,000 for bodily injury or property damage.

1.9 Books and Records. CHAMBER shall keep complete and proper books, records and accounts of all transactions performed as part of this contract and the approved invoices and work program. The books, records and accounts shall be open to inspection by CITY or its designee during normal business hours, and shall remain open to CITY for such inspection for three months following termination of this contract.

1.10 Availability. CHAMBER shall be available for meetings, discussions and program reviews with sufficient notice.

1.11 Assignment. The responsibility for performing CHAMBER's services under the terms of this contract shall not be assigned, transferred, delegated or otherwise referred by CHAMBER to a third person without the prior written consent of CITY.

1.12 Compliance with Laws. At all times during the term of this contract, CHAMBER shall comply with all federal, state and local laws, including the Standard City Contract Provisions attached hereto as Exhibit A and incorporated herein by this reference.

1.13 Health Hazard Notification. Contractors who are hired to perform work for the CITY involving the need to control hazardous energy or enter confined spaces will be informed of CITY programs and the associated hazards of which CITY staff is aware. The notification is not designed to take over the contractor's safety responsibilities to his or her employees, but to provide appropriate notification under the Oregon OSHA rules.

SECTION 2. CITY AGREES:

2.1 CITY will pay CHAMBER an annual amount equal to 90% of 57.25% of the transient room tax receipts. This amount shall be paid in quarterly installments pursuant to Section 2.2. All other transient room tax receipts shall be retained by CITY and/or expended directly by CITY at its discretion in accordance with applicable law and such tax receipts shall not be subject to this Contract.

2.2 During the length of the Contract, CITY agrees to pay CHAMBER quarterly within ten days of October 31, January 31, April 30 and July 31. (These dates coincide with the tax payment schedule.) In the event of termination as provided herein, such payment(s) shall be pro-rated through the date of termination and paid on or before the date of termination.

SECTION 3. BOTH PARTIES AGREE:

3.1 Independent Contractor. CHAMBER is an independent contractor. The manner in which it performs the services herein shall be controlled by CHAMBER; however, CITY shall specify the nature of the services and the results to be achieved. CHAMBER is not to be deemed to be an employee or agent of CITY and has no authority to make any binding commitments on behalf of CITY except as expressly approved in writing by CITY'S City Manager.

3.2 Indemnification. Each party shall indemnify, hold harmless and defend the other, its officials, agents and employees, from and against any and all claims, damages, losses and expenses, including attorney fees, arising in or from its performance of, or failure to perform, this contract. The extent of CITY's obligation under this subsection is limited to CITY's obligation under the Oregon Constitution and ORS 30.260 through 30.300.

3.3 Arbitration. Any controversy regarding the language or performance of this contract shall be submitted to arbitration. Either party may request arbitration by written notice to the other. If the parties cannot agree on a single arbitrator within 15 days from the giving of notice, each party shall within five days select a person to represent the party and the two representatives shall immediately select an impartial third person to complete a three-member arbitration panel. If either party fails to select its representative, the other party may petition the Chief Judge of the Circuit Court of Douglas County for designation of the representative. The arbitration shall be conducted in accordance with ORS 33.210 et seq. or the provisions of any such future law. The arbitrator(s) shall assess all or part of the costs of arbitration, including attorney's fees, to either or both parties.

3.4 Attorney Fees. If any arbitration, administrative proceeding, action or appeal thereon is instituted in connection with any controversy arising out of this contract, performance of this contract or failure to perform this contract, the prevailing party shall be entitled to recover, in addition to costs and disbursements, such sum as the court may adjudge reasonable as attorney fees.

3.5 Ownership and Use of Documents or Equipment Purchased. In whatever form they may be produced or stored, any documents or publications prepared or equipment and software purchased in performance of this contract and any supporting and investigative information that is gathered in the performance of this contract, upon completion of the work or upon termination of this contract, shall be and remain the property of CITY and shall be subject to copyright by CITY at its sole discretion. CHAMBER shall be permitted to retain copies, including reproducible copies, of such documents. CHAMBER shall treat such documents as if CITY had secured a copyright thereon, and thus will not use the documents in a manner that would constitute copyright infringement. CITY may use the documents prepared hereunder for any purpose; however, CHAMBER shall have no liability with regard to such documents to the extent they are used or applied outside of the scope of the work unless CHAMBER is consulted and offers a professional opinion that the use contemplated is appropriate.

3.6 Notices. Any notice required to be given under this contract, or required by law, shall be in writing and delivered to the parties at the following addresses:

CITY OF ROSEBURG
City Manager
900 SE Douglas
Roseburg, OR 97470

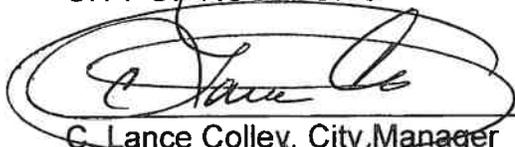
ROSEBURG AREA CHAMBER OF COMMERCE
President & CEO
P. O. Box 1026
Roseburg, OR 97470

3.7 Applicable Laws. The laws of the State of Oregon shall be used in construing this contract and enforcing the rights and remedies of the parties.

3.8 Termination Clause. Except where this Contract expressly allows a shorter termination notice, without cause either party may terminate this agreement upon 90 days prior written notice to the others.

3.9 Merger and Substitution. There are no other undertakings, promises or agreements, either oral or in writing, other than that which is contained in this contract. The parties intend this contract to substitute the existing contract and Amendments. Such substitution shall occur simultaneous to the effective date of this contract. Any amendments to this contract shall be in writing and executed by both parties.

CITY OF ROSEBURG



C. Lance Colley, City Manager

Dated: 4/13/13

ROSEBURG AREA CHAMBER OF COMMERCE



Debra L. Fromdahl, President/CEO

Dated: 04/11/2013



Sheila R. Cox
City Recorder

EXHIBIT "A"
STANDARD CITY CONTRACT PROVISIONS FOR
PROFESSIONAL/PERSONAL SERVICES

The following provisions, if applicable, are hereby included in and made a part of the attached Contract for professional/personal services between the City of Roseburg and the Contractor named therein as provided for in the Roseburg Municipal Code, the Oregon Revised Statutes and Federal laws, rules, regulations and guidelines:

1. DISCRIMINATION IN SUBCONTRACTING PROHIBITED; REMEDIES - ORS 279A.110:

1.1 The Contractor may not discriminate against a Subcontractor in the awarding of a subcontract because the Subcontractor is a minority, women, disabled veterans or emerging small business enterprise certified under ORS 200.055.

1.2 By entering into the Contract, the Contractor certifies it has not discriminated and will not discriminate, in violation of Subsection 1.1 against any minority, women, disabled veterans or emerging small business enterprise in obtaining any required subcontract.

1.3 If the Contractor violates the nondiscrimination certification made under Subsection 1.2, the City may regard the violation as a breach of contract that permits the City to terminate the Contract or exercise any remedies for breach permitted under the Contract.

2. PREFERENCE FOR OREGON GOODS AND SERVICES; NONRESIDENT CONTRACTOR REPORT TO DEPARTMENT OF REVENUE - ORS 279A.120:

2.1 As used in this Section:

(a) "nonresident contractor" means a contractor that is not a resident contractor.

(b) "resident contractor" means a contractor that has paid unemployment taxes or income taxes in the State of Oregon during the 12 calendar months immediately preceding submission of the bid or proposal for the Contract; has a business address in this state; and stated in the bid or proposal for the Contract that it was a "resident bidder" under ORS 279A.120.

2.2 For the purposes of awarding the contract, the City will:

(a) give preference to goods or services that have been manufactured or produced in Oregon if the price, fitness, availability and quality are otherwise equal; and

(b) add a percent increase to the bid of a non-resident bidder equal to the percent, if any, of the preference given to the contractor in the same state in which the contract resides.

2.3 If the Contractor is a nonresident contractor and the public contract price exceeds \$10,000, the Contractor shall promptly report to the Department of Revenue, on forms to be provided by the Department, the total contract price, terms of payment, length of contract and such other information as the Department may require before the Contractor may receive final payment on the Contract. The City shall satisfy itself that the requirement of this Section has been complied with before it issues a final payment on the public contract.

3. PREFERENCE FOR RECYCLED MATERIALS - ORS 279A.125:

3.1 Notwithstanding provisions of law requiring the City to award a contract to the lowest responsible bidder or best proposer or provider of a quotation and subject to Section 3.2, when procuring goods for any public use, the City shall give preference to the procurement of goods manufactured from recycled materials.

3.2 The City shall give preference to goods that are considered to be made from recycled materials if:

- (a) The recycled product is available;
- (b) The recycled product meets applicable standards;
- (c) The recycled product can be substituted for a comparable nonrecycled product; and
- (d) The recycled product's cost does not exceed the cost of a comparable nonrecycled product by more than five percent, or a higher percentage if a written determination is made by the City.

4. PAYMENT OF LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES - ORS 279B.220: The Contractor shall:

4.1 Make payment promptly, as due, to all persons supplying to such Contractor, labor or material for the performance of the work provided for in the Contract.

4.2 Pay all contributions or amounts due the Industrial Accident Fund from such Contractor or Subcontractor incurred in the performance of the Contract.

4.3 Not permit any lien or claim to be filed or prosecuted against the City or any subdivision, agency or employee thereof on account of any labor or material furnished.

4.4 Pay to the Department of Revenue, all sums withheld from employees pursuant to ORS 316.167.

5. SALVAGING, RECYCLING, COMPOSTING OR MULCHING YARD WASTE MATERIAL - ORS 279B.225: If the Contract will include lawn and landscape

maintenance the Contractor shall salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective.

6. PAYMENT FOR MEDICAL CARE AND ATTENTION TO EMPLOYEES - ORS 279B.230:

6.1 Contractor shall promptly as due, make payment to any person, co-partnership association or corporation furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such Contractor of all sums which the Contractor agrees to pay for such services and all monies and sums which the Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

6.2 The Contractor, its subcontractors, if any, and all employers providing work, labor or materials under the Contract who are subject employers under the Oregon Workers' Compensation Law shall comply with ORS 656.017, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers. Out-of-state employers must provide workers' compensation coverage that complies with ORS 656.126 for their workers. Employers' Liability Insurance with coverage limits of not less than \$500,000 each accident shall be included.

7. HOURS OF LABOR - ORS 279B.235: This Section does not apply to public contracts for goods or personal property.

7.1 No person shall be employed for more than ten hours in any one day or forty hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases, except for contracts for personal services, the employee shall be paid at least time and a half pay for:

(a) All overtime in excess of eight hours a day or forty hours in any one week, when the work week consists of five consecutive days, Monday through Friday; or

(b) All overtime in excess of ten hours a day or forty hours in any one week, when the work week is four consecutive days, Monday through Friday; and

(c) For all work performed on Saturday and on any legal holiday specified in ORS 279B.020, or all holidays specified in a collective bargaining agreement.

7.2 For personal services contracts, employees shall be paid at least time and a half pay for all overtime worked in excess of 40 hours in any one week, except for individuals under personal service contracts who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime.

7.3 The Contractor must give notice to employees who perform work on this Contract, in writing, either at the time of hire or before commencement of work on this Contract, or by posting a notice in a location frequented by employees, the number of hours per day and days per week that the employees may be required to work.

8. **EXCLUSION OF RECYCLED OILS PROHIBITED - ORS 279B.240:** Lubricating oil and industrial oil may include recycled oils or oils that are not manufactured from virgin materials.

9. **HIGHEST STANDARDS – ORS 279B.060:** By entering into the contractor, Contractor agrees the services provided shall meet the highest standards prevalent in the industry or business most closely related to the services to be provided.

10. **CONSEQUENCES FOR FAILURE – ORS 279B.060:** Contractor understands that failure to provide services which meet the highest standards in the industry may result in consequences including, but not limited to:

(a) reducing or withholding payment;

(b) requiring the Contractor to provide, at Contractor's own expense, additional services identified in the scope of work to meet the established performance standards; or

(c) declaring a default, terminating the contract and seeking damages and other relief available under the terms of the contract or other applicable law.

11. **COMPLIANCE WITH LAWS:** Contractor shall comply with all federal, state and local laws, rules, ordinances and regulations at all times and in performance of this Contract.

OK
7/18/18

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



Fire Station 2 Seismic Rehabilitation Contract Amendment - Construction 17GR13

Meeting Date: July 23, 2018
Department: Public Works
www.cityofroseburg.org

Agenda Section: Department Items
Staff Contact: Nikki Messenger
Contact Telephone Number: 541-492-6730

ISSUE STATEMENT AND SUMMARY

The City has received the contractor's Guaranteed Maximum Price (GMP) for the Fire Station 2 Seismic Rehabilitation Project. The issue for the Council is whether to authorize a contract amendment to proceed with the construction of the improvements.

BACKGROUND

A. Council Action History. On June 12, 2017 Council accepted two Seismic Rehabilitation grants through the Oregon Business Development Department for upgrades to Fire Stations 2 and 3. On September 25, 2017 the Council awarded an engineering contract and approved an alternate competitive construction contract process; the Construction Manager/General Contractor (CM/GC) process. On January 8, 2018, the Council awarded the master CM/GC contract.

B. Analysis. The City went through a proposal process to select a contractor to perform the CM/GC services for the two seismic projects. Based on this selection process, the Council awarded a master CM/GC contract. The CM/GC master contract utilizes amendments to authorize phases of work. These amendments are similar to task orders the City utilizes with other types of master contracts.

Staff from the Public Works and Fire departments have been working closely with the design engineer, architect and CM/GC contractor to develop plans for the Station 2 upgrades. Final plans were provided to the CM/GC contractor in mid-June. The contractor publicly advertised and competitively bid the subcontract work. On July 13th, the contractor delivered a Guaranteed Maximum Price (GMP) for the work outlined in the plans.

The work involves improving the structural integrity of the existing building to meet current seismic codes. This generally includes improving the structural support between the foundation, walls and roof. As part of the project, the entire roof will be replaced and a new internal shear wall will be added. Other improvements include remodeling the kitchen and converting the single bathroom into two separate bathrooms. Other improvements include replacing the windows, modifications to the entrance and limited aesthetic improvements to the building's exterior.

C. Financial and/or Resource Considerations. The City has received a grant through the Oregon Business Development Department for \$792,220 to construct this project. Due to

the timing of the project occurring over two fiscal years, a budget adjustment will be necessary to allocate the funding into the correct fiscal year.

The estimated project costs are listed below.

Design/CM	\$108,800
CM/GC Preconstruction Phase	\$ 11,520
CM/GC Construction	\$665,449
Contingency (6%)	\$ 39,927
Other Improvements	\$ 60,000
Foundation Engineering	\$ 11,999
Asbestos Removal (est.)	\$ 20,000
Housing (est.)	\$ 8,000
Miscellaneous Fees (est.)	<u>\$ 10,000</u>
Estimated Project Total	\$926,095

The adopted FY 2018-19 Facilities Fund budget includes \$100,000 for non-grant eligible improvements at both stations. The intent is to increase that amount by \$65,000 using the recently approved division of assets funding. Approximately \$30,000 is currently allocated to the Station 3 project. The estimate above includes approximately \$127,000 in improvements that are not eligible for grant funding.

D. Timing Issues. If the contract amendment is approved at the July 23rd meeting, construction is expected to begin in late July and be complete by the end of the year. It is important to get the project started as soon as practical given that replacing the roof is part of the project and should be completed during the summer months.

COUNCIL OPTIONS

The Council has the following options:

1. Authorize an amendment to the CM/GC contract for \$665,449 to proceed with the project; or
2. Request additional information; or
3. Not authorize the amendment and not proceed with the project. This will require paying back grant money that the City has previously been reimbursed.

STAFF RECOMMENDATION

Between the available grant funding and the City allocated funding, money is available to complete the construction. Staff recommends the Council authorize an amendment to the CM/GC contract to proceed with the construction of the seismic improvements.

SUGGESTED MOTION

I move to authorize Amendment #2 to the contract with Vitus Construction, Inc. for CM/GC services for the Fire Station 2 Seismic Rehabilitation Project for \$665,449.

ATTACHMENTS

None

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

Handwritten signature and date: 7/18/18

DEPARTMENT ITEMS D
7/23/2018



MUNICIPAL COURT QUARTERLY REPORT

Meeting Date: July 23, 2018
Department: Municipal Court
www.cityofroseburg.org

Agenda Section: Department Reports
Staff Contact: Jason Mahan
Contact Telephone Number: 673-0171

ISSUE STATEMENT AND SUMMARY

At the request of City Council, a report on the court's case volume and program revenues has been presented on a quarterly basis since July 2012. This report is the latest of the quarterly reports to have been provided in fulfillment of the Council's desire to receive regular updates on court operations and covers.

The below chart lists the number of cases, by case type, for the past four quarters.

<u>COURT CASE TOTALS</u>	<u>1ST QTR</u>	<u>2ND QTR</u>	<u>3RD QTR</u>	<u>4TH QTR</u>	<u>YTD TOTAL</u>	<u>PRIOR YEAR</u>
CRIMES	439	294	358	346	1,437	1,259
TRAFFIC CRIMES	63	57	69	59	248	228
TRAFFIC VIOLATIONS	1,197	688	758	1,044	3,687	2,534
NON-TRAFFIC VIOLATIONS	124	70	115	89	398	382
TOTAL	1,823	1,109	1,300	1,538	5,770	4,403

After the fourth quarter of the 2017-18 fiscal year, total cases were up 31% from the prior year. By category, crimes, traffic crimes, traffic violations and non-traffic violations increased by 14.14%, 8.77%, 45.5% and 4.19% respectively.

After the fourth quarter of the 2017-18 fiscal year, total court revenues were up 13.3% from the prior year. Fines and collections revenue increased by 11.6%, court costs revenues increased by 51.5% and court appointed attorney revenues increased by 60%. The increase in court appointed attorney revenues is attributable to the increase of reimbursement to the City of Roseburg for court appointed attorney fees in the amount of \$150.00.

On a budgetary basis, revenues are 107.4% of budget after the fourth quarter of the fiscal year.

Assessing collection compliance over the past year, from July 1, 2017 through June 30th, 2018, the total of fines imposed was \$1,648,459 and actual dollars collected on those cases was \$509,648 for a compliance rate of 31%. During the same time period for the year prior, fines imposed was \$1,028,602 and actual collections was \$383,021 resulting in a compliance rate of 37%.

COUNCIL OPTIONS

No Action is requested

STAFF RECOMMENDATION

n/a

SUGGESTED MOTION

n/a

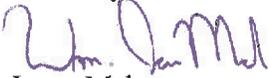
ATTACHMENTS

n/a

CLOSING REMARKS

In reviewing the financial information, I was pleased to see the increase in actual dollars collected. I know that the City has been exploring ways to increase the compliance rates and I am optimistic the compliance rate can be improved moving forward. I look forward to delivering this report to the City Council on July 23, 20-18 and will be happy to answer any questions you may have.

Sincerely,



Jason Mahan

Roseburg Municipal Court Judge

OK
7/17/18

INFORMATIONAL A
7/23/2018

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



ACTIVITY REPORT

Meeting Date: July 23, 2018
Department: City Manager
www.cityofroseburg.org

Agenda Section: City Manager Reports
Staff Contact: C. Lance Colley
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

At each meeting I will provide the City Council with a report on the activities of the City, along with an update on operational/personnel related issues which may be of interest to the Council. These reports shall be strictly informational and will not require any action on the Council's part. The reports are intended to provide a mechanism to solicit feedback and enhance communication between the Council, City Manager and City Staff. For your July 23, 2018, meeting, I provide the following items:

- Department Head Meeting Agendas
- Tentative Future Council Agenda Items



Agenda
Department Head Meeting
July 10, 2018 - 10:00 a.m.

1. Review July 9, 2018 City Council Meeting Synopsis
2. Review July 23, 2018 City Council Meeting
3. Review Tentative Future Council Meeting Agendas
4. Documents/Grants Signing
5. Department Items
 - City Connection Published today
 - Employment Anniversaries:
 - Brian O'Dell in Police – 10 years
 - Tony Powers in Police – 10 years



Agenda
Department Head Meeting
July 16, 2018 - 10:00 a.m.

1. Review July 23, 2018 City Council Meeting
2. Review Tentative Future Council Meeting Agendas
3. Documents/Grants Signing

Permits:

- ROW – Cobb Street Block Party August 19th
- Outdoor Event – Downtown Roseburg Street Faire September 9th
- Facilities Use – Spirit Ride Public Awareness Slowdown/Move Over discussion for August 4th

4. Department Items

TENTATIVE FUTURE COUNCIL AGENDA

Unscheduled

- Business Registration Background Checks Discussion
- RMC 5.04 Amendment - Water Rules and Regulations
- Umpqua Basin Urban Services Agreement
- Special Work Study – Visitor’s Center Contract/Tourism Promotion

August 13, 2018

Consent Agenda

- A. Minutes of July 23, 2018

Informational

- A. Activity Report

Executive Session

- A. City Manager Quarterly Evaluation

August 27, 2018

Consent Agenda

- A. Minutes of August 13, 2018

Informational

- A. Activity Report

September 10, 2018

Council Reports

- A. Implementation of Annual City Manager Performance Evaluation

Consent Agenda

- A. Minutes of August 27, 2018

Department Items

- A. Downtown Roseburg Association Annual Report

Informational

- A. Activity Report

September 24, 2018

Consent Agenda

- A. Minutes of September 10, 2018

Informational

- A. Activity Report

October 8, 2018

Consent Agenda

- A. Minutes of September 24, 2018

Informational

- A. Activity Report

October 22, 2018

Consent Agenda

- A. Minutes of October 8, 2018
- B. Cancel December 24, 2018 Meeting

Informational

- A. Activity Report – Municipal Court & Financial Quarterly Reports

November 12, 2018

Consent Agenda

- A. Minutes of October 27, 2018

Informational

- A. Activity Report

Executive Session

- A. City Manager Annual Performance Evaluation

November 26, 2018

Consent Agenda

- A. Minutes of November 12, 2018

Informational

- A. Activity Report

Executive Session

- A. Municipal Judge Evaluation

December 10, 2018

Consent Agenda

- A. Minutes of November 26, 2018

Informational

- A. Activity Report

January 14, 2019

Mayor Reports

- A. State of the City Address
- B. Commission Chair Appointments
- C. Commission Appointments

Council Reports

- A. Election of Council President
- B. Planning Commission Appointments

Consent Agenda

- A. Minutes of December 10, 2018

Informational

- A. Activity Report

January 28, 2019

Consent Agenda

- A. Minutes of January 14, 2019

Department Items

- A. The Partnership Annual Report
- B. Municipal Court Quarterly Reports

Informational

- A. Activity Report
- B. Distribution of CAFR and PAFR

February 11, 2019

Special Presentation

- A. CAFR Review – Auditor Jeff Cooley

- B. Quarterly Report – Quarter Ended December 31, 2018
- C. 2019-2020 Budget Calendar

Consent Agenda

- A. Minutes of January 28, 2019

Informational

- A. Activity Report

Executive Session

- A. City Manager Quarterly Evaluation

February 25, 2019

Consent Agenda

- A. Minutes of February 11, 2019

Informational

- A. Activity Report

March 11, 2019

Consent Agenda

- A. Minutes of February 25, 2019

Informational

- A. Activity Report

March 25, 2019

Mayor Report

- A. Child Abuse Prevention Month Proclamation

Consent Agenda

- A. Minutes of March 11, 2019

Informational

- A. Activity Report

April 8, 2019

Mayor Report

- A. Volunteer Recognition Month Proclamation
- B. Arbor Day Proclamation

Consent Agenda

- A. Minutes of March 25, 2019
- B. Cancel May 27, 2019 Meeting
- C. 2019 OLCC License Renewal Endorsement

Informational

- A. Activity Report

April 22, 2019

Consent Agenda

- A. Minutes of April 8, 2019

Informational

- A. Activity Report
- B. Finance and Municipal Court Quarterly Reports

May 13, 2019

Consent Agenda

- A. Minutes of April 22, 2019
- B. Annual Fee Adjustments

Resolution No. 2019-__ - General Fees
Resolution No. 2019-__ - Water Related Fees

Informational

A. Activity Report

June 10, 2019

Mayor Reports

A. Camp Millennium Week Proclamation

Consent Agenda

A. Minutes of May 13, 2019

Public Hearing

A. 2019-2020 Budget Adoption – Resolution No. 2019- __

Informational

A. Activity Report

June 24, 2018

Consent Agenda

A. Minutes of June 10, 2019

Informational

A. Activity Report

July 8, 2019

Consent Agenda

A. Minutes of June 24, 2019

Informational

A. Activity Report

July 22, 2019

Consent Agenda

A. Minutes of July 8, 2019

Department Items

A. Municipal Court Update

Informational

A. Activity Report

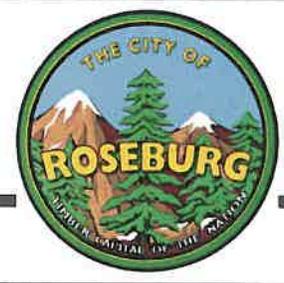
B. Financial Quarterly Report

7/18/18

City of Roseburg, Oregon

Quarterly Financial Report

4th Quarter, Fiscal-Year 2017-2018



June 2018

The *Quarterly Financial Report* summarizes the City of Roseburg’s financial position for the General Fund, major operating funds, proprietary funds, and Urban Renewal funds through the 4th quarter of fiscal year 2017-2018.

All funds are presented on a budgetary basis. Although this is a quarterly financial report, the focus is on year-to-date activity.

Budgeted Fund Balance is comprised of Contingency, Reserves, and Ending Fund Balance.

Report Note: When reading these quarterly financial reports it is important to keep in mind the cyclical activity in revenues and expenditures. Examples would include property taxes, grants, capital projects, and charges for services. This report is unaudited and precedes final year end accruals.

This financial report includes the quarter ending June 2017 for comparison purposes.

OVERVIEW:

- \$6.9 million General Fund balance.
- 5.2% Douglas County unemployment rate.
- 2.16% state investment pool interest rate.
- 3.6% Year-over-Year CPI-U West Region for June, 2018.
- Award the Downtown Corridor Improvement Phase II to Brown Contracting, Inc for \$1,798,895.
- Award the construction management services for the Downtown Roseburg Corridor Improvement Phase II to i.e. Engineering, Inc. for not to exceed \$98,864.
- Award the Black Avenue Improvement Project to Cradar Enterprises Inc. for \$642,259.
- Award a Master CM/GC contract for the Library Improvement project to Vitus Construction.
- Award the Head Start Facility Construction to Zerbach Construction for \$3,291,790.

court fines total \$344,892, service area fees total \$314,868 and interdepartmental charges total \$2,979,907.

GENERAL FUND

General Fund	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 21,368,080	\$ 21,547,318	101%	\$ 20,006,341
Expenditures	23,137,640	22,080,204	95%	20,487,394
Balance-July 1	7,046,808	7,510,376	107%	7,550,925
Balance YTD	\$ 5,277,248	\$ 6,977,490		\$ 7,069,872

Intergovernmental Revenues are primarily state collected taxes allocated to cities on a per capita basis and include revenue sharing, tobacco, marijuana and liquor, 107% of the \$872,598 budgeted for intergovernmental revenue has been collected during the current fiscal year.

Interest Revenue—Interest revenue of \$148,573 is \$52,740 more than the same period a year ago. The average portfolio rate is 2.16%.

GENERAL FUND REVENUE

General Fund Revenue	Budget	YTD Actual	%	Prior Year Actual
Property Taxes	\$13,588,000	\$ 13,419,750	99%	\$12,768,081
Other Taxes	25,000	167,264	669%	4,602
Licenses, Permits, Fees	3,059,800	2,829,864	92%	2,745,052
Charges for Services	3,742,682	3,927,257	105%	3,459,454
Intergovernmental	872,598	935,579	107%	836,093
Interest	80,000	148,573	186%	95,833
Miscellaneous	-	119,031	0%	97,226
Total Revenues	\$21,368,080	\$ 21,547,318	101%	\$20,006,341

GENERAL FUND EXPENDITURES

The following tables detail expenditures by department and major categories. Current year General Fund expenditures of \$22,080,204 represent 95% of budgeted annual expenditures.

Year to date expenditures are \$1,592,810 more than the same period a year ago. The General Fund ending fund balance is \$6,977,490.

Property Taxes — The majority of property tax revenue is collected in November and December. At the end of June 99% of the 13.5 million budgeted has been collected.

Property taxes are based upon assessed values (AV). With passage of Measure 50 in 1996 assessed values are limited to 3% annual increases unless the Real Market Value is less.

Other Taxes – Includes all other City imposed taxes. Currently, only the City’s 3% marijuana tax is reported here.

Licenses, Permits, and Fees—Includes utility franchise fees, planning fees, park fees, and various other fees. At the end of the quarter, 92% of the \$3 million budgeted annual revenue from licenses, permits and fees has been collected.

Charges for Services—Besides interdepartmental charges, charges for services includes: fines, service area fees, fire suppression and prevention fees, administrative and lien search fees. Year to date

By Organizational Unit	Budget	YTD Actual	%	Prior Year Actual
City Manager	\$ 1,048,499	\$ 1,034,537	99%	\$ 874,101
Finance & Mgmt	1,331,661	1,250,583	94%	1,200,826
Community Develop	702,606	634,826	90%	519,638
Library	45,000	22,484	50%	-
Public Works	3,566,470	3,357,039	94%	3,205,043
Parks & Recreation	1,641,698	1,467,759	89%	1,453,696
Municipal Court	487,440	462,278	95%	454,808
Police	7,034,773	6,572,537	93%	6,042,912
Fire	6,527,393	6,480,761	99%	5,979,518
Capital & Other	812,100	797,400	98%	756,852
Total	\$23,197,640	\$ 22,080,204	95%	20,487,394

By Major Category	Budget	YTD Actual	%	Prior Year Actual
Personnel Services	\$ 18,362,986	\$ 17,766,311	97%	\$16,462,569
Materials & Service	4,022,554	3,516,493	87%	3,267,973
Capital & Other	812,100	797,400	98%	756,852
Total	\$ 23,197,640	\$ 22,080,204	95%	\$20,487,394

MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

URBAN RENEWAL GENERAL FUND

Urban Renewal - General	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 3,740,300	\$ 3,735,733	100%	\$ 3,584,094
Expenditures:				
Operations	1,065,000	44,787	4%	2,104,383
Transfers	2,500,000	2,500,000	100%	1,400,000
Balance-July 1	323,373	318,558	99%	195,572
Balance YTD	\$ 498,673	\$ 1,509,504		\$ 275,283

The Urban Renewal-General Fund accounts for the Agency's property tax revenues. Expenditures are primarily for qualified capital improvement projects.

CAPITAL PROJECTS FUNDS

EQUIPMENT REPLACEMENT FUND

Equipment	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 691,000	\$ 684,752	99%	\$ 700,869
Expenditures:				
Operations	97,000	95,917	99%	35,000
Capital	459,600	374,498	81%	497,484
Balance-July 1	549,606	814,406	148%	646,021
Balance YTD	\$ 684,006	\$ 1,028,743		\$ 814,406

The Equipment Replacement Fund provides resources for major vehicle and equipment purchases. An annual funding level is established based upon equipment needs over a five-year period. Resources are transferred from the General Fund to minimize budget fluctuations in tax supported funds.

Year to date purchases include \$24,621 for parks ditchwitch FX20, \$59,630 for fire portable radios, \$36,287 for police tasers, \$11,100 Muncicity System, \$246,725 Elgin Crosswind sweeper, \$35,316 for Fire staff vehicle, \$22,878 for Public Works truck, \$15,741 for fire thermal camera kit, and \$15,000 for Parks Infield Groomer.

FACILITIES REPLACEMENT FUND

Facilities	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 2,001,500	\$ 648,055	32%	\$ 126,759
Expenditures:				
Operations	123,677	80,687	65%	54,863
Capital	2,250,000	520,135	23%	235,297
Balance-July 1	431,511	688,988	159%	142,988
Balance YTD	\$ 89,740	\$ 630,539		\$ 579,289

The Facilities Replacement Fund ending fund balance at June 30, 2018 is \$630,539.

TRANSPORTATION FUND

Transportation	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 2,733,816	\$ 2,645,715	97%	\$ 1,965,786
Expenditures:				
Operations	1,096,024	1,013,089	92%	1,571,499
Capital	2,460,000	1,783,947	73%	1,127,853
Transfers	10,000	10,000	100%	10,000
Balance-July 1	2,307,725	2,382,850	103%	3,496,457
Balance YTD	\$ 1,475,517	\$ 2,221,529		\$ 2,752,891

Transportation Fund revenues are from state gas taxes, transportation SDC's, federal STP funds and franchise fees. Beginning in 2011, 15% of utility franchise fees are directed to the Transportation Fund for the City's pavement management program. \$507,100 is budgeted in the current year for franchise fee revenue.

Capital Expenditures of \$1,699,612 is attributed to the Stewart Park realignment project, \$63,359 for Pavement Management, \$13,810 for GIS/Mapping equipment and \$7,166 for release of retainage on the Spruce & Parrott Improvement.

URBAN RENEWAL CAPITAL FUND

Urban Renewal - Capital	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 4,537,500	\$ 3,051,745	67%	\$ 2,664,549
Expenditures:				
Operation	469,310	415,325	88%	383,014
Capital	3,010,000	1,353,826	45%	2,181,150
Balance-July 1	186,143	532,829	286%	194,015
Balance YTD	\$ 1,244,333	\$ 1,815,423		\$ 294,400

The Urban Renewal Capital Fund accounts for the agency's major construction and improvements.

Capital expenditures totaling \$1,353,826 include \$520,491 for the Garden Valley-Stewart Parkway Intersection Improvement, \$202,994 for the Downtown Corridor Improvement, \$93,053 for Templin Beach Park Restroom Relocation, \$151,678 for the Edenbower/Stewart Parkway Property

acquisition, \$141,027 for the Black Street Extension, \$162,383 for the Edenbower/Stewart Parkway Phase II, \$42,571 for the Garden Valley – Fairmount to Stephens Project and \$30,090 for the Signal Interconnect Assessment.

ENTERPRISE FUNDS

STORM DRAINAGE FUND

Storm Drain	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 1,983,000	\$ 2,061,797	104%	\$ 2,009,040
Expenditures:				
Operations	714,143	685,143	96%	596,999
Capital	1,935,000	1,403,281	73%	1,034,318
Balance-July 1	1,875,212	2,212,196	118%	2,048,384
Balance YTD	\$ 1,209,069	\$ 2,185,569		\$ 2,426,107

The Storm Drain Fund accounts for the revenues and operations of the storm drainage system. Year to date user charges of \$1,946,772 are the principal source of revenues.

Year to date Storm Drain Fund capital expenditures include \$10,000 for the GIS Migration Plan, \$1,007,071 for the Stewart Park Realignment, \$20,178 for the Harvard Storm CIPP, \$19,988 for the Cascade Ct Storm Line, \$35,589 for the Gaddis Park Storm replacement and \$310,455 for the Lane Ave CIPP.

WATER SERVICE FUND

Water	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 5,869,827	\$ 6,090,126	104%	\$ 5,624,114
Expenditures:				
Operations	4,010,016	3,818,695	95%	3,566,025
Capital	2,027,500	835,443	41%	999,221
Balance-July 1	5,633,103	5,960,092	106%	5,022,370
Balance YTD	\$ 5,465,414	\$ 7,396,080		\$ 6,081,238

The Water Fund accounts for the City's domestic drinking water utility. Activities are totally supported by charges for services.

Year to date Water Fund revenues of \$6,090,126 is primarily from charges for services. Revenues are \$466,012 more than the prior year.

The ending fund balance at June 30th is \$7,396,080.

OFF STREET PARKING FUND

Off Street Parking	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 45,800	\$ 42,212	92%	\$ 43,800
Expenditures:				
Operations	62,959	37,724	60%	111,229
Balance-July 1	36,561	33,860	93%	101,780
Balance YTD	\$ 19,402	\$ 38,348		\$ 34,351

Previously, Off Street Parking revenues came from parking fines, meters, and parking rental fees in City owned lots, however, beginning July 1, 2016 services are being rendered under a new contract in which the City receives a flat monthly payment of \$3,750 or \$45,000 for the year.

The ending fund balance at June 30th is \$38,348.

Effective November 1, 2012 the Downtown Roseburg Association, DBA Park-Smart, began providing parking enforcement services.

AIRPORT FUND

Airport	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 904,500	\$ 796,258	88%	\$ 378,201
Expenditures:				
Operations	199,330	177,181	89%	170,233
Capital	510,000	471,184	92%	18,498
Debt Service	125,088	114,062	91%	122,688
Balance-July 1	228,578	323,842	142%	201,940
Balance YTD	\$ 298,660	\$ 357,673		\$ 268,722

Current year Airport revenues include user charges of \$375,857 or 100.6% of budget; FAA grant revenues are 74.46% of budget.

INTERNAL SERVICE FUND

WORKERS' COMPENSATION FUND

The worker's compensation fund was established in 1987 to provide financing for the City's self-insured worker's compensation program. Internal charges to other departments provide resources to administer claims management.

Worker's Comp.	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 393,500	\$ 415,690	106%	\$ 388,688
Expenditures:				
Operations	370,587	290,183	78%	260,412
Balance-July 1	406,325	496,223	122%	372,686
Balance YTD	\$ 429,238	\$ 621,730		\$ 500,962

and injuries.

An actuarial review is completed every two years to ensure the program maintains reasonable reserves and funding levels.

An employee safety committee oversees safety and wellness programs for employees. The goal is to promote wellness and reduce work related accidents

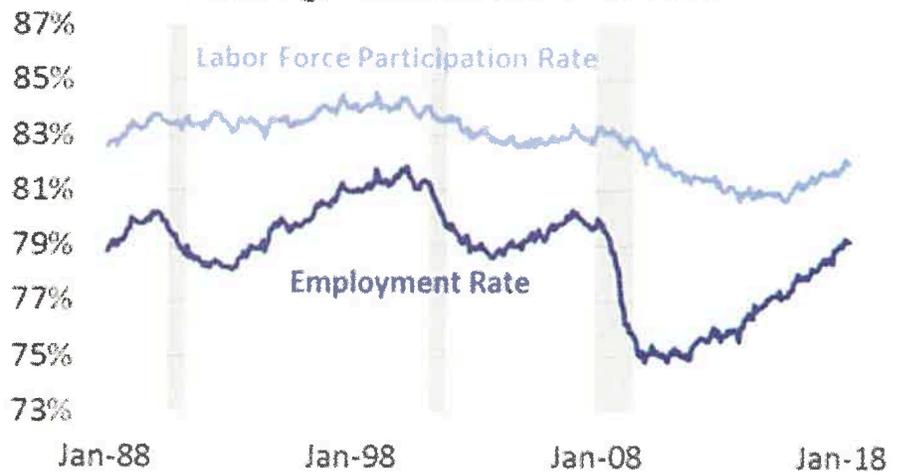
ECONOMIC OUTLOOK

U.S. Economy

The opening to the U.S. Economy section of the June 2018 *Oregon Economic and Revenue Forecast* issued by the Office of Economic Analysis (OEA) states that “The current U.S. economic expansion turns nine years old next month, making it the second longest on record. Given the ongoing healthy data flow, more economists now forecast this expansion to eventually surpass the record-setting 1990s in length, which was exactly 10 years long.”

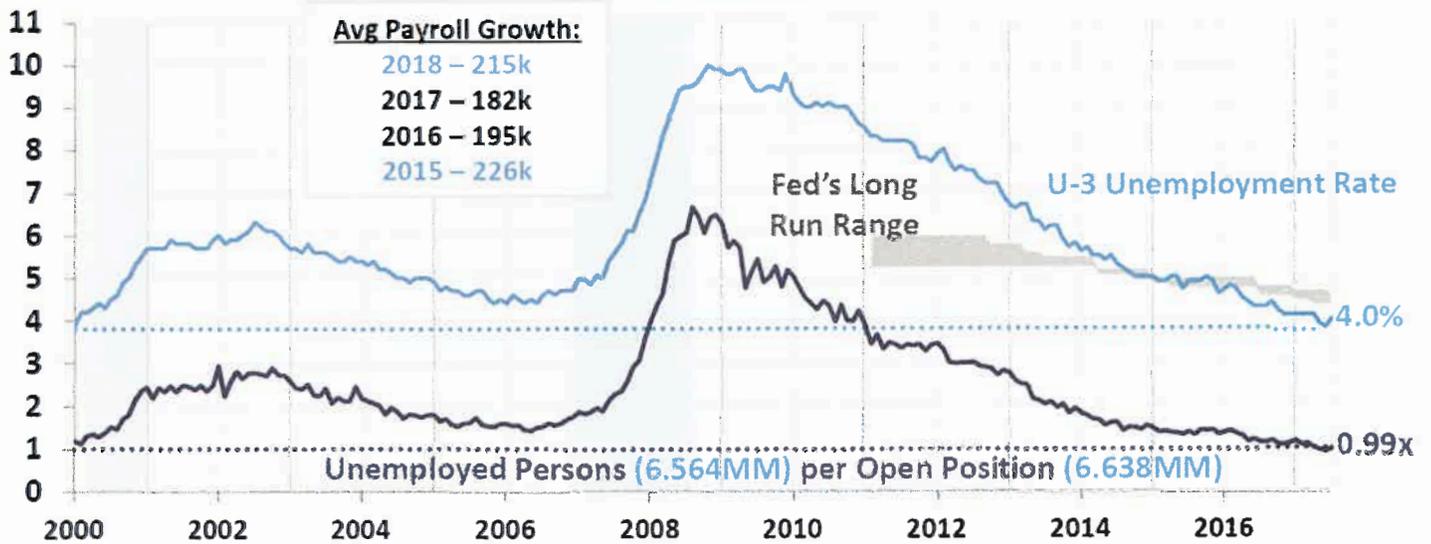
Despite the continued economic growth, “. . . the economy is beginning to run into some supply side constraints. Chief among these is labor.” All labor market indicators are tight: the unemployment rate, new claims for unemployment insurance, job openings, quits rate. Despite the tight labor market, inflation and wage growth pales to those of previous cycles. Given the continued expansion and the tight labor market, workers who were previously on the sidelines are being drawn back into the labor market. “The flows of those who one month say they are not actively looking for work but the next month have a job continue to be large. And labor force participation rates for working-age Americans continue to rise.”

Strong Economy Pulling Workers In
Prime-Age Americans, 25-54 Years Old



Latest Data: April 2018 | Source: BLS, Oregon Office of Economic Analysis

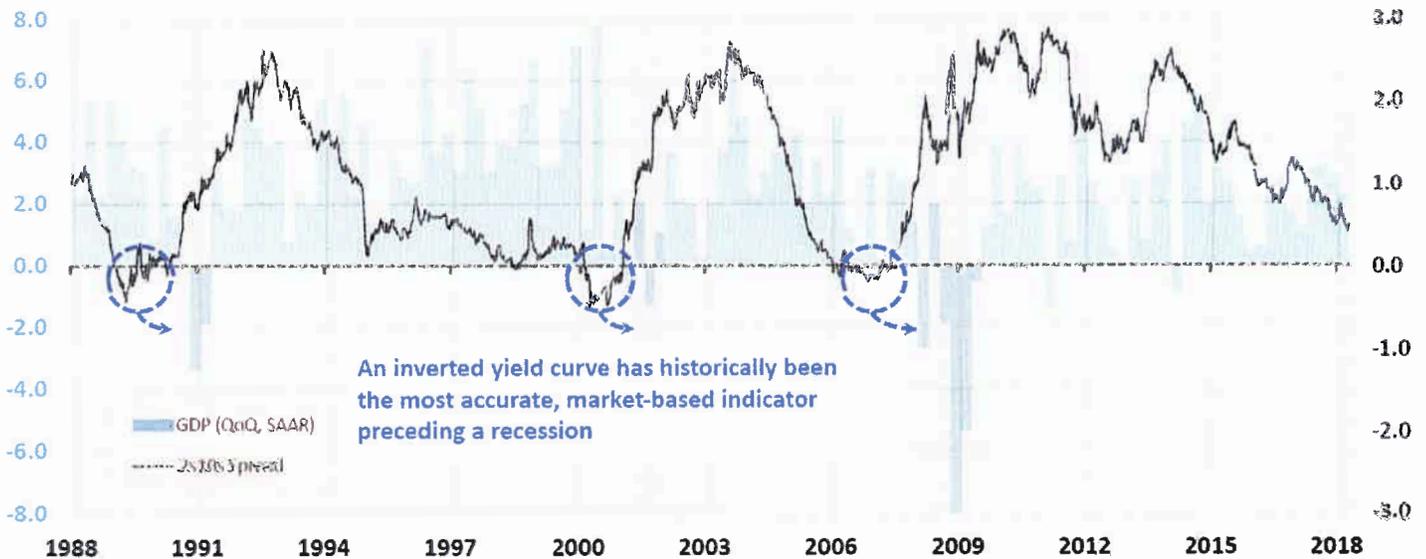
Furthermore, the U.S. economy: 1) currently averages 215,000 in monthly payroll growth, 2) enjoys an unemployment rate of 4.0% which is below the Fed’s long run unemployment range, and 3) boasts 6.564 million unemployed persons with 6.638 million job openings which means that there is 0.99 people to fill every current job opening.



Sources: BLS, ViningSparks



As already stated, the current expansion is now in its ninth year, the second longest on record, and there is growing concern that a new recession is not too far distant. Among all measurements and leading indicators, the shape of the yield curve (the difference between the 2-year treasury and the 10-year treasury) historically has been the best indicator of economic cycles and recessions; recessions have occurred shortly after three of the four curve inversions during the modern era.



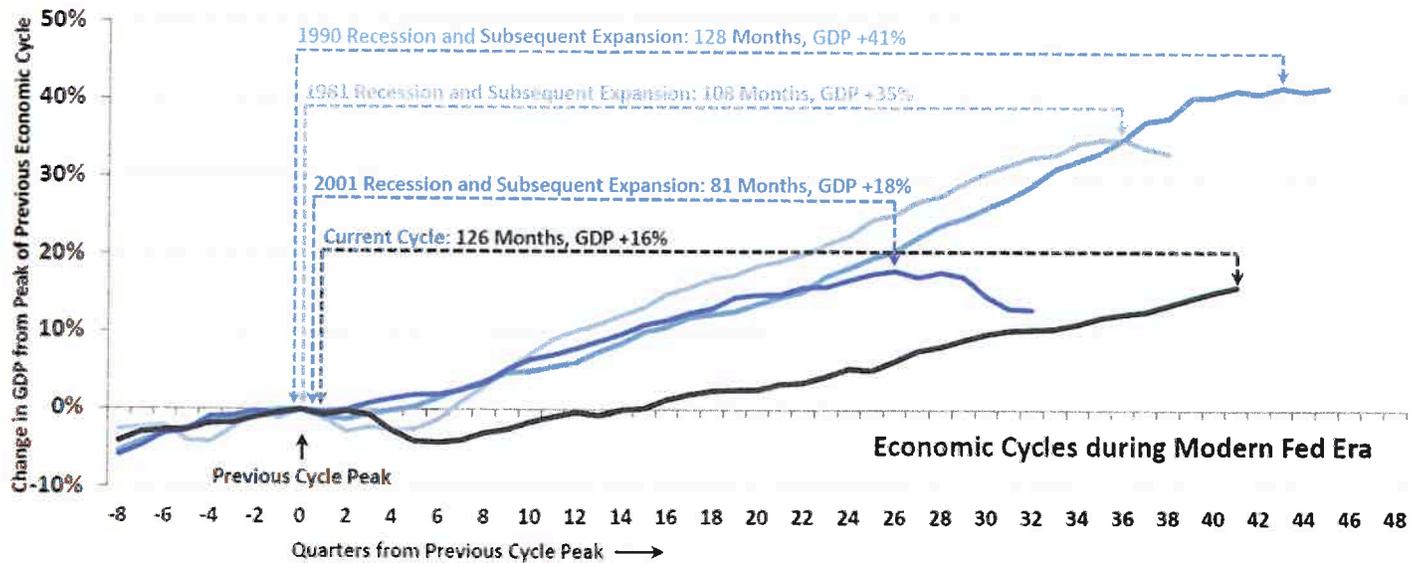
Sources: FRED, Bloomberg, ViningSparks



Recently, the yield curve has been flattening with the spread between the 2-year treasury and the 10-year treasury (as of 07/13/18) shrinking to 26 basis points or 0.26%. Such a spread is indicative of a flat curve relative to historical norms and generally occurs mid to late in the economic cycle. It is important to note that the yield curve has not yet inverted and history does show that a yield curve can remain flat for a prolonged period.

In comparison to previous economic expansions, the current expansion is characterized by a significantly lower

rate of expansion, which has contributed to its durability. After 126 months, the current expansion has increased the GDP by only 16%; conversely, the 2001 expansion lasted 81 months increasing GDP by 18%, the 1981 expansion lasted 108 months and increased GDP 35%, and the 1990 expansion lasted 128 months increasing GDP by 41%.



Sources: BEA, FRED, Bloomberg, Vining Sparks



Economic expansions do not die due to age but when imbalances occur. Given the slower rate of growth, solid leading economic indicators and no indication of imbalances, economists believe that the current expansion will continue and become the longest lasting on record. However, it is clear that we are in the later stages of a cycle and how much longer it can be sustained is uncertain; IHS Global Insight puts the probability of recession over the next year at 20 percent, and the Wall Street Journal consensus is at 15 percent.

Oregon Economy

The June 2018 *Oregon Economic and Revenue Forecast* issued by the Office of Economic Analysis (OEA) states that “Oregon’s expansion continues to outperform the typical state due to our industrial structure and ability to attract and retain young, working-age households. That said, job growth continues to slow as the regional economy transitions down to more sustainable rates. This slowdown is not driven by one or two industries in particular, but as a broad-based across nearly all sectors and all regions within the State. Encouragingly, job growth remain strong enough to keep up with population gains to absorb the workers coming back into the labor market.”

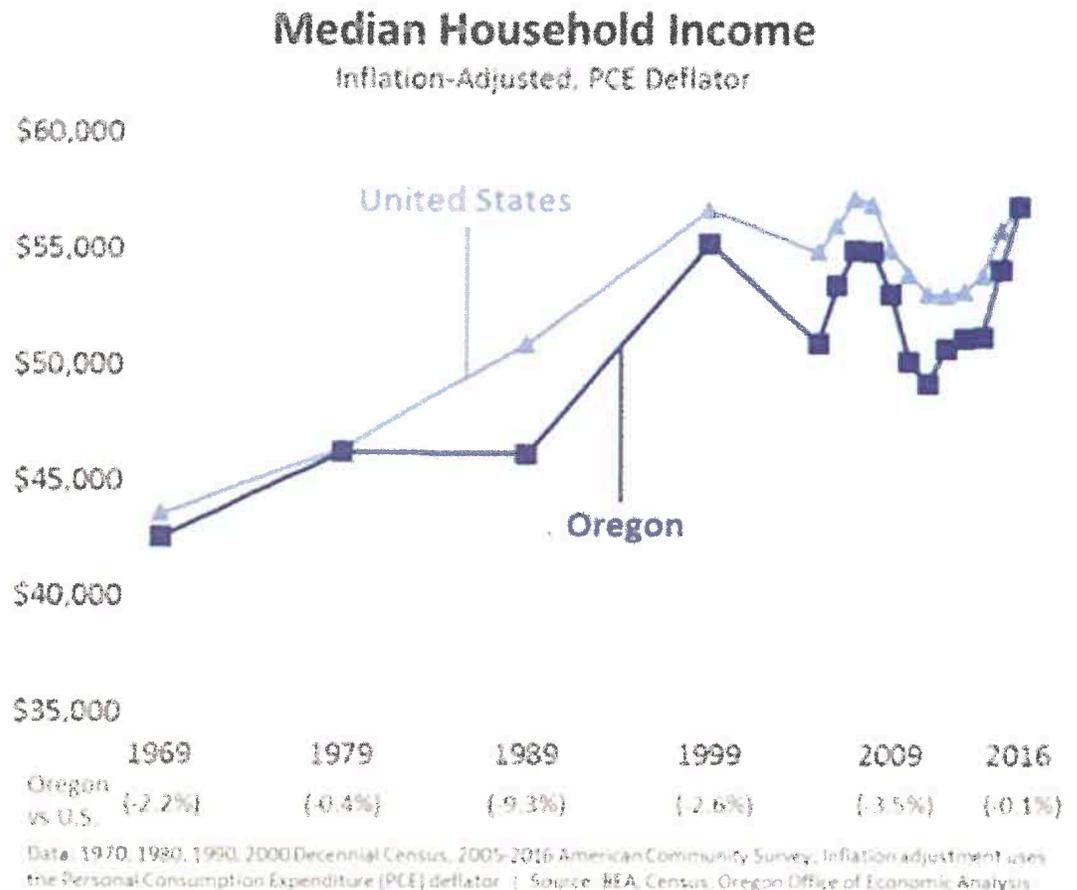
The Oregon Office of Economic Analysis focus on four sources of jobs data: 1) monthly payroll employment survey, 2) the monthly household survey, 3) monthly withholding tax receipts, and 4) the quarterly census of employment and wages. Currently all indicators of the labor market are improving as jobs are being added, wages are rising, and the unemployment is under what is considered full employment for Oregon.

Oregon’s unemployment rate is no longer declining but has held steady for the past 16 months or so hovering around 4.1 percent. The stabilization of the unemployment rate indicates that job growth is sufficient to match population and labor force gains. Looking to the future, expectations are for the continuation of this pattern. “. . . the state has enjoyed robust, full-throttle rates of job gains in the 3-3.5 percent range, or nearly 5,000 jobs per month. No longer is this the case. Oregon is expected to continue to see healthy job gains – a bit more than 2,000 per month or about 2 percent over the remainder of the 2017-19 biennium – but the state is now past its

peak growth rates for this expansion. Importantly, such gains remain strong enough to hold unemployment down and account for ongoing population growth.”

“Along with an improving labor market, stronger personal income gains are here . . . Personal income is forecasted to be 5.1 percent in 2018, 6.0 percent in 2019, before tapering off to 5.4 percent in 2020 and averaging 4.8 percent per year through 2027.

“Today, Oregon’s average wage relative to the nation is at its highest point since the mills closed in the 1980s. While some industries are seeing stronger growth, these gains are broad-based across regions and industries in Oregon. Similarly, Oregon’s per capita personal income is at its highest relative point since the dotcom crash. In terms of the outlook, expectations are that wages will remain at this high watermark but not increase much further, at least relative to the nation.”



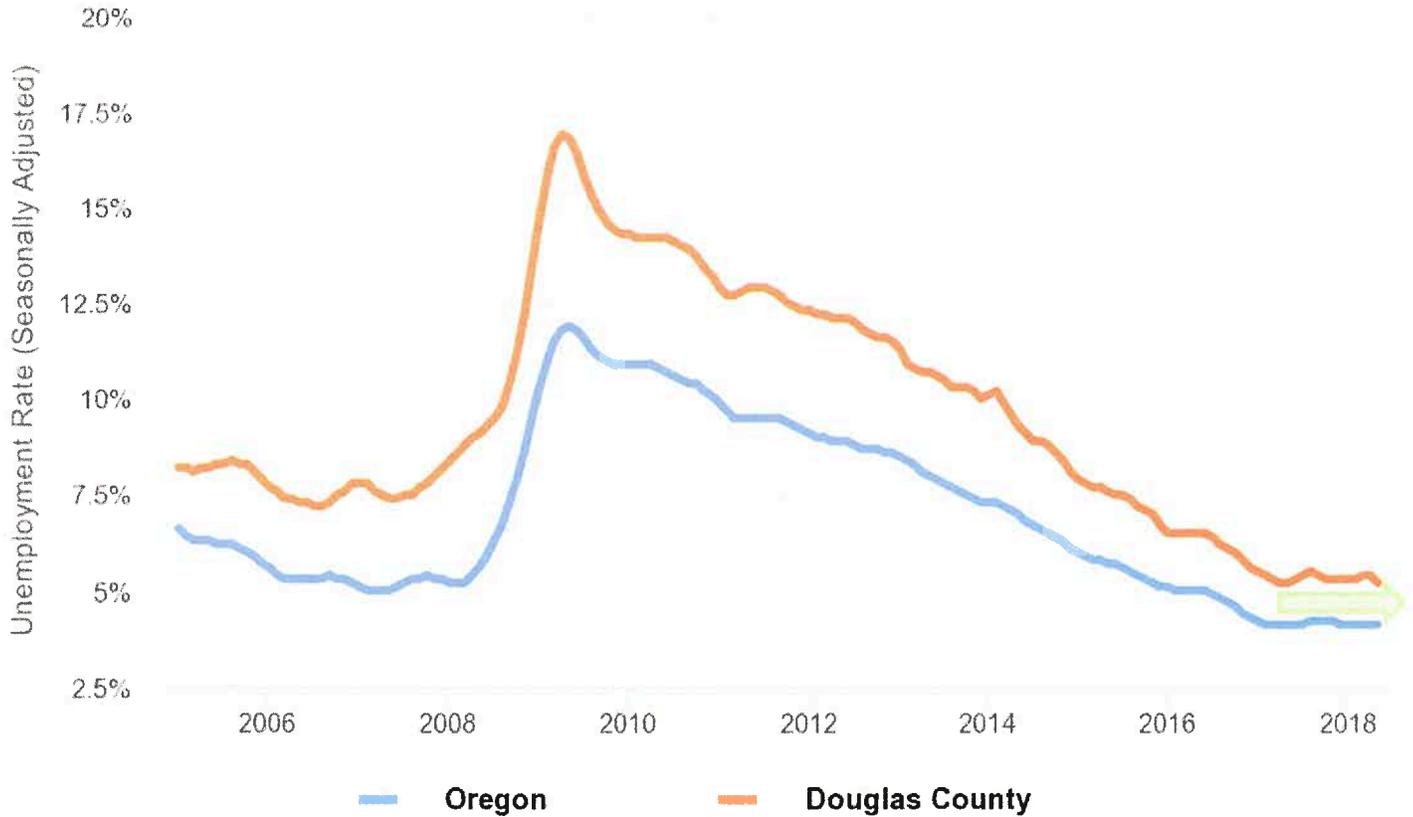
Looking longer afield, “IHS Economics projects Oregon’s economy to fare well relative to the rest of the country in the coming years. The State’s Real Gross State Product is projected to be the seventh fastest among all states across the country in terms of growth with gains averaging 2.16 percent through 2023. Total employment is expected to be the eighth strongest among all states at an annualized 1.3 percent, while manufacturing employment will be the fourth fastest in the country at 1.1 percent. Total personal income growth is expected to be 4.8 percent per year, the thirteenth fastest among all states, according to IHS Economics.”

Oregon recently reached a milestone. “. . . all of the recessionary-induced declines in the labor force itself have been reversed in the recent years. Oregon’s labor force has never been larger. However, the participation rate remains a little lower than expected, when adjusted for the size of the population and the aging demographics. Oregon’s participation rate continues to rebound today, which is great news, however, any participation gap is still cause for concern.”

Douglas County

The State of Oregon Employment Department reported that “Douglas County’s seasonally adjusted May unemployment rate was 5.2 percent, a slight decrease from the revised 5.4 percent in April. This month’s rate is the same as the May 2017 rate (5.2%).”

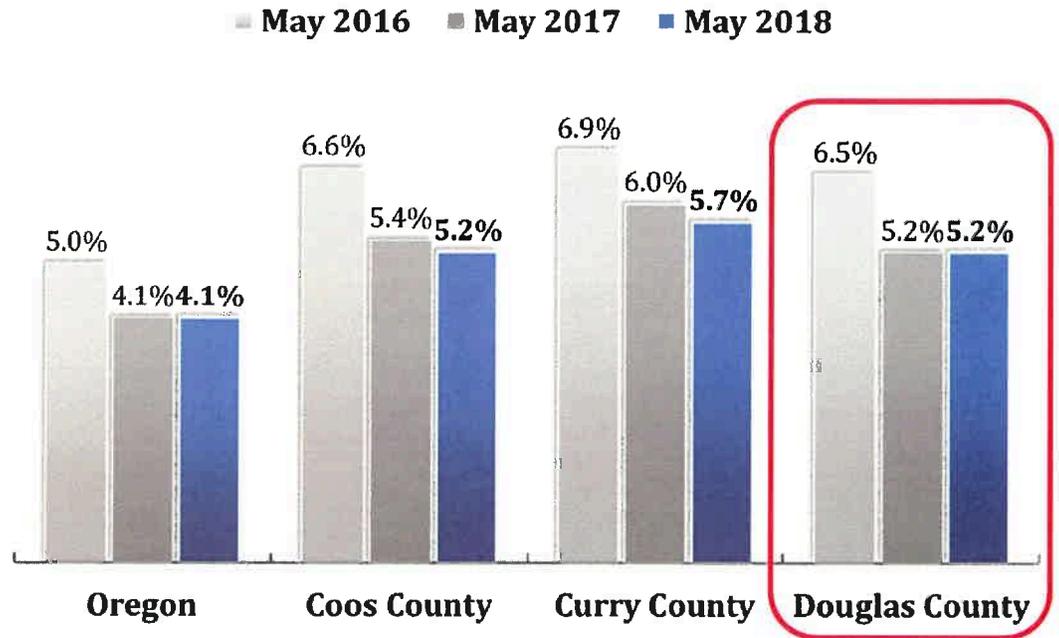
Unemployment Rate



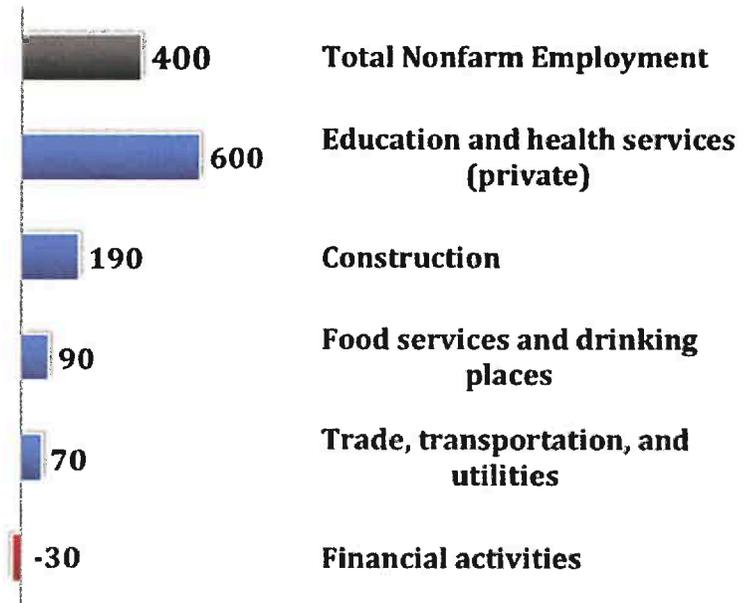
Source: Oregon Employment Department QualityInfo.org

A review of the underlying figures to May's unemployment rate indicate that the maintenance of the year-over-year rate is due to a mixed bag of results that are immaterial to the local economy:

- The civilian labor force decreased by -160 year-over-year or -0.35%;
- The number of employed (or jobs) decreased by -48 year-over-year or -0.11%; and
- The number of unemployed decreased by -112 year-over-year or -5.06%.



Douglas County Net Job Growth



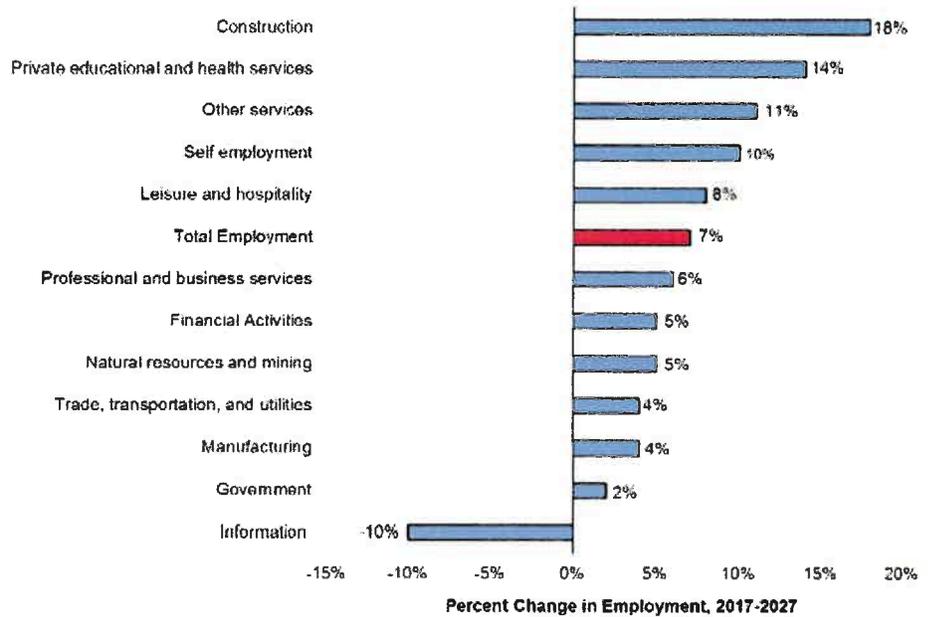
An analysis of the gains and losses of jobs per industry sector (Year over Year) indicates strong job growth in the Private Education and Health Services, and Construction sectors and small losses in Financial Activities.

Oregon's Employment Department recently published "Long-Term Job Outlook for Douglas, Coos, and Curry Counties Is Modest" which provides a forecast of future job growth by sector for the counties. Future job growth projections for Douglas County call for a modest 7 percent growth rate for 2017 through 2027; private payroll growth is projected to be 7 percent, government employment 2 percent, and self-employment 10%. At the same time population is expected to grow 2.3 percent between 2018 and 2025 and then 1.9% between 2025 and 2030; population growth drives the demand for goods and services as well as supplying the needed labor.

Construction, and private education and health services are projected to lead industry growth. Construction is forecasted to be the fastest growing industry at 18 percent over ten years to satisfy pent-up demand that dates back a decade. The largest number of jobs will be added by the larger private educational and health services sector with a 14 percent growth rate.

“Other industries showing above-regional-average growth rates include the other services and private households sector, and the leisure and hospitality. The other services sector is projected to rank third in regional industry growth . . .” at 11 percent. Leisure and hospitality is projected to grow 8 percent through 2027.

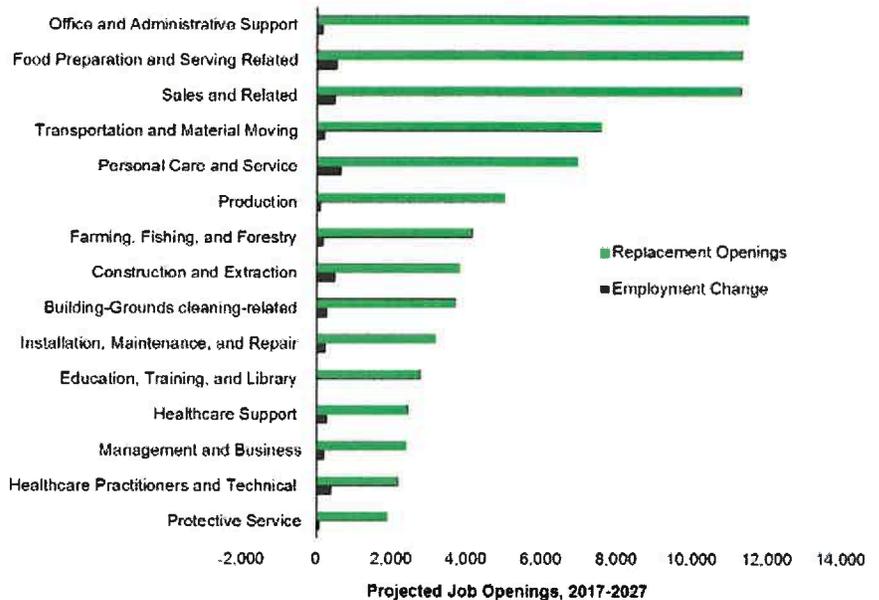
Construction, and Private Educational and Health Services Among the Fastest Growing Industry Sectors in SW Oregon



Growth rates for other major sectors are provided in the preceding graph. Of particular note, Information is the only major industry sector that is forecasted to lose jobs during this period and is projected to decline by -10 percent by 2027.

“In the next decade, Southwestern Oregon’s employment is expected to grow from 72,489 jobs to 77,231 (6.5% growth). There are 90,373 total job openings associated with supplying the labor needed to maintain current businesses and develop or expand additional business operations. Of these openings, 94.8 percent (85,631) are needed as replacements for workers leaving the labor force or making major occupational changes. Despite modest rates of expected business growth and expansion, there’s an overwhelming need for workers to replace those permanently leaving their occupation”, as the adjoining graph illustrates.

Many Job Openings Expected in Order to Replace Retiring Workers



A Final Note

This quarterly report has been prepared to summarize and review the City's operations and financial position for the fourth quarter of the 2017-18 fiscal year as of the month ending June 30, 2018, provide management with a financial planning tool, and monitor compliance with budget policy and Oregon budget law.

If you have questions about the report or would like additional information please contact Ron Harker, Finance Director, at (541) 492-6710 or via email at finance@cityofroseburg.org. We encourage you to visit our website at cityofroseburg.org. The site is user friendly and contains information about the services we provide.

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