



Local Focus

The Magazine of the League of Oregon Cities

Q1 2023



Local Government The Basics

13 Essentials for City Officials



citycounty insurance services
cisoregon.org



Save the Date: CIS Public Safety Conference

Aug. 9 - 11, 2023 | Salishan Coastal Lodge, Gleneden Beach

- Tactical Trauma Training
- Civil Litigation Trends
- Employment Law Trends
- Improving Employee Commitment by Building Trust
- Strategic Social Media Practices for Command Staff & PIOS

*Registration free for members with general liability coverage.
Visit cisoregon.org/publicsafety for more information.*



ON THE COVER

27 **Local Government – The Basics** 13 Essentials for City Officials

- | | |
|---------------------------------------|---|
| 28 Home Rule | 43 Code Enforcement |
| 31 The Importance of Council Teamwork | 44 Political Activity |
| 33 Public Meetings | 45 Social Media |
| 36 Property Taxes | 47 Land Use |
| 38 Public Records | 48 Water Rights |
| 39 Gift Limits | 50 Ask LOC: Ways New Elected Officials Get Into Trouble |
| 40 Budgeting 101 | |



OTHER FEATURES

- 20 Communities to Benefit from Funding Secured by Congressional Delegation
- 53 2023 State Shared Revenues
- 60 Around the State – City Stories: Aumsville, Riddle, Medford, Corvallis, Tigard, Cannon Beach & Portland, Salem, Rockaway Beach



AT THE LEAGUE

- 5 A Message from the LOC President
- 7 Spring Conference in Seaside
- 8 Meet the 2023 LOC Board
- 12 Record Attendance at City Day
- 18 SEI Update

Educating residents together.

Did you know?

- Over 240,000 water main breaks occur each year in the U.S.*
- 78% of homeowners surveyed believe their municipality should educate them on repairs and preventative measures**

NLC Service Line Warranty Program:

- Educates homeowners about their service line responsibilities
- Provides solutions that help address aging residential infrastructure
- Offers affordable plans to protect homeowners from the high cost of service line repairs
- No cost to the city



Join the
**more than
850 partners**

that have chosen to work with
us to help protect their homeowners.

**NLC Service Line
Warranty Program** by  **HomeServe**

Contact: Dennis Lyon • Regional Director

Dennis.Lyon@HomeServeUSA.com
412-266-9545 • www.servicelinepartner.com

* <https://www.infrastructurereportcard.org>

** 2017 IPSOS Survey of HomeServe policyholders and non-policyholders

Local Focus



Local Focus is published quarterly by:
League of Oregon Cities
1201 Court St. NE, #200
Salem, Oregon 97301
(503) 588-6550 • Fax: (503) 399-4863
www.orcities.org

2023 LOC BOARD OF DIRECTORS

OFFICERS

President

Steve Callaway, Mayor, Hillsboro

Vice President

Dave Drotzmann, Mayor, Hermiston

Treasurer

Travis Stovall, Mayor, Gresham

Immediate Past President

Tanea Browning, Councilor, Central Point

DIRECTORS

Robert Cowie, Councilor, Chiloquin

Rod Cross, Mayor, Toledo

Aaron Cubic, City Manager, Grants Pass

David Emami, Councilor, Happy Valley

Jessica Engleke, Mayor, North Bend

Roberto Escobedo, Councilor, Nyssa

Carol MacInnes, Councilor, Fossil

McKennon McDonald, Councilor, Pendleton

Tita Montero, Councilor, Seaside

Beach Pace, Councilor, Hillsboro

Chalice Savage, Councilor, Cottage Grove

John Walsh, City Administrator, St. Helens

Kenna West, City Manager, Independence

Ted Wheeler, Mayor, Portland

MAGAZINE STAFF

Editor

Kevin Toon, ktoon@orcities.org

Designer

Julie Oke, jmoke@orcities.org

Contributing Writer

Melody Finnemore, precisionpdx@comcast.net

Non-member subscription rate: \$96 per year

Published articles and views expressed in *Local Focus* do not reflect any direct or implied endorsement by the League of Oregon Cities unless specifically stated as such. Publication of any advertisement should not be considered an endorsement of the product or service involved.



www.orcities.org

Half of Winning is Showing Up

Steve Callaway, LOC President;
Mayor, Hillsboro



Steve Callaway
LOC President; Mayor,
Hillsboro

This past October, the LOC held its first in-person conference in two years. It was a great event in Bend, and I left with many takeaways. But the most important realization for me was how much we care about each other, enjoyed each other's "in-person" company, and how much we truly need each other. It was so good to be back to an in-person event, to see old friends, and make new ones.

During my incoming president remarks I noted how well attended the conference was—nearly 500 attendees—and how the presence of so many reinforces the reality that you can pretend to care but you can't pretend to show up. I issued the challenge to continue to show up: for your cities, for each other, and for the LOC.

And you are all doing just that!

From late November through January, the "Elected Essentials" program was held in all 12 regions and 300 elected officials attended, learning (or getting a refresher on) how to be an effective public official, serve your community ethically, and work successfully with your fellow councilors and mayors. The conversations, questions, and discussions showed deep engagement and that each person showed up because they care!

City Day at the Capitol is another example of League members showing up in impactful ways and big numbers. More than 80 cities came to Salem for the event, representing all 12 regions! There were more participants than we have ever had before, close to 240! By showing up, we had the opportunity to hear from Governor Kotek and other legislative leadership from both parties, to ask questions, and have brief conversations in the lobby and hallways. At the Capitol, you showed up en masse, and dozens of legislators heard about your community's needs, as

well as the LOC priorities that you had a hand in determining. Because you care, you showed up and made a difference!

Now it's up to us to keep the momentum going and continue showing up. Here's why it's important:

- By showing up, we can model civility to our communities;
- By showing up, we speak to youth and help them understand that they can serve and send the message that it's important that they do;
- By showing up, we can find common ground that leads to solutions;
- By showing up, we create understanding; and
- By showing up, we can celebrate other's successes and help support each other's losses.

I look forward to showing up in your communities this year during the President's Regional Meetings, LOC Board meetings, caucus meetings, and the Local Government Spring Conference in Seaside in April.

Thank you all for showing up and making a difference in your communities, the LOC, and throughout our great state. ■

CARE THAT'S ALWAYS THERE

Healing hands, curious minds, and lives filled with good health. Our commitment to prevention and connected care is helping our patients feel their best – in mind, body, and spirit.

Kaiser Permanente is proud to support the League of Oregon Cities' mission of serving Oregonians and building vibrant communities.



All plans offered and underwritten by Kaiser Foundation Health Plan of the Northwest.
500 NE Multnomah St., Suite 100, Portland, OR 97232.
©2022 Kaiser Foundation Health Plan of the Northwest

442590535_ADV_04-22

At the League

From the Executive Director **Dedicated Local Leaders**

When I first began working in city government almost 20 years ago, I had no real concept of what cities do—no real grasp of the breadth of services provided, the types of problems leaders were expected to solve, or the number of lives cities can positively impact. To say I was drinking from a fire hose was an understatement. My experience was not unique.

Between November of 2022 and January of 2023, the LOC traveled across the state providing newly elected and veteran city officials its Elected Essentials training program. The program is designed to provide Oregon's city leaders with basic information on municipal governance—from understanding roles and responsibilities, to complying with Oregon's public meetings law. At the conclusion of these trainings, one might assume many in attendance would feel overwhelmed by all that they learned. But, in my experience, when the trainings conclude, those in attendance feel energized, enthusiastic, and ready to tackle the challenges their communities are facing. Of course, those officials attending the training know they're drinking from the same fire hose I was drinking from 20 years ago, but like me, they're ready for the challenge.

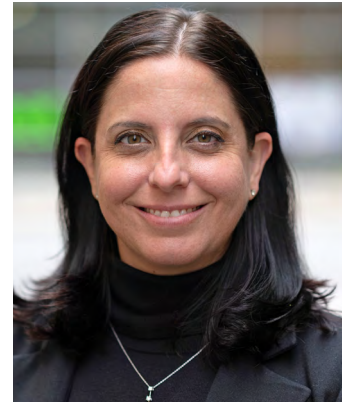
The challenges facing cities today are greater than any other period in my lifetime. Oregon's property tax system strangles its cities' ability to provide essential services. Replacing aging infrastructure is a high priority, but often cost prohibitive. The challenges facing society at large, from homelessness to a distrust in government, have landed squarely on our cities' doorsteps. And while to the outside world it may seem as if no one is tackling these problems, those attending the LOC's Elected Essentials training program were given a front row seat to more than 300 Oregon city officials who are facing these problems head on with passion and commitment.

Responding to today's challenges is not something cities can do alone. The challenges are so great that a strong partnership between local and state government is essential. And that fire hose, which we all drank from when we began our careers in city government, is the same fire hose state officials are drinking from when they begin to learn about all that it means to be a city in Oregon. Many in state government have never worked for or on behalf of a city, which naturally limits their understanding of city processes, programs, budgets, and needs. While it is important for those working in cities to understand the inner-workings of their own communities, it is equally important that those innerworkings be understood by the governor, state agencies, and the Legislature.

On January 25, more than 200 city officials from across the state of Oregon converged on Salem to discuss the challenges facing cities with Governor Kotek and the Legislature. While many may see LOC's City Day at the Capitol event as a lobbying event, LOC staff sees it as an educational event. City Day is an opportunity for local leaders to educate their state partners on

cities. The event provides the LOC and its members the opportunity to inform state leaders on: how cities work, the challenges cities face, and why an equitable partnership between cities and the state is the key to a successful Oregon. Of the 4.2 million people living in Oregon, more than 3 million live in cities—the LOC's City Day event allowed local leaders the opportunity to inform state leaders of what these 3 million Oregonians need for their communities to thrive.

As the LOC starts another year, and its 241 cities do the same, I am reflecting on my conversations with city leaders during the Elected Essentials training event and City Day at the Capitol. When taken as a whole, all those conversations fill me with hope—hope that the challenges of today will be tackled by steadfast and dedicated local leaders, working in collaboration with state leaders.



Patty Mulvihill
LOC Executive Director

SAVE WATER NOW

Water loss = revenue loss.
Correlator System tests for both sides of the meter.

Complete Leak Surveys

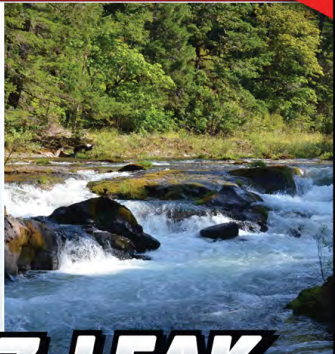
Increase usage efficiency and reduce water loss for sustainable water management in old infrastructures.

Leak Correlation & Leak Locating


Improve effectiveness of water conservation efforts to reduce water loss on both sides of the meter.

Utility & Line Locating

Utilities can be located and marked appropriately to protect underground infrastructure.



888.777.LEAK



AMERICAN LEAK DETECTION

THE ORIGINAL LEAK SPECIALISTS™

Saving water for Oregon since 2005
Each office independently owned and operated.

AmericanLeakDetection.com

Register for the Local Government Spring Conference in Seaside

The LOC is excited to bring the 2023 Local Government Spring Conference to Seaside on **April 25-26**. This two-day event will be a great opportunity for public officials from across Oregon to network and learn about issues impacting all cities.

Preliminary Agenda

Tuesday, April 25

- 8:00 a.m. – 11:30 a.m.** **Mayors Workshop** – Active Civility: How Mayors Can Help Local Political Cultures Heal *(additional \$75 fee)*
- 8:30 a.m. – 11:30 a.m.** **Councilors Workshop** – Combating Misinformation in the Era of Polarization *(additional \$75 fee)*
- 8:30 a.m. – 11:00 a.m.** **Managers Workshop** *(additional \$75 fee)*
- 11:30 a.m. – 12:00 p.m.** **Networking Break**
- 12:00 p.m. – 1:30 p.m.** **Welcome Lunch & Keynote** – Andrea Bell, Executive Director, Oregon Housing and Community Services (OHCS)
- 1:30 p.m. – 2:00 p.m.** **Networking Break**
- 2:00 p.m. – 3:00 p.m.** **Breakout Sessions**
- Cyber Security – Prepare and Respond to a Cyber Disruption
 - Legislative Update
- 3:00 p.m. – 3:30 p.m.** **Networking Break**
- 3:30 p.m. – 4:30 p.m.** **Breakout Sessions**
- OHCS 101
 - Aging Infrastructure: Tidal Gates
- 5:30 p.m. – 9:00 p.m.** **Offsite Networking Reception**

Wednesday, April 26

- 7:30 a.m. – 8:30 a.m.** **Networking Breakfast**
- 8:30 a.m. – 10:00 a.m.** **Breakout Sessions**
- Behavioral Health and Housing Impacts
 - Diversity, Equity and Inclusion
- 10:00 a.m. – 10:30 a.m.** **Networking Break**
- 10:30 a.m. – 11:30 a.m.** **Breakout Sessions**
- From Employee Speech to Public Comment & Protests: The First Amendment's Impact on Cities
 - Addressing the Workforce Housing Shortage
- 11:30 a.m. – 11:45 a.m.** **Networking Break**
- 11:45 a.m. – 1:15 p.m.** **Lunch & General Session** – Top 5 Things State Agencies Wish City Officials Knew About Them
- 1:15 p.m. – 1:45 p.m.** **Networking Break**
- 1:45 p.m. – 2:45 p.m.** **Breakout Sessions**
- Regional Collaboration
 - Update on Homelessness Initiatives
- 2:45 p.m. – 3:00 p.m.** **Networking Break**
- 3:00 p.m. – 4:30 p.m.** **General Session - Roundtable Discussions**
- 4:30 p.m. – 6:00 p.m.** **Happy Hour Reception**
- 6:00 p.m.** **Dinner on your own**

Hotel Information

LOC has secured a block of rooms at several Seaside hotels. Find booking information on the Spring Conference website at www.orcities.org.

Register Now

Register at www.orcities.org. The cost is \$250 for LOC members if registered before April 3. Space is limited so register now!

Meet the 2023 LOC Board of Directors

OFFICERS



President
Steve Callaway
Mayor, Hillsboro

Mayor Callaway was elected to the Hillsboro City Council in November 2010, re-elected in 2014, and became mayor in 2016. His previous experience includes the city's budget committee, the Hillsboro 2020 Vision Implementation Committee and the city's planning commission. Additional community involvement includes the Jackson Bottom Wetlands Preserve Board, the Hillsboro Library Foundation, the Boys and Girls Club, and the Hillsboro Schools Foundation. Mayor Callaway recently retired from his position as a principal at Tobias Elementary School in Hillsboro.



Vice President
Dr. Dave Drotzmann
Mayor, Hermiston

Dave Drotzmann was elected mayor of the Hermiston City Council in 2012. He previously served on the LOC Board of Directors from 2017-2019 and was recognized as the League's legislative advocate of the year in 2019. Prior to his city council service, Mayor Drotzmann served eight years on the Hermiston School District Board of Directors. He's been actively involved for years with multiple community organizations, including the Hermiston Chamber of Commerce, Rotary, and the Hermiston Booster Club, as well as a coach of youth and high school sports programs. Dr. Drotzmann currently sits on the editorial team for The Oregon Way and is a partner in an eyecare practice in Hermiston.



Treasurer
Travis Stovall
Mayor, Gresham

Mayor Stovall was elected mayor of Gresham in 2021. He makes history as the first Black mayor of any large city in the Portland metro area and across the state. A longtime Gresham resident, Mayor Stovall is the owner and CEO of eRep, Inc. He also serves as vice president of the TriMet Board of Directors and has been featured in The Oregonian for his dynamic leadership when serving as president of the Gresham Area Chamber of Commerce and Visitors Center.

Mayor Stovall's lengthy history of volunteer service in local government includes the Gresham Community Development and Housing Subcommittee; as chair of the city's Charter Review Committee; and the Gresham Task Force on Housing to help create affordable housing units.



Immediate Past President
Tanea Browning
Councilor, Central Point

Councilor Browning is a native Oregonian, appointed in 2015 and elected in 2016 to her current position. She has served on the Central Point Urban Renewal Agency and Budget Committee. Her commitments also include the Central Point Visitor Information Center and the boards of the Rogue Valley Council of Governments and Jackson County Fire District No. 3. She is a member of the Central Point Rotary, a director with the Crater Foundation, founder of the public non-profit Direct Involvement Recreation Teaching, and executive director for the Central Point Chamber of Commerce.



WASTE CONNECTIONS
Connect with the Future®

Jim Winterbottom, District Manager
Columbia River Division
503.572.6562 | jimw@wcnx.org

DIRECTORS



Robert Cowie
Councilor, Chiloquin

Elected in November 2020, Councilor Cowie is serving in public office for the first time. He worked for more than 20 years at Sony Electronics in many capacities, including VP of Customer Insight, VP of the VAIO Technology Center, Director of Engineering, Director of Product Quality, and program management. His previous work experience also includes many years in the broadcast television and cable television industries. He currently is a customer experience consultant, helping businesses establish and grow their customer experience and employee engagement programs.



Rod Cross
Mayor, Toledo

Mayor Cross has led the city of Toledo since 2018. He ran for mayor to restore stability and civility to the city, and believes his biggest accomplishment has been giving staff and citizens the tools to not just survive the recent pandemic but to thrive during it. Toledo has had more projects completed in the last two years than the previous several years, including launching the ART Toledo initiative, the urban renewal project, and coordinated efforts to improve the city of Toledo with its school system. Mayor Cross currently serves as the President-Elect of the Oregon Mayors Association.



Aaron Cubic
City Manager,
Grants Pass

Mr. Cubic has 17 years' experience serving as a city manager in Oregon. He was appointed city manager in Grants Pass in 2012, and previously had served as city manager in Myrtle Point. Mr. Cubic also has 10 years' experience in county government as a program manager and special district director. In 2014, he served as president of the Oregon City/County Management Association (OCCMA) and has been a member of multiple OCCMA committees, including Finance & Taxation, General Government, and Human Resources. An International City/County Management Association Credentialed Manager, Mr. Cubic is a graduate of the University of Virginia's Senior Executive Institute and the ICMA Williamsburg Leadership Institute. *(Non-voting position)*



David Emami
Councilor, Happy Valley

Councilor Emami was appointed to Happy Valley City Council in 2019 and elected to a four-year term in 2020. Prior to his appointment, he served on the Happy Valley Planning Commission, the Parks Advisory Committee, the Clackamas County Street Light Budget Committee and was president of his HOA. Councilor Emami previously served on the LOC Bylaws Committee and is currently the treasurer for the Local Government People of Color Caucus. He also has extensive volunteer experience with local schools, state educational programs, local charities and non-profit organizations. Born and raised in Oregon, Councilor Emami earned his bachelor's degree in economics from Oregon State University.



Jessica Engelke
Mayor, North Bend

Mayor Engelke was elected as North Bend's first female mayor in November 2020. She is a longtime North Bend resident, invested in making Oregon's south coast a better place. Mayor Engelke is a tenured business professor at Southwestern Oregon Community College and teaches a variety of business classes. She has more than 25 years of hands-on experience in the business community and is a former president of the Bay Area Chamber of Commerce.



Roberto Escobedo
Councilor, Nyssa

Councilor Escobedo was elected in 2020 and is a volunteer with the Nyssa City Fire Department. He is a native and current resident of Nyssa and the second oldest of six children. Councilor Escobedo currently works as a wildland firefighter for the Snake River Valley program through the U.S. Bureau of Land Management. At a young age, he learned the value of hard work while working in the summer with his family in the fields. These values have never left him, and he practices them daily. Councilor Escobedo is committed to working hard for the region he represents and to helping rural Oregon communities evolve and grow, with a particular focus on diversity and inclusion. *(Non-voting position)*

(continued on page 10)

2023 LOC BOARD OF DIRECTORS



Carol MacInnes
Councilor, Fossil

Councilor MacInnes has spent the past 30 years volunteering for her community through a broad range of service activities. She is currently an EMT-I for the local ambulance service, a reserve deputy for the sheriff's office, and a medicolegal death investigator for the district attorney's office, all in addition to her paying job as a victim advocate for Wheeler County. Elected in 2014, she served eight years as mayor and was appointed to the city council in 2023 after not running for re-election. Councilor MacInnes previously served on the Oregon Mayors Association Board of Directors, representing all east side rural communities and was proud to be on the OMA Taskforce to address homelessness. *(Non-voting position)*



McKennon McDonald
Councilor, Pendleton

Councilor McDonald was elected to the Pendleton City Council in 2014 and was re-elected in 2022 for a third term. In addition to serving as Council President, she currently serves on the Pendleton Airport Commission, Development Commission, Library Board, and Budget Committee. Councilor McDonald has also previously served on the LOC Conference Planning Committee and the LOC Nominating Committee, and was recently elected to the LOC Women's Caucus Board of Directors. Her commitments also include a full-time job with the InterMountain Education Service District, volunteering in the community in her free time, and being a wife and mother. She holds a bachelor's degree in political science from the University of Portland, an M.A.T. from Eastern Oregon University, and most recently an Educational Administration degree from Lewis & Clark College.



Tita Montero
Councilor, Seaside

A resident of Seaside since 2002, Councilor Montero served six years on her city's tourism board prior to being appointed and elected to the Seaside City Council in 2010. Having been re-elected in 2014, 2018 and 2022, she is the longest-sitting elected city or county official in Clatsop County. Homelessness has been an important focus for her work. Her prior community commitments include serving on the boards of the Seaside Downtown Development Association, Clatsop Behavioral Health, Clatsop CASA and Clatsop Development Resources, as well as serving as president of the Seaside Chamber of Commerce. She currently serves on the Clatsop County Budget Committee, the Senior Advisory

Council for Northwest Disabilities and Senior Services, and the Clatsop Citizen Review Board. Councilor Montero holds a bachelor's degree in recreation administration and a master's degree in library sciences, and her professional work includes health system and health plan executive management, and serving as executive director for Seaside Downtown Development Association. Councilor Montero assisted in the establishment of the LOC Women's Caucus and currently serves as its president.



Beach Pace
Councilor, Hillsboro

In her first run for elected office, Councilor Pace was elected to the Hillsboro City Council in 2018. She currently serves as the CEO of Big Brothers Big Sisters (BBBS) of the Columbia NW and on the board of the Westside Queer Resource Center. Previously, she served at-risk youth as vice president and executive director of City Year San Jose/Silicon Valley. Councilor Pace holds a bachelor's degree from the United States Military Academy at West Point and an MPA from Northern Michigan University. She served in the U.S. Army in the Ordnance branch both domestically and overseas as a Bomb Squad Executive Officer and Commander.



Chalice Savage
Councilor, Cottage Grove

Councilor Savage has served on the Cottage Grove council since 2021. She previously spent nearly 15 years in the medical field, and currently works as an independent contractor with Blackstone, Inc. Councilor Savage also owns her own photography business.



John Walsh
City Administrator,
St. Helens

Mr. Walsh has overseen the day-to-day operations for the city of St. Helens since 2012. He previously served as the city manager of Myrtle Point, Ore. and held management roles in the cities of Centralia and Pacific, Wa. With more than 20 years of public sector experience, Mr. Walsh has led many large and complex capital improvement projects, including infrastructure and brownfield redevelopment projects, as well as several community and economic development initiatives. He is a credentialed city manager through the International City/County Management Association (ICMA-CM) and has earned recognition for excellence and good governance from the LOC.



Kenna West
City Manager,
Independence

Ms. West is a native Oregonian with her roots firmly planted in rural towns. She has served the city of Independence since May 2022. She previously served the cities of Willamina and Salem and Marion County for more than a decade. Ms. West came to government service following a career as a lawyer. She holds a juris doctorate from Northwestern School of Law at Lewis and Clark College, and was in private practice for more than a decade. Along with her love of community, she is also passionate about equine rescue and care. When she isn't serving her beautiful city of Independence, her energy is focused on helping abused and neglected horses, and training and racing her barrel horses.



Ted Wheeler
Mayor, Portland

Mayor Wheeler has led the city of Portland since 2017. He was elected chair of Multnomah County in 2006 and took office in 2007, where he balanced the county budget during the worst years of the recession and reduced debt while maintaining safety net programs for vulnerable populations. Mayor Wheeler was then appointed to the office of Oregon State Treasurer in 2010 and elected to the position in 2012. He earned an undergraduate degree in economics from Stanford University, and later received an MBA from Columbia University's business school, as well as a master's degree in public policy from Harvard University's John F. Kennedy School of Government. ■

2023 LOC Board of Directors Meetings

- April 24 – 9 a.m. - 4 p.m.
Seaside
- June 23 – 9 a.m. - 4 p.m.
Hillsboro
- October 11 – 9 a.m. - 2 p.m.
Eugene
- December 15 – 9 a.m. - 4 p.m.
Location TBD

LOC Board Meets in Salem

The LOC Board of Directors met in person in Salem on December 9 and took the following actions:

- Approved the appointment of Patty Mulvihill to the position of LOC Executive Director;
- Approved an amendment to the composition of the LOC's Finance Committee, allowing city finance directors to serve on the committee;
- Approved a 6.5% increase in member dues for Fiscal Year 2023/2024;
- Appointed Councilors Taneea Browning and Greg Evans, and Mayors Jessica Engelke, Cathy Clark, and John McArdle to the LOC Foundation's Board of Directors;
- Appointed Councilor Chalice Savage of Cottage Grove to the LOC's Board of Directors;
- Approved 190 Agreements between the LOC and the Oregon Department of Transportation regarding the Small City Allotment Program, between the LOC and Portland State University regarding consultant services, and between the LOC and Oregon Municipal Electric Utilities;
- Appointed Councilor Drew Farmer of Coos Bay to the CIS Board of Trustees; and
- Appointed Jayme Pierce to the position of LOC General Counsel.

LOC Board Meets in Detroit

The LOC Board of Directors met in person in Detroit on January 24 and took the following actions:

- Reappointed SueLing Gandee to CIS's Board of Trustees; and
- Approved an amendment to the LOC's budget for Fiscal Year 2022/2023, reallocating funds from its contingency reserves to the Legal/Research Department and the Building and Equipment Fund.

LOC Online Calendar Updated with 2023 Dates



The LOC has updated its online master calendar to help cities plan for 2023. The online calendar includes all of the dates from the printed wall calendar – conferences, meetings, deadlines – and will be updated regularly.

Record Attendance Highlights City Day at the Capitol

It was nearly three years to the day when the LOC and Oregon Mayors Association (OMA) last held an in-person City Day at the Capitol. This time around, 250 mayors, councilors, and city staff from across Oregon, representing every LOC region statewide, assembled at the Salem Convention Center on January 25 for a full day of advocacy and training. The program was highlighted by remarks from Governor Tina Kotek and members of the state's new legislative leadership.

The LOC added two new educational components to this year's program, including "Lobbying 101," and "Strategies for Securing State Funding." Part of the afternoon segment included a deeper discussion on economic development incentives, and a presentation on regulating public spaces relative to the current statewide homelessness crisis. Before the evening reception, representatives from multiple state agencies were on hand for meetings with attending city officials. The new content was added to the City Days agenda this year to comply with policies at the Capitol that limited access to the building due to ongoing construction and seismic improvements.

By all accounts, it was one of the most successful "City Day" events in recent memory, as LOC members had a chance to meet with their legislators in the Capitol and during the evening reception, which was attended by more than two dozen legislators and their staff.

As the 2023 session approaches the 60-day mark, there are critical decisions that will be made. The Legislature is expected to move a funding and policy package to address Governor Kotek's recent executive order which declared a homeless emergency in Oregon. The LOC's government relations team and the Oregon Mayors Association continue to advocate for statewide funding to address homelessness and will keep that fight up throughout the session.

The governor will also be coming forward with perhaps the most pivotal economic development initiative Oregon has ever seen from the Legislature. We are expecting a \$200 million funding package to advance a significant investment in site readiness, and policy to keep Oregon as a key leader of the world's semiconductor industry. This could be Oregon's signal to Congress and the U.S. Department of Commerce that Oregon is serious about investment, enabling the state's ability to leverage some of the \$52 billion in the federal CHIPS Act.

In the weeks and months to come, contact with legislators will remain critical. For LOC members, a grass roots lobbying effort will need to be maintained throughout this year. Participation

in City Day at the Capitol is a great first stop, and contributing testimony will always be helpful, but in-district follow-up with legislators will be critical to advancing every city's issues and reinforcing the LOC's legislative priorities.

Photo Captions

1. Governor Tina Kotek welcomes attendees and outlines her priorities for the legislative session.
2. Senate President Rob Wagner discusses the top issues for the legislative session.
3. House Minority Leader Vikki Breese-Iverson speaks to City Day attendees.
4. Senate Minority Leader Tim Knopp answers questions from attendees.
5. Representative Greg Smith (Heppner) with Umatilla City Manager David Stockdale.
6. Representative Hoa Nguyen (Portland) meets with city officials from Happy Valley.
7. House Majority Leader Julie Fahey shares her thoughts on legislative priorities and answers questions from attendees.
8. Senator David Brock Smith chats with city officials during the evening reception.
9. City officials from Newport meet with Senator Dick Anderson (Lincoln City).
10. Representative Charlie Conrad (Lowell) discusses local and regional issues with Cottage Grove city officials.
11. Representative Christine Goodwin (Canyonville) interacts with city officials during the evening reception.
12. Senator Jeff Golden (Ashland) chats with Central Point Councilor Tanea Browning and LOC Legislative Director Jim McCauley.
13. Representative Travis Nelson (Portland) networks with city leaders during the evening reception.
14. Members of the Independence City Council meet with Representative Paul Evans (Monmouth).
15. Representative Anna Scharf (Dallas) meets with Dayton City Manager Rochelle Roaden (left) and Independence City Manager Kenna West (right).
16. Representative James Hieb (Canby) listens to a city official during the evening reception.
17. City officials from Hermiston, Fossil and Umatilla with Representative Greg Smith (Heppner) on the House floor.



City Deadline Calendar

Important statutory deadlines cities need to know

MARCH

March 1:

Budget: Budget Officer to Prepare Proposed Budget

Budget officer shall prepare or supervise the preparation of the budget document.

Note: Depending upon a city's size and total budget, the budget process may begin sooner or later than noted. This budget deadline is therefore suggested, not statutory.

March 14:

ELECTION DAY – Special

Note: Double majority rules apply for property tax measures.

March 18:

Budget: Publish First Notice of Budget Committee Meeting and Notice of Public Hearing Regarding City's Use of State Shared Revenues

Budget: The budget officer must publish the first notice of the budget committee meeting not more than 30 days and not less than five days before a meeting. Different requirements apply for other notification methods. **State shared revenues:** As a separate matter, a public hearing on state shared revenues is required to occur no later than July 31 of the calendar year, and cities must then certify to the State that this hearing has occurred. Beginning with notice, we recommend that cities incorporate this hearing's requirements into the budget process.

Note: Depending upon a city's size and total budget, the budget process may begin sooner or later than noted. This budget deadline is therefore suggested, not statutory.

March 16:

May Election: File Statements of Offices, Candidates and Measures with County

City elections filing officer must file no later than the 61st day before the date of the election. Thursday, March 16, is this year's deadline to file as it is 61 days before the May 16 election.

March 31:

Ethics: Submit Statement of Economic Interest Exemption Applications

By no later than 5:00 pm on March 31, cities may submit SEI exemption applications to the Oregon Government Ethics Commission for certain members of public bodies that meet or act so infrequently that an SEI is not required.

APRIL

April 1:

Budget: Publish Second Notice of Budget Committee Meeting and Notice of Public Hearing Regarding Shared Revenues

Budget: Budget officer must publish the second notice of the budget committee meeting in the newspaper not more than 30 days and at least five days before the meeting. Alternatively, if the first notice was published in the newspaper within those timelines, the second notice may be posted on the city's website in a prominent manner and must be maintained on the website for at least 10 days before the meeting. **State shared revenues:** We recommend cities publish notice of the public hearing on state shared revenues at this time as well.

Note: Depending upon a city's size and total budget, the budget process may begin sooner or later than noted. This budget deadline is therefore suggested, not statutory.

April 8:

Budget: Committee Meeting

Budget: The budget committee must hold one or more budget committee meetings for the purpose of receiving the budget message and the budget document. The meeting also provides the public the opportunity to ask questions and make comments on the budget document. If the budget committee holds more than one meeting, the budget message and the budget document must be received at the first meeting. **State shared revenues:** We recommend holding the required public hearing on state shared revenues during the budget hearing before city council. Cities are advised to consult with their budget officer and city attorney on how to incorporate this hearing into the budget process.

Note: Depending upon a city's size and total budget, the budget process may begin sooner or later than noted. This budget deadline is therefore suggested, not statutory.

Download the full 2023 deadline calendar

The complete calendar is available on the [LOC website](#) under Resources, then Reference Materials.

Are You Signed Up for the *Bulletin*?

Each and every week, the *LOC Bulletin* brings the latest news of interest to Oregon's cities directly to your email inbox. To be added to the list, send a request to loc@orcities.org.

Legislative Update Webinars

Join Us Fridays at Noon for the Latest Legislative News

LOC Executive Director Patty Mulvihill, Legislative Director Jim McCauley and the Intergovernmental Relations team provide the latest information from the Capitol as the 2023 legislative session continues.

When: Fridays at 12 p.m.*

**March 10, March 17, May 5 and May 12 webinars will be held at 1:30 p.m. due to scheduling conflicts with the President's Regional Roundtables.*

Learn how to participate via Zoom on the LOC's website: www.orcities.org.

LOC Welcomes Lindsay Tenes to Lobby Team



Lindsay Tenes joined the LOC's lobby team on January 19, replacing Mark Gharst, who accepted a position with Business Oregon. Lindsay brings extensive experience in the tax and revenue portfolio and an outstanding background in the legislative process and building knowledge. Prior to joining the LOC, Lindsay was the Deputy Finance Manager with the Senate Democratic Leadership Fund. In addition, she served as chief of staff for Representative Nancy Nathanson, who is the House Revenue Chair. Lindsay can be reached at ltenes@orcities.org.

Mark Gharst Takes Position with Business Oregon



After three years of excellent work as a lobbyist for the LOC, Mark Gharst recently accepted a new position with Business Oregon. Mark's LOC work included a portfolio that focused on tax policy, shared revenue, and economic development. Mark also took on the role of helping members with CARES Act and ARPA funds and reporting requirements. While the LOC is sad to see Mark go, his work with Business Oregon will keep him involved with many of the LOC's priorities.

LOC Training Opportunities

From November through January, following local elections every two years, the LOC offers "Elected Essentials," a training program for newly-elected city leaders. These workshops are offered in 12 regions around the state. After the most recent elections, more than 350 people attended this training in the 12 LOC regions across the state, and more than 60 people attended an additional training held in Keizer on January 26.

In the year between elections, the LOC offers its "Local Government Fundamentals" training program, which covers similar information as "Elected Essentials," but in a shorter format. This training will be offered for members who missed the "Elected Essentials" training or would like a refresher course. Look for more information later this year!

In addition, the LOC will also begin taking requests for facilitation services beginning April 1. Cities may request facilitation services to work on goal setting, strategic planning, teambuilding, or request a custom training to resolve the specific needs of the city.

Additional information on the above trainings, additional educational opportunities available on-demand, pricing and topics are listed on the LOC's training page: www.orcities.org/training-events/training.

PLAY
IS THE HIGHEST FORM OF RESEARCH

PARKS & RECREATION

KCDA

NASPO ValuePoint

PURCHASING CONTRACTS
Saves you time, the bid process is already completed.

ONE-STOP SHOP
INSTALLATION
BENCHES
SHELTERS PARTS
SPRAY-PARKS
PLAYGROUNDS AND MORE
CUSTOM DESIGN

Northwest Playground
nwplayground.com

800-726-0031
sales@nwplayground.com

DuMor **poligon** **ID SCULPTURE** **sofSURFACES** **WATER ODYSSEY**
IRONSMITH **WABASH VALLEY** **PLAYWORLD**



Cities: Your LOC Membership Now Includes Easy Access to PSU Services

The LOC has entered into an agreement with Portland State University (PSU) that gives member cities a simple way to contract for training or consulting from the university's Center for Public Service (CPS). Rather than going through a more involved intergovernmental agreement or personal services contract process, the "umbrella agreement" between the LOC and PSU allows a city to contract for services through a simple scope of work and cost agreement.

The intent of the umbrella agreement is to reduce staff time and overhead cost associated with contract administration. It will benefit all cities, but especially smaller cities that seek affordable training or consulting services. The CPS taps into the expertise of faculty, experienced practitioners, and graduate students to provide services to public agencies throughout Oregon and the Northwest. Examples of recent projects performed by CPS include:

- **Customized Training**
 - City council leadership effectiveness and strategic planning
 - Performance measurement
 - Diversity Equity Inclusion (DEI) framework for leaders
 - Expenditure control budgeting
- **Service Delivery Studies**
 - Consolidation and contracting options for police, fire, and emergency dispatch
 - Regional intergovernmental options for wastewater treatment
 - Annexation and extension of services to unincorporated areas

- **HR-Related Studies**

- Classification and compensation studies
- Job description review

- Cyber security training and consulting, targeted to elected officials and managers.
- Environmental studies and services, including solid waste reuse and recycling and development of climate action plans.
- Other governance and internal organizational studies, including updated council district boundaries, and coordination of environmental initiatives across departments.

The CPS also provides graduate student fellows, recruited from throughout the U.S., and available for 10-weeks summer work or (for recent graduates) a 10-month public service fellowship.

The LOC offers a variety of training and consulting (e.g., small city legal advice) services, and the LOC and PSU will coordinate their efforts to ensure that services offered by the two organizations complement rather than compete.

For more information see www.pdx.edu/center-for-public-service/local-government, or contact either of these individuals:

- Sara Saltzberg, Center for Public Service Director, ssaltz@pdx.edu, (503) 725-5153
- Scott Lazenby, CPS Local Government Projects Manager, slazenby@pdx.edu, (503) 894-1448 (mobile)



LOC partners with NPPGov. LOC serves as the Lead Public Agency for cooperative contracts available through NPPGov.

NPPGov.com

EXECUTIVE EDUCATION AND PRE-CONFERENCE ACTIVITIES

MARCH 24-25, 2023

National Connections, Local Solutions

NLC's Congressional Cities Conference is your chance to hear directly from federal officials about current and upcoming funding opportunities available to your city, town, or village.



www.orcities.org

REGISTER TODAY at ccc.nlc.org/sml

First Quarter 2023 | LOCAL FOCUS 17

Statements of Economic Interest (SEI): What You Need to Know

State law requires certain public officials to complete and electronically file a Statement of Economic Interest (SEI) with the Oregon Government Ethics Commission (OGE). Whether you are a veteran of the SEI filing process or a first-time filer, this article will provide you with the basics.

What is a Statement of Economic Interest?

The SEI is an annual financial disclosure form that certain public officials, as specified in ORS 244.050, are required to file with the OGE.

Who Must File?

Not all city officials must file an SEI. The filing requirement generally applies to those elected city officials, municipal judges, and appointed members of city planning, city zoning or city development commissions, and the chief executive officer of a city or another person, such as a city recorder, who performs the duties of a manager or principal administrator. The SEI filing requirement applies to individuals who hold one of those offices on April 15 of each filing year.

When is the Due Date?

April 15 of each filing year. For the 2023 filing year, a complete and electronically signed SEI must be submitted via the OGE's electronic filing system no later than **April 15, 2023**. Failure to complete and file an annual SEI by the April 15 deadline may subject a city official to an automatic civil penalty of \$10 per day for each of the first 14 days the SEI is late and \$50 for each day thereafter, up to a maximum penalty of \$5,000. The OGE's electronic filing system is available 24/7.

What Disclosures are Required?

SEIs disclose information regarding the previous calendar year (i.e., the reporting year). Therefore, city officials will disclose economic interests they held between January 1, 2022 and December 31, 2022. Note: Even if you did not hold your position during the 2022 disclosure period, if you hold the position as of April 15, 2023, you will have a filing requirement.

ORS 244.060, 244.070 and 244.090 describe the required content of the SEI filing. The OGE has a helpful [Statement](#)

MAKE THE BEST CHOICE FOR YOUR CITY



(503)723-0300

merina.com

7624 SW Mohawk Street
Tualatin, OR 97062

FOCUSED ON YOUR WANTS AND
UNDERSTANDING YOUR NEEDS

PROVIDING YOU THE RESOURCES YOU NEED:

- + Organizational Effectiveness
- + Operations and Process Improvement
- + Risk Assessment
- + Internal Controls
- + Transient Lodging Tax
- + Financial Statement Preparation
- + Staffing Assistance
- + Audits, Reviews, and Compilations

of [Economic Interest Filer Guide](#) that you can use while completing the filing. You will be asked to provide information about the following:

- Businesses with which a city official or members of their household held positions as officers or directors;
- Names of businesses under which a city official or members of their household did business;
- Certain sources of income to a city official and members of their household (note that only sources, not amounts, of income must be disclosed) if that income makes up at least 10% of the total annual household income;
- All real property the city official or members of their household own, other than their principal residence, if that property is located within the geographical boundaries of the jurisdiction they serve;
- Receipt of expenses in excess of \$50 for office related events from sources other than the public body you serve (this includes expenses qualifying under the gift exceptions in ORS 244.020(7)(b)(F) and (H));
- Honoraria received by a city official or member of their household;
- The name of any compensated lobbyist who, during the preceding calendar year was associated with a business with which the public official or candidate or a member of the household of the public official or candidate was also associated; and
- For each of the following categories, where the source of the income or debt is with or from an individual or business that could have a legislative or administrative interest or do business with the public body you serve:
 - Sources of income of \$1,000 or more;
 - Holders of debt of \$1,000 or more (excluding credit card or mortgage debt);
 - Business investments of \$1,000 or more; and
 - Service fees of \$1,000 or more.

Where are SEIs Filed?

The SEI is required to be filed via the OGEC's electronic filing system. The OGEC's electronic filing system is available 24/7.

How to Register as a User in the Electronic Filing System (EFS)

OGEC staff has identified the positions held by public officials who must file the SEI form and has them listed by jurisdiction. Each jurisdiction (city, county, executive department, board or commission, etc.) has a person who acts as the commission's point of contact for that jurisdiction (the jurisdictional contact) [OAR 199-020-0005(1)].

The jurisdictional contact has an important role in the annual filing of the SEI forms. It is through the jurisdictional contact that the commission obtains the current name and email address

of each public official who is required to file. It is imperative you provide a valid email address to this jurisdictional contact; this should be an email account you monitor. When there is a change, through resignation, appointment or election, in who holds a position, the jurisdictional contact should update the jurisdiction's list in the electronic filing system.

Once the jurisdictional contact has entered you into the electronic filing system, you will receive an email from the OGEC that contains a link to the electronic filing system. You then create your personal profile. Once you have successfully registered, you will be able to file your report during the open filing period each calendar year. The open filing period is from March 15 to April 15.

Where Can I Find More Information About the SEI?

The OGEC's website contains training tutorials and handouts on the use of the electronic filing system. Live online training sessions are scheduled each filing year to assist filers. For information on these training sessions, general information about SEIs, or just to ask questions, you can visit the OGEC's website at www.oregon.gov/ogec/public-records/Pages/SEIS.aspx or call directly at (503) 378-5105.

Because of the complexities of SEI disclosures, this article is necessarily general and is not intended to provide legal advice. City officials are advised to please consult with their city attorney, in accordance with their council rules for doing so, with private legal counsel or with the OGEC to ensure full compliance with SEI disclosure requirements.

Mobilizing your community



Connected communities are strong communities. By advancing our technologies and services, we're helping to create the opportunities that make Oregon a better place to live and work.

When everything works together, your community moves forward.

MOBILIZING
YOUR
WORLD™



© 2017 AT&T Intellectual Property. All rights reserved.

Communities Benefit from Funding Secured by Congressional Delegation

By Melody Finnemore

Nearly 150 public projects across Oregon have been made possible through billions in federal funding secured by Oregon's congressional delegation late last year.

Senators Ron Wyden and Jeff Merkley played a key role in directing money toward Oregon through Congress's fiscal year 2023 omnibus appropriations package. With the support of state Representatives Suzanne Bonamici, Earl Blumenauer, Kurt Schrader and now-retired Peter DeFazio, a total of 145 community-initiated projects were included in the package.

The projects span investments in wildfire and drought resiliency, affordable housing, health care, education, manufacturing and much more, all while creating essential services and good-paying jobs, according to a press release issued by Merkley's office that includes a full list of the projects.

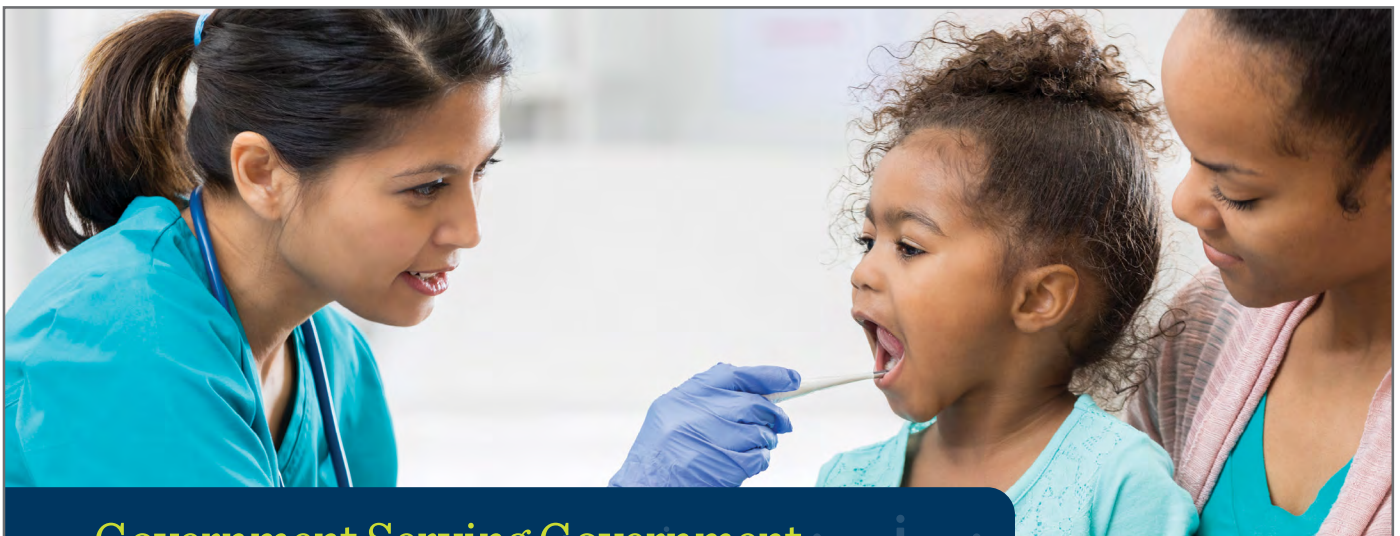
"No one knows the unique needs of communities across Oregon like the folks living and working in them," said Merkley, who helped drive inclusion of Oregon projects as the only Oregon member of Congress from either chamber to serve on the Appropriations Committee since the late Sen. Mark Hatfield.

"I joined the committee in 2013 to ensure Oregon has a strong voice in decisions about our nation's investments. Community-initiated projects are an incredible example of this because these local and regional projects were generated at the ground level by folks who are working to make their communities better," he said.

Wyden said the investments represent "the best of the Oregon Way" because people in communities across the state worked together to determine local quality-of-life solutions that will keep people safe and generate jobs that strengthen the economy.

"I've heard during more than 1,000 town halls in each of our 36 counties how Oregonians want federal investments just like these that reflect their grassroots priorities. And I'm glad to have teamed up with them and Senator Merkley to produce these tangible and significant results," he said.

Rep. Bonamici noted that the Oregon delegation has been successful in securing funding in large part because of collaboration with local partners and organizations. "We have wonderful people working at the local and state level to make Oregon a better place, and they help raise awareness about the significant needs in



Government Serving Government

With a portfolio of competitively awarded government contracts, we help you save on vaccines, pharmaceuticals, PPE, opioid overdose reversal products, and a wide range of other healthcare products.

Activate your membership today.

MMCAP
INFUSE

infuse-mn.gov |
651.201.2420



AERIAL VIEW FROM NORTHWEST

Site plan and architectural rendering of Hood River's 780 Rand Road affordable housing project.

"The leadership shown by Senators Merkley and Wyden helps bring the 780 Rand Road project closer to realizing our goal of providing homes for over 120 families" – Hood River Mayor Kate McBride

communities across Northwest Oregon and the state. I also want to emphasize that Senators Ron Wyden and Jeff Merkley have been very supportive during the appropriations process," she said.

Bonamici added that for specific Community Project Funding projects, she focuses on investments that will create jobs, help the economy recover and address the needs of underserved communities.

"It's also important that they have strong community support and represent the geographic diversity of Northwest Oregon. The funding I secured this year will support affordable housing, make our roads safer, improve equity in our health care system and upgrade critical infrastructure. I look forward to seeing how the completed projects make a difference for the Oregonians and communities I am honored to represent," she said.

Funding to Strengthen Community Resilience

On the Oregon Coast, projects include health care facilities, public safety improvements, environmental mitigation, maintenance dredging for shipping, and greater access to high-speed internet.

Lincoln County Sheriff Curtis Landers said the funding will help update the department's radio system and enhance public safety communications. "This will keep our first responders, citizens and visitors safer during disasters such as the 2020 Echo Mountain Wildfire, and also during day-to-day operations."

Brenda Meade, chair of the Coquille Indian Tribe, expressed gratitude to Merkley and Wyden for securing funds that expand the tribe's salmon restoration on the Coquille River. "The tribe will use the funding to directly improve the health and abundance of fall chinook for the benefit of all Oregonians."

In Eastern Oregon, projects include affordable housing for veterans; more supplies for local food banks; broader access to dental, primary and mental health care; education and research; and improvements to water systems and other infrastructure.

"Our existing water distribution pipelines are crumbling in some areas of the city due to much of it being approximately 100 years old," said Burns City Manager Nancy Gardner. "Senator Merkley and Senator Wyden recognized the essential need to fund this water project. Both senators have proven what many already knew, that they genuinely care for the well-being of all Oregonians throughout this great state."

Pendleton Mayor John Turner said the funding will allow his city to build an arterial road through an undeveloped area that can potentially hold more than 1,000 houses, which are much needed in his community.

Southern Oregon will use funding from the bill to expand substance abuse treatment and recovery programs, which includes establishing the region's first regional recovery campus to help alleviate long waitlists for overburdened residential care facilities and improve access to supportive housing for adults, adolescents and families.

"From detoxification and stabilization to supportive recovery housing and vocational support, we see this as a major step forward in providing valuable care to our communities," said Dr. Gregory Brigham, CEO of Adapt Integrated Health Care.

Also among Southern Oregon's top priorities are the Elliott State Research Forest. Part of that region's funding will be invested to repurpose the Shutter Creek facility as the research forest's potential new headquarters.

(continued on page 22)



Then Oregon Labor Commissioner Val Hoyle, U.S. Sen. Ron Wyden and Newport Mayor Dean Sawyer talk next to the upper Big Creek dam during a tour of the facility in July of 2022.

“Senator Wyden and Senator Merkley understand that rural Oregon needs facilities like the Shutter Creek rehabilitation project to keep our rural community economically viable to offer our children opportunities for a bright future,” said Coos County Commissioner Melissa Cribbins. “Investment such as this allows us to diversify our economy and make our communities resilient.”

Affordable housing is a pressing need in many Oregon communities, including Hood River. “Hood River City Council has worked for years to make housing more available and affordable in our community,” Mayor Kate McBride said. “The leadership shown by Senators Merkley and Wyden helps bring the 780 Rand Road project closer to realizing our goal of providing homes for over 120 families.”

Recently retired Mosier Mayor Arlene Burns said her city is “over the moon” that the Mosier Center is included in the bill.

The building will serve as a much-needed community center, city office and fire station. It will also provide a food pantry and space for an emergency shelter, a commercial kitchen with flex space, an outdoor area designated for a permanent farmer’s market location, and a visitor’s welcome center.

“Thanks to Senators Merkley and Wyden, this crucial funding will enable our vision to become a reality, providing critical infrastructure for fire safety and community resilience for generations to come. This will help us get over the finish line!” she said.

Water Infrastructure, Wildfire Recovery Bolstered

Recently retired Redmond Mayor George Endicott said his city proudly prioritizes safe and clean water as well as protecting its natural resources. “Being awarded funding...enables us to accelerate needed investments in our water infrastructure and more efficiently meet the demands of our growing community,” he said.



Land Use & Transportation Planning Grants and Assistance

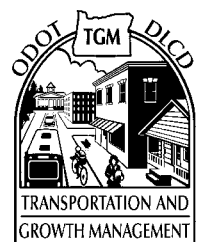
Planning Grants – Publications
Workshops – Development Code Assistance
Transportation Plan Assessment – Design Expertise

www.oregon.gov/LCD/TGM

subscribe to our e-newsletter to stay informed!

Transportation and Growth Management Program

better ways to better places since 1993





Marion County will be using the congressional funding to help families still displaced from the 2020 wildfires, plus economic revitalization and natural resources.

In Marion County, where the 2020 wildfires devastated the Santiam Canyon community, funding from the appropriations bill will be used to purchase a transitional housing facility to help families who are still displaced move back into housing stability. It also will go toward economic revitalization and natural resources, Commissioner Kevin Cameron said.

“Using these funds to help build a trail that can be both enjoyed by locals and enhance recreational tourism in the region will continue to support this community’s economic recovery. We thank our federal delegation for investing these dollars in the people of the Canyon,” he said.

Scores of projects across the Portland metro area received funding as well. St. Helens City Councilor Jessica Chilton said it will allow her city to protect its most vulnerable community members—children.

“This funding will assist us in increasing high-quality service and the documentation needed to bring justice to exploited children and help fight this national crisis,” she said.

A second major piece of federal legislation, the National Defense Authorization Act, included \$60 million for Newport’s Big Creek Dams Project. The two dams on the Big Creek Reservoirs contain the city’s sole water supply, are seismically deficient and will not withstand an earthquake.

Both dams were built more than 50 years ago and, due to internal seepage, were deemed unsafe by the Oregon Water Resources Department Dam Safety Engineer in 2021, which requires immediate repairs or a pause in use.

The project will keep Newport’s water supply reliable by making it earthquake resilient and allow the city to store more water for future population growth and for use during drought. The city aims to accomplish its water supply goals while enhancing natural habitat and lessening its reliance on already-stressed water resources.

“We are a town of 10,000 and trying to fund a project over \$100 million is way beyond our means. We definitely needed help from our state and federal partners to get that done and we’ve been working on it for a long time,” Mayor Dean Sawyer said. “Every year we do not start building the cost goes up \$5 million because of the rising cost of materials and the lack of workers. Our ability, at our level, to bond anywhere near that kind of money is impractical.”

Ms. Finnemore is a Portland-area freelance writer. Contact her at precisionpdx@comcast.net.



THE CORE OF PLAY

What is the Core of play? The hub of excitement? The center of energy? The crux of Play That Moves You? It’s Nucleus Core – the climbing, adventurous and fun epicenter of your new playspace. It’s the Core of play only from Burke.

Join Our Movement at bueellrecreation.com



Proud Representative of

Burke
PLAY THAT MOVES YOU.

© BCI Burke Company 2021. All Rights Reserved. 800-266-1250



Key Issues Highlighted During CIS' Annual Strategic Planning Session

At the beginning of every year, the CIS Board of Trustees, including LOC Executive Director Patty Mulvihill, attend a day and a half strategic planning session to discuss the overall strength of the organization. The board reviews the status of CIS' strategic initiatives and is presented with professional analysis from independent industry experts who assess the health and strength of CIS. Highlights from the board's most recent session include:

- Financial audit presentation by Plante Moran, PLLC
- Property/Casualty (P/C) Trust actuarial presentation by Aon Risk Consultants, Inc.
- Capital Adequacy Assessment for CIS Benefits and P/C Trust by PricewaterhouseCoopers (PwC)
- CIS Collaboration Center Update
- Managing the Risks of Post-Traumatic Stress Disorder (PTSD) in Public Safety
- Reinsurance Markets and Planning

Financial Audit

Plante Moran, one of the nation's largest accounting firms, verified CIS' good standing and strong financial footing—giving the organization a clean audit. The firm shared with the board that CIS' accounting principles are solid (see full audit on CIS' website). The audit report did provide an overview of the investment losses that CIS faced with the decreased market value from bonds and stocks in 2022—but CIS weathered these adjustments for unrealized market value changes and maintained extremely solid financials. They concluded that CIS' finances are appropriately reported, and the organization's accounting systems are well-organized.

Actuarial Report

The respected actuarial firm, Aon Risk Consultants, analyzed CIS' past experiences to evaluate the financial impact of current economic and social trends on future events. Aon's report helps determine CIS' funding target for the upcoming fiscal year. The actuaries noted that liabilities related to public safety services were increasingly costly to settle. They also noted an increase in auto liability claims. However, they explained that CIS' experience



PROFESSIONAL CERTIFICATE IN BUILDING CYBER RESILIENCE

PSU's Mark O. Hatfield Center for Cybersecurity, an NSA/DHS National Center of Academic Excellence in Cyber Research, is launching a new 12-week non-credit professional certificate in Building Cyber Resilience. The program is designed to help public leaders, managers, and IT professionals gain foundational knowledge to better manage cyber risk through policy and planning. Sessions will be delivered in a virtual format with live instructors and student interaction alongside weekly online lessons. Learn more at: www.pdx.edu/center-for-public-service/professional-certificate-building-cyber-resilience



Portland State
Mark O. Hatfield
Center for Cybersecurity

with public safety and autos followed trends that they noticed with other risk pooling programs across the nation.

PricewaterhouseCoopers Assesses CIS' Capital Adequacy

PricewaterhouseCoopers firm (PwC) provided the CIS Board with a capital adequacy assessment for the CIS Benefits Trusts as well as the Property/Casualty (P/C) Trust during the session. They conducted a formal analysis of capital reserve funding requirements. The analysis was based on the requirements of the Member Equity Policy and considered many internal and external factors including underwriting risk, reserving risk, asset and credit risk, and operational risk.

PwC's report found that both CIS' capital for the Benefits Trusts as well as the P/C Trust is adequate and are in the proper range. This was important because it confirms that CIS has enough funds in reserves to cover catastrophic claims and other financial disruptions—such as the market value declines on investments.

Collaboration Center Update

The CIS Board provided direction to staff to begin plans for a new Collaboration Center to serve as an office for staff and training center for members and agents. CIS sold its Salem and Tigard office buildings, opened a temporary Wilsonville office, and purchased land in Wilsonville for a future Collaboration Center.

Plans call for a building with multiple meeting rooms, including a large room that can be used for member/agent trainings. Staff has selected an owner's representative, architectural firm and construction manager/general contractor through request for proposal (RFP) processes. CIS plans to meet with the architectural firm this quarter to kick off the design process.

Managing the Risks of Post-Traumatic Stress Disorder (PTSD) in Public Safety

In June 2019, Senate Bill 507 passed, making PTSD a presumption for public safety workers (i.e., full-time firefighters, police officers, corrections officers, parole/probation officers, and first responders). CIS supports public safety workers having presumptive claims. CIS' public safety team is working proactively to prevent PTSD claims by:

- Providing critical incident grants to public safety personnel and in some cases, non-public safety, to receive mental health services that have a focus on PTSD.
- Providing training around PTSD via Employee Assistance Program (EAP), Peer Support, and total worker health.
- Developing mental health providers around the state that have a focus on PTSD in public safety or military.
- Including CIS Benefits Director Mike Beyrouthy to find ways for the CIS Benefits programs to support PTSD-prevention efforts.

The purpose of the report was to begin CIS Board discussions on additional services that can help reduce the impact of PTSD.

Reinsurance Markets and Planning

CIS purchases reinsurance to protect the P/C Trust from catastrophic and high dollar claims.

For property, CIS self-insures the first \$500,000 of each claim and offers \$600 million of shared limits. For liability, CIS self-insures the first \$1million per claim but offers liability coverage up to \$20 million. For cyber, CIS self-insures the first \$250,000 of each claim and offers an optional reinsured tier of coverage with limits up to \$1.25 million.

Reinsurance coverage cycles between soft and hard markets. Experts point to missed earnings targets in recent years as evidence that the industry is in a hard market. This means reinsurers have greater bargaining power and can push for higher premiums and restructure terms to their advantage, such as limiting coverage for certain risks or demanding higher retentions (deductibles).

CIS marketed reinsurance coverage to dozens of carriers during 2022 to maintain the best carriers, pricing, and terms to financially back its property and liability programs. Marketing efforts included strengthening partnerships with existing carriers and identifying new carriers to diversify risks and increase capacity.

In this tough environment, CIS' efforts to build and strengthen its reinsurance partnerships means that they can retain the needed reinsurance despite a hard market.

CIS Helps Cities Create Effective Learning Plans for Employees and Supervisors

With the new year underway, for many it's a good time to set both personal and professional goals. One goal that should make the list is ensuring that city employees always receive training each year. An effective training program can help employees and their supervisors be more successful in their roles—and help promote compliance with policies and procedures.

For many cities, assigning and tracking training can be difficult. Annual training requirements can range from a mandatory bloodborne pathogens course for some staff to a required cyber security or sexual harassment training for all staff. Creating an annual training plan provides a structure for employee development throughout the year. It also enables cities to review progress at desired intervals.

With that in mind, here are a few steps to take for a successful 2023.

1. Identify Required Training for Staff

The first step in creating a learning plan is to identify required training. This includes training required by law, by contractual obligations, or by organization. Be sure to think about training for both new hires as well as existing employees—CIS can help set up training plans for both.

There's no such thing as "one size fits all" when it comes to the learning initiatives that are important to CIS members.

(continued on page 26)

The 108 customized plans in the CIS system are composed of 192 different courses. They range from just one course on the plan to over 30! Some of the most common we see include:

- Bloodborne Pathogens;
- Cyber Security Basics;
- Preventing Discrimination and Harassment;
- Distracted Driving;
- Valuing Diversity; and
- Personal Protective Equipment.

2. Decide How Often Staff Should Take Training

Training can be set at the beginning of the year, and can be automatically assigned to staff at any desired interval. Receiving five required training courses in March can seem daunting, but plans can be set to assign one per month or quarter. In addition, reports can be set to alert staff monthly, quarterly, or annually to show completed courses as well as those who have outstanding assignments.

3. Contact the CIS Learning Center for Help

Once city staff have identified what training is required and how often employees should receive it, the final step is setting up a training plan in the CIS Learning Center. Each plan is highly customized to meet each member's specific needs.

A customized learning plan allows one to choose which courses to include, set due dates or recurrence intervals, and automate assignment, if desired. CIS can also include items such as internal policies or new hire packet documents for online review along with electronic acknowledgments and tracking reports. There are many custom options available and the CIS team is happy to help find just the right mix to meet a city's needs.

CIS' Employee Assistance Program (EAP) Supports Member Cities

An employee's wellbeing isn't just about their physical health—it's a combination of physical, mental, emotional, social and financial health.

The CIS Benefits team has been providing the majority of employee health coverage for city employees for over 40 years. More than 24,000 public employees and their families are covered under CIS. And part of that CIS coverage is an employee assistance program (EAP) program based out of Portland known as Canopy, Inc. This innovative company provides counseling, a crisis line, work-life balance programs, and health and wellness coaching for employer groups.

CIS Benefits supports the comprehensive wellbeing of its members by offering a robust EAP option. This free, confidential service helps city employees access a wide range of wellness and counseling resources to support members and their family through life's varied journeys—from moments of crisis and grief to phases of personal and career growth.

In addition to offering free and confidential counseling services, Canopy can also provide city employees with concierge services to help make day-to-day stresses a little easier. Whether an employee is looking for child or elder care in their area, Canopy can pre-screen facilities within a given area and assist with information about ratings and availabilities. Their wide range of services include:

Personal Consultation with an EAP Professional

These include face-to-face, over-the-phone, or online counseling sessions for concerns such as:

- Anxiety
- Alcohol or drug abuse
- Career development services
- Depression
- Family relationships
- Grieving a loss
- Marital conflict
- Resources for life
- Stress management

Resources for Life

Canopy will help locate resources and information related to eldercare, childcare or anything else an employee may need.

Legal Consultations/Mediation

Members can call Canopy for a free 30-minute office or telephone consultation. Plus, a 25% discount from the attorney's/mediator's normal hourly rate is available thereafter.

Financial Coaching

Coaches will provide unlimited financial coaching to help develop better spending habits, reduce debt, improve credit, increase savings, and plan for retirement.

Identity Theft

Members receive a free 60-minute consultation with a Fraud Resolution Specialist™ (FRS) who will conduct emergency response activities and assist CIS members with restoring their identity, good credit, and dispute fraudulent debts.

Home Ownership

Members receive program assistance and discounts for buying, selling, and refinancing.

Life Coaching

Canopy offers three (3) telephonic sessions with a master's degree level coach, focusing on setting achievable goals, identifying barriers and making a plan to achieve those goals.

Pet Parent Resources

Canopy offers free pet information and support, including pet insurance discounts, new pet parent resources and bereavement support.

Wellbeing Tools

- Fertility health support
- Gym membership discounts
- Online legal tools
- Will kit questionnaire

To learn more about CIS Benefits EAP program, visit CISBenefits.org. Additional information can be found online at <https://canopywell.com/Personal-Assistance> or by calling Canopy at 800-433-2320. ■



Local Government

The Basics

13 Essentials for City Officials



Home Rule Fundamentals

The League of Oregon Cities (LOC) was established in 1925 to protect against the erosion of local “home rule” by the state Legislature. The LOC has fought to protect home rule since that time. But what, exactly, is “home rule,” and why does it matter?

In Oregon, home rule forms the legal basis for city governments to act. Thus, home rule is an important legal concept with real-world implications for a city’s ability to serve the needs of its citizens. This article briefly explains the origins of Oregon’s home rule, how home rule impacts city government authority, and the continuing fight between city and state government over the scope of local authority.

CITIES DERIVE THEIR EXISTENCE FROM THE STATES

The United States of America is a “federal republic,” meaning that government authority is divided between the federal government and the states. The United States Constitution grants limited powers to the federal government and reserves the remaining powers to the state governments. But what about local governments, such as cities and counties?

Interestingly, the United States Constitution makes no mention of local governments. Instead, it places all government authority not granted to the federal government with the states. Thus, the courts have uniformly concluded that cities derive their authority and existence from state governments and lack any inherent authority. In fact, the Supreme Court of the United States has stated that cities are simply “convenient agencies”¹ of their states, and states may abolish or reorganize cities at any time.

DILLON’S RULE

Under the United States Constitution, cities derive their authority from the states. For that reason, judges and legal scholars took the view that city governments could only act in areas expressly authorized by a state legislature. That principle is often called “Dillon’s Rule,”² and is still followed in many states.

In a Dillon’s Rule state, local governments lack authority to act unless they can show how a state law allows them to take an action, such as levying property taxes, maintaining a fire department, or operating a parks system.

The Dillon’s Rule model allows a state legislature to closely control local government structure, the methods of financing local government activities, local procedures, and local government authority to address local problems.

DILLON’S RULE IN OREGON

In the late 1800s, the Oregon Supreme Court formally endorsed the Dillon’s Rule model of state-local relations.³ Under Dillon’s Rule, Oregon’s cities were not able to effectively respond to local problems, as no local action could be undertaken without express permission from the Oregon Legislature, which only met for short biennial sessions.

HOME RULE INCLUDES THE POWERS TO:

- Regulate for protection of public health, safety, morals & welfare;
- To license;
- To tax; and
- To incur debt.

Home rule is the right to local self-government, without express or implied legislative authorization.

OREGON’S SHIFT TOWARDS HOME RULE


In the early 20th century, a wave of political populism began to sweep the country. As a part of that political movement, cities and political reformers in Oregon began to push for a “home rule” amendment to the Oregon Constitution.

Frustrated by the special interests that dominated the Legislature and by the time it took to address local problems, a group of Oregonians, led by William Simon U’Ren, sought to amend the Oregon Constitution. Their goal was to vest authority over local affairs in the voters, through the adoption of home rule charters. In U’Ren’s view, cities would exist independently from the Legislature and would derive their authority from the city charter, not from the Legislature.

¹ *Hunter v. City of Pittsburg*, 207 US 161, 178-79 (1907).

² Dillon’s Rule is named for John F. Dillon, a Justice of the Iowa Supreme Court and later federal judge. See 1 John F. Dillon, *THE LAW OF MUNICIPAL CORPORATIONS*, § 9(b), at 93 (2d ed 1873).

³ *City of Corvallis v Carlile*, 10 Or 139 (1882).



“The legal voters of every city and town are hereby granted power to enact and amend their municipal charter.”

– Oregon Constitution

In 1906, consistent with a wave of home rule reform sweeping the nation, the voters of Oregon adopted a constitutional amendment that granted the people the right to draft and amend municipal charters. That provision states:

“The Legislative Assembly shall not enact, amend or repeal any charter or act of incorporation for any municipality, city or town. The legal voters of every city and town are hereby granted power to enact and amend their municipal charter, subject to the Constitution and criminal laws of the state of Oregon[.]”⁴

At the same election, the voters of Oregon “reserved” initiative and referendum powers “to the qualified voters of each municipality and district as to all local, special and municipal legislation of every character in or for their municipality or district.”⁵

Note that the home rule amendments do not use the term “home rule,” nor do they specifically confer substantive lawmaking authority. Rather, the amendments prevent the Legislature from enacting or amending municipal charters, and free cities from the burden of seeking approval from the state before amending their charter. What that means, in practice, is that cities—and their voters—now possess substantial lawmaking authority independent of the state, although the precise relationship between cities and the state has evolved over the last 100-plus years, primarily through judicial interpretation of the home rule amendments. One of the most significant aspects of that relationship is the ability of the Legislature to preempt certain municipal policy decisions.

HOME RULE CHARTERS

For a city to become a home rule city, its residents must vote to adopt a home rule charter. By doing so, a community vests all possible legal authority in its city government. A city charter operates much like a state constitution in apportioning authorities to various officials and setting out the system of government for that community, whether it be a commission, mayor-council, council-manager, or strong mayor form of government. Today, all 241 cities in Oregon have home rule charters.

⁴ Or Const, Art XI, § 2.

⁵ Or Const, Art IV, § 1(5).

ONLINE RESOURCES

ORIGINS, EVOLUTION AND FUTURE OF HOME RULE



This white paper examines the origin of the “home rule” doctrine in Oregon, how that doctrine has changed over time, and the current legal fight over the meaning of Oregon’s home rule provisions. Available in the LOC’s online Reference Library: tinyurl.com/home-rule

HOME RULE 101

A two-page overview of home rule in Oregon. Available at: tinyurl.com/home-rule-101

GUIDE TO STATUTORY PREEMPTION OF HOME RULE

This legal guide is designed to provide city leaders with general information regarding specific examples of how and when municipalities are preempted from taking certain actions or regulating particular conduct. Available at: tinyurl.com/preempt-guide

OREGON MUNICIPAL HANDBOOK – Chapter 2: Home Rule & Its Limits

This Handbook chapter explores in detail the “home rule” authority granted to cities by the Oregon Constitution and the limits placed on it by state and federal authority.

Find it online at: tinyurl.com/handbook-2

Once adopted, a home rule charter vests in the city the authority to do all things necessary to address matters of local concern without legislative authorization. The LOC’s model charter, based on the council-manager form of government, was written to provide a city with as much authority as permitted under the Oregon Constitution.



All 241 cities in Oregon have home rule charters

Oregon is a home rule state, which gives voters the authority to establish their own form of local government and empowers that government to enact substantive policies. Unlike a Dillon's Rule state, home rule authority allows cities to act as policy innovators and quickly address social problems, especially when faced with inaction from the state and federal government.

PREEMPTION

The following list highlights some of the areas in which the state has preempted local governments from acting. Please note that the list is not comprehensive. For a comprehensive list of preemptions on local authority, please see the LOC's Legal Guide to Oregon's Statutory Preemptions of Home Rule (tinyurl.com/yc83xkxn).

Taxing

- ▶ Cities may not impose or collect a business license tax from licensed real estate brokers.
- ▶ The state has the exclusive right to tax tobacco products.
- ▶ The state has the exclusive right to tax alcoholic beverages.

General Governance

- ▶ Cities must hold elections in compliance with Oregon election law.
- ▶ Public officials, including city officials, must comply with the Oregon Ethics Code.
- ▶ City government must comply with Oregon's public records and meetings law.

Land Use

- ▶ Cities are required to comply with statewide land use and development goals.
- ▶ Cities may not prohibit certain types of housing.

Personnel

- ▶ Cities must offer PERS coverage to police and firefighters.
- ▶ State minimum wage laws preempt contrary city ordinances or charter provisions.
- ▶ State sick leave requirements preempt contrary city ordinances or charter provisions.
- ▶ State law restricts the use of credit score reports for hiring purposes.

Regulatory Authority

- ▶ State preemption of regulations on vending machines that dispense tobacco or e-cigarette systems.
- ▶ State preemption of local laws concerning various liquor uses and consumption.
- ▶ State building code preempts local ordinances.
- ▶ State preemption of local ordinances that makes a shooting range a nuisance or trespass.
- ▶ State preemption of local regulations on cell phone use in vehicles. ■





From the Sidelines to the Playing Field:

The Importance of Council Teamwork and Knowing Your Role

A high functioning city government requires multiple roles to be adequately fulfilled. Equally important is for individuals to understand their role in order to better serve the city as a whole. Building a high functioning city council requires subscription to the theory of how local government functions, hard work, and commitment to the responsibility of the council role. In other words, a high functioning city council must act as a team and work towards shared goals.

HOW DO INDEPENDENTLY ELECTED INDIVIDUALS BECOME A TEAM?

According to Robert Maddux, author of *Team Building: An Exercise in Leadership*,¹ the below seven principles outline how a group of individuals can transform into a team:

1. **Shared Understanding:** There is a shared understanding between the members that personal and team goals can be achieved best with mutual support.
2. **Shared Ownership:** Members feel a shared ownership of their work and the team's goals and are committed to the commonly established rules.
3. **Everyone Contributes:** Everyone can contribute their personal and professional competencies to the success of the team's goals.
4. **Room for Everyone to Express Ideas and Opinions:** There is room to express ideas and opinions, and team members are making effort to understand each other.
5. **No Person Feels Threatened by Conflict:** No one person feels threatened by conflict and conflict is viewed as a normal aspect of teamwork.

6. **Atmosphere of Trust and Encouragement:** There is an atmosphere of trust and encouragement, and members are encouraged to improve their skills and competencies.

7. **Participative Decision-Making:** The decision-making process is participative, and no one is left out or unheard.

HOW DO TEAM PRINCIPLES TRANSLATE INTO EFFECTIVE CITY COUNCILS?

With a teamwork mindset in place, it is equally important for each individual to know their role and responsibility to the team. Imagine a football team where no one had a defined position, and everyone tried to play quarterback—this does not paint a championship picture. Just like positions on a football team, a city and its council have defined roles and responsibilities. Each city's charter and locally adopted council rules of procedure set forth the parameters of each person's roles and responsibilities. While every city is governed slightly differently, the majority of cities in Oregon practice a variation of the council-manager form of government. In this form of government, the following are a few roles:

The Team Captain: Mayor

The mayor serves on council but is generally limited to the role of presiding officer in council meetings and is the city's ceremonial head. In some cities, the mayor only votes to break a tie, and in others, the mayor votes along with the rest of the council.

The Offense: City Councilors

Under the council-manager form of government, the city council acts as a whole to develop the city policy and legislation—with little to no authority vested in any individual councilor. Individual councilors bring their unique skills and learned experience to the

¹ *Team Building: An Exercise in Leadership*, Robert B. Maddux, 1986.

A high functioning city council must act as a team and work towards shared goals.



table, but must work with one another to effectuate city policy and legislation. Think of the council members as the quarterback, running back, wide receiver, fullback, tight end, and offensive line. Each player holds an important role, and they must work together to complete a successful play.

The Coach: City Manager/City Administrator

The city manager serves as the city's chief executive officer and takes the policy implemented by the council and sees it to fruition. Oftentimes, the city manager is the only city staff member who is supervised by the council. As the city's "CEO," the city manager oversees all city staff, and the council must respect the manager's role and not overstep into managing staff who are not under their direct supervision.

The Fans: Citizens

Finally, the city's voters also play a role on the team. Citizens vote to elect the city council members and vote on any charter amendments or ordinances put out for a vote. Most importantly, the city's voters may also recall individual city council members as well as the mayor.

"TALENT WINS GAMES, BUT TEAMWORK AND INTELLIGENCE WIN CHAMPIONSHIPS." – MICHAEL JORDAN

Conflict, in the form of robust discussion wherein all participants are open to learning from others, can lead to creative solutions that no single person could have developed. To win the proverbial "championship game" requires a high functioning council, where individual members of the council contribute their individual knowledge and work together to form a solution. However, there is no requirement that everyone on council votes unanimously on all issues. After all, there are many ways to win a game. In fact, the advantage a council holds is that it is comprised of diverse individuals. Ultimately, a council is there to serve its city and to effectuate long-term and long-lasting change that benefits their constituents. Even if a councilor votes against a certain decision and the majority of the council votes in favor, the councilor's role is to stand with the team and be a united front. The council only has power as a collective and speaking against the collective only acts as a disservice.

We've all seen the post-game interviews where an athlete is interviewed about the team's performance. Imagine if that player called out their teammates for performing badly? Instead, the athlete typically will focus on the positive actions of their teammates and when necessary, address avenues for improvement. Individual athletes take responsibility for their team's performance whether they win or lose a game. Athletes focus on working together and stand up for their fellow teammates—council members should

ONLINE RESOURCES

MODEL RULES OF PROCEDURE FOR COUNCIL MEETINGS

The purpose of this guide is to provide cities with a starting point in creating their rules of procedure, where required by the city charter, or where a council so desires. Available in the LOC's online Reference Library: tinyurl.com/council-rules



FAQ ON LEGISLATIVE, ADMINISTRATIVE AND QUASI-JUDICIAL COUNCIL DECISIONS

Most cities vest all powers of government in their city council, which functions as the legislative, executive and judicial body. Because a single council plays multiple roles in city government, the council's actions may have different legal ramifications. As this FAQ demonstrates, the nature of a council's actions has important consequences for a city and its residents. Available at: tinyurl.com/faq-council-decisions

OREGON MUNICIPAL HANDBOOK – Chapter 3: Municipal Officials

This Handbook chapter provides an overview of the common roles of municipal officials, including roles of elected council members, mayors, and city staff.

Find it online at: tinyurl.com/handbook-3

too. Remember, since council members have limited authority as an individual, council members should speak as a single group and not necessarily as an individual member unless they had authority to act individually. Like their athletic counterparts, council members should take responsibility for their council's decisions—whether they are popular or not. Win or lose, councils are a team and working together is the most important step towards victory. ■



Public Meetings:

What Elected Officials Need to Know

INTRODUCTION

Oregon law sets the policy for open decision-making at various levels of government. These laws ensure that the public is aware of the deliberations and decisions of governing bodies, as well as the information that forms the basis of the governing bodies' decisions.¹

The key requirements of the Oregon Public Meetings Law (OPML) include:

- Conducting meetings that are open to the public—unless an executive session is authorized;
- Giving proper notice of meetings being held within their jurisdiction; and
- Taking minutes or another record of meetings.

Further, the OPML imposes other requirements regarding location, voting, and accessibility to persons with disabilities.

Please note that this article is not a substitute for legal advice, nor is it comprehensive. The OPML is complicated, and public officials are encouraged to speak with their legal counsel for legal advice, case-by-case.

ENTITIES SUBJECT TO THE PUBLIC MEETINGS LAW

Understanding which entities are subject to the OPML is critical for ensuring compliance with the provisions of the law. In short, the OPML applies to any governing body of a public body, when that governing body holds a meeting for which a quorum is required to make a decision or deliberate toward a decision on any matter.²

The OPML applies to meetings of a “governing body of a public body.” A public body is the state, any regional council, a county, a city, a district, or any other municipal or public corporation. A “public body” also includes a board, department, commission, council, bureau, committee, subcommittee, or advisory group of any of the entities in the previous sentence. If two or more members of any public body have “the authority to make decisions for or recommendations to a public body on public body policy or administration,” they are a “governing body” for purposes of the OPML.

MEETINGS SUBJECT TO THE PUBLIC MEETINGS LAW

Not every action that a governing body takes is subject to the OPML. The law defines a “meeting” as the convening of any of the “governing bodies” subject to the law “for which a quorum is required in order to make a decision or to deliberate toward a decision on any matter.” Thus, the definition of a meeting has three elements: (1) the convening of a governing body; (2) for which a quorum is required; (3) to make a decision or deliberate toward a decision on any matter. The first of those elements was addressed in the previous section.

The term “quorum” is not defined in the OPML. For cities, quorum requirements are often set by charter, bylaws, council rules, or ordinance. A gathering of less than a quorum of a governing body of a public body is not a “meeting” under the OPML.

However, case law recently established that a “serial meeting” can take place if there are “contemporaneous gatherings of a quorum and ORS 192.630(1) applies to such meetings.”³ The Oregon Attorney General recommends that members of a governing body should not meet in private to discuss business, or exchange private communications about business, even if those involved constitute less than a quorum.⁴

Finally, staff meetings are typically not covered by the OPML, as they are usually held without a quorum requirement. A staff meeting called by a single official is not subject to the law because the staff do not make decisions for or recommendations to a “governing body.” Importantly, the OPML applies if a quorum of a governing body, such as a five-member commission, meets with staff to deliberate on matters of “policy or administration.”

REQUIREMENTS OF THE LAW

The last two sections covered which entities are subject to and what meetings of those entities trigger the OPML. The next section addresses the substantive requirements of the OPML, including notice, space and location, accessibility, public attendance, control of meetings, voting, and minutes and record keeping.

¹ ORS 192.260 establishes Oregon’s policy of open decision-making through public meetings.

² ORS 192.610(5); ORS 192.630(1).

³ *Handy v. Lane County*, 274 Or App 644, 658 (2015).

⁴ ODOJ, Attorney General’s Public Records and Meetings Manual 145 (2019).



Notice

The OPML requires that notice be provided of the time and place of public meetings, including regular, special and emergency meetings.⁵ For regular meetings, notice must be reasonably calculated to provide actual notice to the persons and the media that have stated in writing that they wish to be notified of every meeting. Special notice requirements apply to executive sessions.

Space, Location, and Accessibility

For any meeting, the public body should consider the probable public attendance and should meet where there is sufficient room to accommodate that attendance. In the event of an unexpectedly high turnout, the public body should do its best to accommodate the greater number of people. Additionally, effective January 1, 2022, state law requires governing bodies to provide members of the public, “to the extent reasonably possible” an opportunity for virtual access to meetings held.⁶

► Geographic Location

The OPML states that meetings of a governing body of a public body must be held within the geographic boundaries of the area over which the public body has jurisdiction, at its administrative headquarters, or at “the other nearest practical location.”⁷ In the case of an actual emergency necessitating immediate action, however, a governing body may hold an emergency meeting at a different location than one described in ORS 192.630(4).

► Nondiscriminatory Site

Governing bodies are prohibited from holding meetings at any place where discrimination based on race, color, creed, sex, sexual orientation, national origin, age or disability is practiced. A governing body may hold a meeting at a location that is also used by a restricted-membership organization if the use of the location by such an organization is not its primary use.

► Accessibility to Persons with Disabilities

The OPML imposes two requirements relating to accessibility to persons with disabilities. First, meetings subject to the OPML must be held in places accessible to individuals with mobility and other impairments. Second, the public body must make a good-faith effort to provide an interpreter at the request of deaf or hard-of-hearing persons.

⁵ ORS 192.640 provides for both regular and executive session notice requirements.

⁶ ORS 192.670.

⁷ ORS 192.630(4) provides for both geographic location as well as accessibility of these locations.

ONLINE RESOURCES

GUIDE TO EXECUTIVE SESSIONS (2019)

A comprehensive review of where, when and how cities may conduct executive sessions, complete with model forms and policies. Available at: tinyurl.com/exec-sessions.



HANDLING DISRUPTIVE PEOPLE IN PUBLIC MEETINGS (2017)

A legal guide to help cities know their options for dealing with disruptive behavior. The guide covers when the public has a right to speak at public meetings, constitutional speech protections, and issues involved in removing someone from a council meeting. Available at: tinyurl.com/disruptive-people.

MODEL RULES OF PROCEDURE FOR COUNCIL MEETINGS (2017)

A guide providing cities with a starting point in creating their rules of procedure, where required by the city charter, or where a council so desires. Available at: tinyurl.com/model-rules-proc.

FAQ ON NOTICE REQUIREMENTS FOR PUBLIC MEETINGS (2021)

Answers to common questions about the notice requirements associated with public meetings. Available at: tinyurl.com/notice-reqs.

OREGON MUNICIPAL HANDBOOK – Chapter 9: Public Meetings Law

This Handbook chapter touches on the basic requirements of the Oregon Public Meetings Law. Find it online at: tinyurl.com/handbook-9.



VOTING

All official actions by a governing body of a public body must be taken by public vote. The vote of each member must be recorded unless the governing body has 26 or more members.⁸ Even then, any member of the governing body may request that the votes of each member be recorded. The governing body may take its vote through a voice vote or through written ballots, but ballots must identify each member voting and the vote must be announced. ***Secret ballots are prohibited.***⁹ State law preempts any local charter or ordinance that permits voting through secret ballots.

RECORDED OR WRITTEN MINUTES

The OPML requires that the governing body of a public body provide for sound, video or digital recording, or written minutes, of its public meetings. The record of the meeting—in whatever format—must include at least the following information:

- The members present;
- All motions, proposals, resolutions, orders, ordinances, and measures proposed and their disposition;
- The results of all votes and, except for governing bodies consisting of more than 25 members unless requested by a member of the governing body, the vote of each member by name;
- The substance of any discussion on any matter; and
- Subject to the Oregon Public Records Law, a reference to any document discussed at the meeting.¹⁰

Written minutes need not be a verbatim transcript and sound or video recordings need not contain a full recording of the meeting. Rather, the record must provide “a true reflection of the matters discussed at the meeting and the views of the participants.” The record must be made available to the public “within a reasonable time after the meeting.”¹¹

EXECUTIVE SESSIONS

Governing bodies are permitted to meet in executive (closed) sessions in certain circumstances.¹² An “executive session” is defined as “any meeting or part of a meeting of a governing body which is closed to certain persons for deliberation on certain matters.”¹³ Executive sessions are not exempt from the OPML. An executive session is a type of public meeting and must conform to all applicable provisions of the OPML. Importantly, the authority to go into executive session does not relieve a governing body of its duty to comply with other requirements of the OPML.

Permissible Purposes

A governing body is permitted to hold an open meeting even when the law permits it to hold an executive session. However, a governing body may only hold an executive session in certain circumstances set forth in ORS 192.660. These permissible purposes include:

- Employment of public officers, employees and agents;
- Discipline of public officers and employees;
- Performance evaluations of public officers and employees;
- Labor negotiation consultations;
- Real property transactions;
- Discussion of public records exempt from disclosure; and
- Discussions with legal counsel.

Final Decision Prohibition

The OPML provides: “No executive session may be held for the purpose of taking any final action or making any final decision.”¹⁴ Although a governing body may reach a final consensus in an executive session, the purpose of the final-decision prohibition is to allow the public to know of the result of any such consensus. A formal vote in a public session satisfies the requirement, even if the vote merely confirms the consensus reached in executive session.

Method of Convening an Executive Session

A governing body is permitted to hold a public meeting consisting of only an executive session. The notice requirements for such a meeting are the same as those for any other meeting.¹⁵ In addition, the notice must cite the statutory authority for the executive session.

Alternatively, an executive session may be called during a regular, special, or emergency meeting for which notice has already been given in accordance with ORS 192.640. The person presiding over the meeting must announce the statutory authority for the executive session before going into the executive session.

CONCLUSION

The OPML is important and nuanced. A single article cannot fully describe all of its provisions or how it applies in various factual circumstances. For more detail on the OPML, please see the Oregon Attorney General’s Public Records and Meetings Manual (2017), available at tinyurl.com/opml-manual. ■

8 ORS 192.650(1)(c).

9 39 Op Atty Gen 525, 526-528, 1979 WL 35618 (1979).

10 ORS 192.410 to 192.505. Note that reference to a document in meeting minutes does not change the status of the document under public records law; see also ORS 192.650(3).

11 ORS 192.650(1).

12 ORS 192.660.

13 ORS 192.610(2).

14 ORS 192.660(6).

15 ORS 192.640.



Property Tax Basics

Oregon's current property tax system was shaped by Measures 5 and 50, from two constitutional amendments passed in the 1990s. Prior to Measures 5 and 50, Oregon jurisdictions used a levy-based system for assessing property taxes. Put simply, each taxing district (city, county, etc.) imposed a levy in the amount needed to cover the taxing district's budget, which was based on community service demands. County assessors estimated the real market values (RMV) of all properties in the state. The levy for each taxing district was then divided by the total RMV in the district to arrive at a district tax rate. The taxes each district imposed equaled its tax rate, multiplied by its RMV. Generally, levies for each district were constitutionally limited to an annual growth rate of 6%, and levies that would increase by more than 6% required voter approval. The levy system was dramatically altered with the passage of Measure 5 in 1990.

MEASURE 5: TAX LIMITS AND COMPRESSION

In 1990, Oregon's voters amended the state constitution by approving Ballot Measure 5, which set limits on the amount of tax that a taxing jurisdiction could impose on the RMV of property. For example, education districts could levy no more than \$5 per \$1,000 of RMV and general government districts (including cities and counties) could levy no more than \$10 per \$1,000 of RMV. The caps apply only to operating tax levies, not bonds. If property tax rates exceed the limits, the taxes must be reduced until they meet the limits imposed by Measure 5. Reducing the property tax rate to meet Measure 5 limits is commonly called "compression," and results in millions of dollars of lost revenue for taxing districts every year.

MEASURE 50: PERMANENT RATES, ASSESSED VALUE AND GROWTH LIMITS

In 1997, the voters of Oregon again decided to profoundly alter the property tax system by approving the passage of Ballot Measure 50. First, Measure 50 imposed a permanent operating tax rate limit on all existing taxing districts. The permanent rate for each taxing district was primarily determined by combining the levies that existed locally when Measure 50 was passed.

Neither a taxing district nor the voters can alter Measure 50 permanent rates—they remain at 1997 levels in perpetuity.

Second, Measure 50 also changed the concept of assessed value, to which the tax rates are applied. Assessed value is no longer equal to the RMV of a property. Instead, the amount of tax is based on the property's "assessed value" as defined by Measure 50. Measure 50 stated that a property's assessed value is calculated by reducing the property's RMV in the 1995-96 tax year 10%. That method of calculating assessed value codified inequities between comparable properties. Prior to Measure 50, the RMV of properties within a county was determined across a six-year reappraisal cycle. When Measure 50 passed, some properties had been recently assessed, while other properties had not been assessed for four or five years.


Third, Measure 50 limited the annual growth rate of taxable property to 3% of assessed value—well below the average rate of inflation. By setting assessed values at 90% of 1995-96 market levels and capping the annual rate of growth, Measure 50 permanently codified imbalances in assessed values. As a result, similarly valued properties may pay dramatically different property tax amounts.

For new properties, or those that undergo a significant change such as remodeling, new construction, rezoning, or subdivision, the assessed value is determined according to Oregon Revised Statutes 308.149 to 308.166, known as the changed property ratio (CPR) statutes. The new assessed value is determined by applying the ratio of the assessed value to the market value of all existing property within the same class (residential, commercial, etc.) in either the city or the county to the improved or changed property. In most of the state, CPR is calculated on a county-wide basis. In Multnomah County, cities can elect to calculate CPR on a city-wide basis, provided the city passes an ordinance or resolution as required by law.

MEASURES 5 & 50 IMPACTS

Measures 5 and 50 have caused significant revenue challenges for taxing authorities in Oregon. Following the passage of Measure 50, statewide property tax revenue immediately fell by \$51.4

Neither a taxing district nor the voters can alter Measure 50 permanent rates – they remain at 1997 levels in perpetuity.



Reducing the property tax rate to meet Measure 5 limits is commonly called **“compression,”** and results in millions of dollars of lost revenue for taxing districts every year.

million due to the changing of the property tax system to one based on assessed values rather than one based on market values. Since 1997, inflation has regularly exceeded the 3% limit set out in Measure 50, particularly for city expenses like employee healthcare and pension costs. Thus, cities have seen a growing disparity between property tax revenue relative to costs, even as property values continue to rise.

For a detailed look at the effects of Measures 5 and 50 over time, please see the LOC’s Primer on Measures 5 and 50 in the LOC’s online Reference Library (tinyurl.com/measures5-50).

COMPRESSION EFFECTS

To determine a property’s tax obligation each year, a county assessor must determine the property’s assessed value (as required by Measure 50) and the property’s RMV (as required by Measure 5). When a property’s assessed taxes exceed the Measure 5 limits, the tax obligation is compressed to the Measure 5 limits. The difference between the assessed value and the compressed limit is forever lost to the taxing district—typically, millions of dollars every year across the state. In fiscal year 2016-17, for example, more than 65% of Oregon’s cities were negatively affected by compression, representing \$31.4 million in lost property tax revenue.

The LOC continues to seek reforms to Oregon’s property tax system that is fair for property owners, effective for cities, and does not inhibit economic growth. ■

ONLINE RESOURCES

MEASURE 5 & 50 PRIMER

A detailed look at the effects of Measures 5 and 50 over time. Available in the LOC’s online Reference Library: tinyurl.com/measures5-50



CITY PROPERTY TAX REPORT (2016)

Statistical information regarding property taxes for cities, counties, school districts and special districts. The report includes data on tax revenues received, assessed and real market values, city tax rates, compression losses and property tax exemptions. Available at: tinyurl.com/prop-tax-report

NORTHWEST ECONOMIC RESEARCH CENTER OREGON PROPERTY TAX REPORT (2014)

This research report examines how differences in property taxes due to measures 5 and 50 have impacted the real estate market in Oregon. Available at: tinyurl.com/nerc-report





Five Things to Know About Public Records

1. WHAT ARE PUBLIC RECORDS?

State law defines a public record as: “[A]ny writing that contains information relating to the conduct of the public’s business * * * prepared, owned, used or retained by a public body regardless of physical form or characteristics.”¹ The term “writing” is defined broadly and includes any “handwriting, typewriting, printing, photographing and every means of recording, including letters, words, pictures, sounds or symbols, or combination thereof, and all papers, maps, files, facsimiles or electronic recordings.” When determining whether a record is public, the question is whether the record relates to the business of the public, not the format of the record. This often means that emails, text messages and social media posts—even those created, delivered and stored on a personal device—could be considered a public record. If a record has a relationship to a city’s business, then it is a public record.

2. DUTIES OF A CITY AND PUBLIC RECORDS

Cities have the duty to make available a written procedure for making public records requests.² The procedure must include the name of at least one city contact to whom requests may be sent, and the amounts of and manner of calculating fees that the city charges for responding to public records requests.

Once received, a city must acknowledge receipt of the public records request or provide a copy of the requested record within five business days.³ Within 10 business days of the date it was required to acknowledge the request, the city must either complete its response to the request, or provide a written statement that it is still processing the request, along with an estimated completion date. These timeframes do not apply if compliance would be impracticable.⁴ However, a city must still complete the request as soon as practicable and without unreasonable delay.

3. PUBLIC RECORDS DISCLOSURE

The public has the right to inspect any public record in a city’s possession.⁵ A city may withhold certain public records from disclosure if they are exempt by law.⁶ Cities must segregate exempt records from nonexempt records and disclose all nonexempt material. The primary list of public records exemptions may be found under ORS 192.345 and 192.355, though exemptions are scattered throughout both state and federal law. There are two primary types of exemptions: conditional and unconditional. Conditional exemptions require a city to consider the public’s interest in disclosure.⁷ Unconditional exemptions either require their own separate consideration or none at all.⁸ Remember, when in doubt, Oregon law favors disclosure.

4. PUBLIC RECORD REQUEST FEES

A city may assess reasonable fees to get reimbursed for the actual costs incurred while responding to a public records request.⁹ The city may assess a fee for the time spent by city officials and staff researching the records, providing redactions, and the city attorney’s time spent reviewing the records and redacting exempt materials. If the city wishes to charge a fee greater than \$25, the city must notify the requester in writing of the estimated amount of the fee and the requester must confirm in writing that it wishes to proceed. The city may request prepayment. If the actual cost incurred by the city is less than the amount paid, the city must promptly refund any overpayment.¹⁰

5. APPEALS AND CONSEQUENCES TO THE CITY

A person who is denied access to a public record may appeal the city’s denial.¹¹ The appeal may be made to the district attorney in the county in which the city is located, if the denial was by the city/a city official. If the district attorney denies any part of a petition, the requester may seek review in the circuit court for the county in which the city is located or the Marion County Circuit Court.

If the denial was made by an elected official, the appeal may be made by petitioning the circuit court for the county in which the elected official is located or the Marion County Circuit Court. If the requester prevails in full, the city is required to compensate the requester for the cost of litigation and trial. If the requester prevails only in part, an award of costs and attorney’s fees is discretionary.

Additional guidance regarding public records is available on the LOC’s website and in the Oregon Attorney General’s Public Records and Meetings Manual available online at: tinyurl.com/opml-manual. ■

- 1 Generally public records law is covered by ORS Chapter 192.
- 2 ORS 192.324(7).
- 3 Generally, public records request timeline covered by ORS 192.324 and ORS 192.329.
- 4 Reasons where compliance would be impracticable include staffing, performance of other necessary services, or the volume of other simultaneous public records requests.
- 5 ORS 192.318(2).
- 6 See Oregon Attorney General’s Public Records and Meetings Manual (2019), Public Records Section (I)(E); see also Oregon Department of Justice Attorney General Public Records Exemptions at <https://justice.oregon.gov/PublicRecordsExemptions>.
- 7 ORS 192.345.
- 8 ORS 192.355.
- 9 See ORS 192.324.
- 10 Oregon Attorney General’s Public Records and Meetings Manual (2019), Public Records Section (I)(D)(7).
- 11 ORS 192.415.



Gift Limitations: What You Need to Know

GIFT BASICS

A public official, candidate, or relative or member of the household of the public official or candidate cannot receive a gift if all the below elements are met in the calendar year:¹

1. Solicit or receive
2. Directly or indirectly
3. Any gifts with an aggregate value above \$50
4. From any single source
5. If the source is reasonably known to have a legislative or administrative interest

A GIFT IS...

1. Something of economic value
2. Without cost, at a discount, or as forgiven debt
3. Not available to the general public on the same terms.

Examples: meals; lodging; event tickets²

LEGISLATIVE OR ADMINISTRATIVE INTEREST MEANS...


1. Economic interest
2. Distinct from that of the public
3. In a matter subject to the decision or vote of a public official acting in that capacity

THE FOLLOWING ARE PERMISSIBLE GIFTS:

- Gifts from relatives or members of the household
- Unsolicited token of appreciation with a resale value less than \$25
- Publications and subscriptions related to official duties
- Campaign contributions
- Waiver or discount of certain registration expenses or materials at a continuing education event to satisfy a professional licensing requirement
- Entertainment that is incidental to the main purpose of the event
- Received as part of the usual and customary practice of one's private business or employment and unrelated to holding public office

ONLINE RESOURCES

OREGON MUNICIPAL HANDBOOK – Chapter 8: Ethics



This Handbook chapter covers ethics laws regarding public officials' ethics and conflicts of interest provided by various federal and state constitutional and common law provisions, state statutes and, occasionally, local charters or ordinances. Find it online at: tinyurl.com/handbook-8.

OREGON ETHICS COMMISSION GUIDE FOR PUBLIC OFFICIALS

This guide discusses how the provisions in Oregon's statutes apply to public officials and summarizes the Commission's procedures. tinyurl.com/zrjmr8e8

Offers of lawful benefits to public officials offered by the public entity the public official represents.

WHAT TO ASK YOURSELF BEFORE ACCEPTING A GIFT³

1. **Is it a "gift?"** A gift is something of economic value not offered to others who aren't public officials (relatives or household members) on the same terms and conditions.
2. **Exceptions:** Do any of the exceptions apply?⁴
3. **Source:** Does the gift giver have a legislative or administrative interest in my decisions or votes?
4. **Value:** If so, does the value of the gift, along with any other gift received from that source this calendar year, exceed \$50? ■

1 ORS 244.025.

2 For additional information, see Oregon Government Ethics Commission "Guide for Public Officials" at tinyurl.com/zrjmr8e8 at page 26-27.

3 See also League of Oregon Cities Municipal Handbook – Ethics (tinyurl.com/handbook-8).

4 See ORS 244.020(7)(b).



Budgeting 101

A city's adopted budget is one of the most important and informative documents city officials use. This budget is prepared for each fiscal period and serves as a city's financial plan. Cities in Oregon may operate within a fiscal year, beginning on July 1 and concluding the following June 30; or cities may use a biennial budget, covering a 24-month period, beginning July 1 of the first fiscal year and ending on June 30 of the second fiscal year.

The adopted budget is a legal document establishing the authorization for the city to receive and spend money, and limits how much money can be spent for a specific activity or program. The budget presents the estimated costs of expenditures—goods or services the city plans to purchase in the coming fiscal year—and other budget requirements—contingency for unanticipated expenses—that must be planned for but may not actually be spent. The budget also presents the anticipated and actual revenues that will be available to pay for those expenditures.

Preparing a budget allows a city to look at its needs in light of funds available to meet those needs. In Oregon, all local governments must plan a balanced budget, meaning that the resources and requirements are equal. A city cannot plan to purchase more items or services than it has money to pay for them.

A CITY'S BUDGET PROCESS

Appoint a Budget Officer

The budget officer—who is either appointed by the city council or defined in the city charter—prepares the proposed budget in a format that meets the requirements set out in state statutes. The budget officer develops the budget calendar, which maps out all the steps that must be followed for the legal adoption of the city budget. A budget calendar is not required by law but is highly recommended.

Appoint Electors to the Budget Committee

The budget committee is an advisory group comprised of the city council and an equal number of appointed members. The appointed members of the budget committee must be electors of the city. Budget committee members are appointed for staggered three-year terms, and cannot be employees, officers, or agents of the city. All members of the budget committee have the same degree of authority and responsibility.

THE BUDGET PROCESS

1. Appoint a budget officer.
2. Appoint electors to the budget committee.
3. Budget officer prepares a proposed budget.
4. Public notice of budget committee meeting.
5. Budget committee meets.
6. Budget committee approves the budget.
7. Budget summary and notice of budget hearing are published.
8. Hold budget hearing.
9. Adopt budget, make appropriations, impose taxes, categorize taxes.
10. Certify taxes.
11. Post-adoption budget changes.

Source: Local Budgeting Manual 150-504-420, found under Forms & Publications at www.oregon.gov/DOR.

Budget Officer Prepares a Proposed Budget

After the budget calendar is set, the budget officer begins to develop the estimates of resources and requirements for the coming fiscal year or biennial cycle.

Every city budget will have at least one fund—the general fund—which accounts for daily operations. In practice, a city budget will



have a number of funds, each designed to account for a specific purpose. A budget should include enough different types of funds to clearly show what services and programs a local government is providing and how it is paying for expenditures. However, it is advisable to not have too many funds, as this makes the budget harder to read and understand.

There are seven types of funds used in most city budgets:

1. **General Fund** – records expenditures needed to run the daily operations of the local government.
2. **Special Revenue Fund** – accounts for money that must be used for a specific purpose.
3. **Capital Project Fund** – records the money and expenditures used to build or acquire capital facilities, such as land, buildings or infrastructure.
4. **Debt Service Fund** – records the repayment of general obligation and revenue bonds and other financing obligations.
5. **Trust and Agency Fund** – accounts for money that is held in trust for a specific purpose as defined in a trust agreement or when the government is acting as a custodian for the benefit of a group.
6. **Reserve Fund** – functions as a savings account to pay for any service, project, property, or equipment that the city can legally perform or acquire in the future.
7. **Enterprise Fund** – records the resources and expenditures of acquiring, operating, and maintaining a self-supporting facility or service—such as a city water or wastewater utility.

Oregon budget law requires a city's budget to provide an annual financial history of each fund. The financial history must include:

- The actual revenues and expenditures for the prior two years;
- The budgeted revenues and expenditures for the current year;
- The estimated balanced budget, as proposed by the budget officer, for the coming year which includes columns for the budget approved by the budget committee; and
- The final budget adopted by the governing body.

The budget also includes a column for the descriptions of expenditures and resources.

Public Notice of the Budget Meeting

The budget committee must hold at least one public meeting for the purpose of receiving the budget message and the budget document, and to provide the public with an opportunity to ask questions about and comment on the budget.

The city must give public notice for the budget meeting(s) either by: (1) printing notice two times in a newspaper of general

THE BUDGET MESSAGE

The budget message gives the public and the budget committee information that will help them understand the proposed budget. It is required by statute to contain a brief description of the financial policies reflected in a proposed budget and, in connection with the financial policies, explain the important features of the budget. The budget message must also explain proposed changes from the prior year's budget and any major changes in financial policies.

circulation; or (2) once in the newspaper and posting it on the city's website. If the budget committee does not invite the public to comment during the first meeting, the committee must provide the opportunity for public comment in at least one subsequent meeting. The notice of the meeting(s) must tell the public at which meeting comments and questions will be taken.

Budget Committee Meets

The budget message is prepared in writing so it can become part of the budget committee's records. It is delivered at the first meeting of the budget committee by the budget officer, the chief executive officer, or the governing body chair.

A quorum—more than one-half of the committee's membership—must be present for a budget committee to conduct an official meeting. Any action taken by the committee first requires the affirmative vote of the majority of the membership.

Budget Committee Approves the Budget

One of the budget committee's most important functions is to listen to comments and questions from interested citizens and consider their input while deliberating on the budget. The budget committee can revise the proposed budget to reflect changes it wants to make in the city's fiscal policy, provided that the revisions still produce a balanced budget. When the committee is satisfied, it approves the budget.

When approving the budget, the budget committee must also approve a property tax rate or the tax amounts that will be submitted to the county assessor. The budget committee should make a motion to approve the property tax so that the action is documented in the committee meeting minutes. Upon approval of the budget by the budget committee, the budget officer completes the



budget column labeled “approved by budget committee,” noting any changes from the original proposed budget.

Any action by the budget committee requires approval by a majority of the entire committee. For example, if the budget committee has 10 members, six are present at a meeting (a quorum), but only five of the six present agree with a motion to approve the proposed budget, then the motion does not pass. It is up to the budget committee to negotiate a budget and tax that is acceptable to a majority of its members.

Budget Summary and Notice of Budget Hearing are Published

A summary of the approved budget, which includes a narrative description of prominent changes to the budget from year to year, is published in the local newspaper with the notice of a public hearing to adopt the budget five (5) to thirty (30) days before the budget hearing date.

Hold Budget Hearing

The city council must conduct a budget hearing by June 30 to receive the budget committee’s approved budget, conduct deliberations, and consider any additional public comments. The council can make any adjustments it deems necessary (with some restrictions) to the approved budget before it is adopted by June 30. The budget hearing and the resolutions or ordinances necessary to adopt the budget and impose taxes can be conducted at the same public meeting.

Adopt Budget, Make Appropriations, Impose Taxes, Categorize Taxes

The city council may adopt the budget at any time after the budget hearing so long as it is adopted by June 30. It is not a requirement that the budget be adopted at the hearing.

To adopt the budget, the city council enacts a resolution or ordinance which provides the legal authority to:

- Establish or dissolve funds;
- Make appropriations for expenditures;
- Adopt a budget; impose and categorize taxes; and
- Perform all other legal actions pertaining to budgeting and authorizing tax levies.

All enacted statements can be combined into one resolution (or ordinance), which must be signed by the mayor before submission to the county assessor’s office.

Certify Taxes

Any property taxes must be certified to the county assessor annually, even if the city adopts a biennium budget. By July 15 of each year, a city must submit two copies of the resolution (or

ONLINE RESOURCES

OREGON DEPARTMENT OF REVENUE RESOURCES

LOCAL BUDGETING MANUAL

An introduction to the requirements of Local Budget Law, including information on biennial budgets. Available at www.goo.gl/gGdnwk.

LOCAL BUDGETING IN OREGON

A supplement to the Local Budgeting Manual, covering the requirements of Oregon’s Local Budget Law. Available at www.goo.gl/h5ptkS.

LOCAL BUDGET LAW WEBPAGE

A webpage dedicated to helping local governments prepare and adopt their budgets. The page contains forms, glossary of terms, sample budgets and information on free training sessions. Available at www.goo.gl/JCkgSE.



ordinance) to the county tax assessor. In addition, the notice of property tax certification (form LB-50) and successful ballot measures for local option taxes or permanent rate limits must be submitted.

In addition to the county tax assessor’s copies, a copy of the resolutions required to receive shared revenue must be submitted to the Oregon Department of Administrative Services by July 31. Finally, a copy of the published adopted budget document, including the publication and tax certification forms, must be submitted to the county clerk’s office by September 30.

Post-Adoption Budget Changes

While it is possible for changes to be made to an adopted budget once the fiscal year begins, this can only happen under specific circumstances. Two such examples are council-approved resolution transfers of funds, and supplemental budgets that make changes to adopted expenditure appropriations and estimated resources. These are actions that must be taken before more money is spent beyond what is appropriated in the adopted budget. Any changes made to the adopted budget require that the budget remain in balance after the change. ■



Successful Code Enforcement Considerations

Code enforcement can be a tricky job. Striking the balance between properly enforcing a city's codes and providing good customer service to its constituents is no easy task. Code enforcement works to protect the health and safety of the city through ensuring the city's codes are enforced, in areas such as land use code, environmental code, and building code. Generally, a city will use a complaint-based system of enforcement and will focus first on code violations that present serious risk to public health and safety.

A successful code enforcement officer excels in these six areas:

1. Knowing their code. Successful code enforcement officers are experts on their city's codes. They are extremely proficient at knowing what the code regulates and what it does not. The best code enforcement officers can point to relevant sections of their city's code when questioned by superiors and members of the public.

2. Reviewing their city's code annually. Code enforcement officers likely work with their city's codes more than any other city employee. It is often the code enforcement officer who finds the code's flaws or the proverbial loopholes. Successful code enforcement officers annually review their city's code so that, when necessary, appropriate amendments can be submitted to their city council.

3. Believing in interdepartmental cooperation. An exemplary code enforcement officer works cooperatively with employees from various city departments. Code enforcement officers regularly interact with problem properties that necessitate the involvement of numerous city departments. Knowing which employees in the various departments need to be involved in resolving the issues at a property is a unique and ideal skill.

4. Participating in successful community outreach. A quality code enforcement officer not only knows their city's code, they also educate property owners and community members about the code's requirements. Code enforcement officers with high rates of success are those who frequent neighborhood association meetings, engage with the chamber of commerce, and have regular contact with key stakeholders in the community. Making sure the community knows the code as well as they do is the mark of a successful code enforcement officer. To accomplish this, code enforcement officers may need to communicate code changes to residents in ways such as putting information in utility bills or publishing updates in a city newsletter.

5. Engaging with citizens who are in violation of the city code. Notifying property owners that they are in violation of the city's code is never a fun task. While it can be easier to try and deal with code violations via written notices, emails, and phone calls, effective code enforcement officers know that sometimes face-to-face contact is the most efficient way to remedy a violation. Meeting with a person whose property is in violation of the city code allows the code enforcement officer the opportunity to fully explain the violation, listen to the reasons behind the violation, and engage with the property owner in how to successfully and most expeditiously achieve compliance.

6. Enforcing the city's code consistently and equally. Successful code enforcement officers are fair code enforcement officers. A fair code enforcement officer is one that enforces the city's code equally against all property owners, regardless of their position in the community or the location of the property. ■





Public Employees & Political Campaign Restrictions

Each election season, the LOC is asked to clarify the restrictions on political campaigning by public employees. Generally, public employees are prohibited from using their work time to support or oppose measures, candidates, recalls, petitions, or political committees.¹ Furthermore, elected officials cannot direct their employees to engage in political activity.

Who is a Public Employee?

A public employee is any person employed by the state of Oregon, a county, a city, or a special district.² Examples of public employees include: full-time city employees; part-time city employees; city volunteers that receive no compensation for their service; and appointed board or commission members when they are acting in their official capacity.

Elected officials are not public employees.³ State law prohibiting public employees from supporting or opposing measures, candidates, recalls, petitions, and political committees do not apply to elected officials. Elected city mayors, councilors, and auditors are not public employees. Contractors are also not public employees. However, contractors cannot be directed to engage in political activity as part of the contractual service they are providing a city.

When are Public Employees “On the Job?”

An employee is “on the job” when he or she is performing work for the city in an official capacity, regardless of when and where the work is performed. For example, if a city’s parks director is required to attend a chamber of commerce event in their official capacity, the parks director is prohibited from asking event attendees to support a local ballot measure that would raise money for the city to build a new swimming pool.

Some common activities that are always considered to be performed in an official capacity include, but are not limited to:⁴

- Posting material to an official city website;
- Drafting or distributing an official city publication; and
- Appearing at an event as the city’s representative.

How Does a Public Employee Engage in Political Campaigning During their Personal Time when Everyone in the Community Identifies Them as a Public Employee?

Some public employees are in high profile positions that make them regularly known in their communities. In some small communities, public employees are known by all residents as working for the city. In these instances, it can be hard for members of the public to distinguish whether the public employee is speaking on behalf of the city as opposed to speaking on behalf of themselves. Similarly, a public employee who wishes to engage in political campaigning during their own private time should make it clear to all that they are acting in their personal capacity and are not working for or representing the city.

Can Public Employees Express their Own Personal Political Views While on the Job?

Yes. Public employees can express their own personal political views while at work. Employees can display political stickers on their personal vehicles and wear political buttons on their clothing (providing such an action does not violate the city’s uniform or personnel policies).

Also, public employee unions can have designated bulletin boards in city buildings to post information. The content of union bulletin boards is determined through a collective bargaining process and is not subject to ORS 260.432.

Conclusion

Understanding and knowing when and how public employees can engage in political campaigning can be confusing. To assist public employees and elected officials in understanding and complying with ORS 260.432, the LOC has created a document entitled “FAQ about Restrictions on Political Campaigning by Public Employees,” available in the online Reference Library at tinyurl.com/FAQ-campaigning. If city employees or leaders have questions about ORS 260.432, they are encouraged to consult with their city attorney for additional guidance. ■

¹ ORS 260.432.

² See ORS 260.432.

³ ORS 260.432(6)(a).

⁴ See Secretary of State Quick Reference on Restrictions on Political Campaigning for Public Employees - tinyurl.com/4csrymye



Tips for Handling Difficult Social Media Interactions

Elected officials typically run for office to better their community. In order to see this goal to fruition, elected officials seek tools to reach their constituents in an effective manner. One tool that elected officials have at their disposal is social media. Social media takes many forms, but all platforms typically share the following common traits: (1) communication is done electronically or digitally; (2) the platform is widely accessible to the public; and (3) the platform is interactive.

Whether using Facebook, Twitter, Instagram, webpages, or other platforms, social media has benefits that cities and their elected officials can utilize. First, cities and their officials can instantly broadcast notices and information to their residents. Second, cities and officials can receive feedback from residents on any topic. Lastly, social media is fast, affordable, and an effective alternative to other mediums of communication.

However, elected officials often find the main pitfall that comes with social media is how to properly manage and handle challenging interactions with members of the public. Elected officials must exercise caution in their interactions with members of the public while on social media platforms.

GOVERNMENT OR PRIVATE?

Generally, the initial reaction in handling a difficult interaction on a social media page is to limit and restrict comments, or perhaps even blocking individual members of the public from the account. Prior to restricting individuals interacting on a social media account, the public official should take the following steps:

- Identify whether it is a private account or a designated government/public account; and
- Regardless of the designation, identify whether the posted content is personal in nature or public business/public promotion.

Public officials are cautioned that although their social media account may have been created in a personal capacity, there could be instances when the account will be categorized by the legal

ONLINE RESOURCES

MODEL SOCIAL MEDIA POLICY

This model policy addresses legal risks such as violations of public records law and protections on free speech. This model does not address the off-duty private use of social media accounts that do not relate to public business. Available at tinyurl.com/model-sm-policy



OREGON MUNICIPAL HANDBOOK – Chapter 28: First Amendment Law

This Handbook chapter focuses on the First Amendment to the U.S. Constitution. Topics include what is protected under the First Amendment, who it applies to, and enforcement. Find it online at: tinyurl.com/handbook-28.

system as a government/public account because of the manner in which the account is used. It is important for a public official to distinguish whether an account is purely private, or if an account is government/public.

If a social media account is deemed to be public (i.e. government managed), the members of the public who interact with the account have First Amendment free speech protections under the federal and state constitutions. Unfortunately, Oregon courts have yet to interpret and provide guidance on what a government account is. However, best practice is to err on the side of

Public officials should be mindful of how they designate their social media accounts and what type of content they disseminate.



caution and assume that if the social media account is used for any type of government business or public promotion, that it will be deemed to be a government account.

IMPOSING RESTRICTIONS

The Oregon Constitution has been interpreted to mostly prohibit the government (and its officials) from implementing content-based restrictions on public speech, whether that speech is verbal or written. This content-based prohibition applies to social media accounts that are governmental in nature (this is determined by usage and content). Any restriction on speech must be content-neutral. This means that an official might be able to prohibit outcomes, such as disruptions, but the official cannot do so by targeting a specific type of content. While cities and city officials are encouraged to verify any type of restriction with their attorney prior to taking action, since the law is fluid and nuanced, the following is a list of restrictions that are likely permissible:

- Removing actual disruptive behavior such as high frequency repetitive posting or posting that is unintelligible;
- Banning the promotion of a hostile or unhealthy online environment such as postings that are sexually explicit or depict excessive violence;
- Banning the encouragement or promotion of criminal activity; and
- Banning advertising.

Another avenue in which officials can stay clear of difficult social media interactions is to disable all commenting options on posts. This restriction avoids exposure to constitutional claims but still allows for the delivery of information to the public.

If a social media account is deemed to be public, the members of the public who interact with the account have First Amendment free speech protections under the federal and state constitutions.

OTHER TIPS FOR HANDLING ONLINE INTERACTIONS

In addition to avoiding the constitutional free speech pitfalls highlighted above, the following are actions public officials should avoid doing on their social media accounts:

- Sending incorrect information;
- Making commitments the official cannot follow through on;
- Issuing long statements;
- Blaming others; and
- Engaging with negative comments and online “trolls.”

Ultimately, public officials should not be scared away from utilizing social media platforms. However, public officials should be mindful of how they designate their social media accounts and what type of content they disseminate. If public officials choose to moderate the actions of individuals on their social media accounts, they must also be aware that the moderation may expose them to liability and potential legal implications. ■





A City's Role in the Land Use Process

By Joanna Lyons-Antley, Of Counsel, Campbell Phillips

Land use is defined as what is built or developed, or what activities take place on a piece of property. A city's role in land use is to ensure that both public and private development are aligned with the standards set out in the city's comprehensive plan, zoning maps and development code.

STATEWIDE GOALS

Land use planning in Oregon is quite different when compared to other states. The Oregon land use planning program was created in 1973 when the Legislature passed the Oregon Land Use Act (SB 100) in response to Oregon's rapid population growth. Under this program, all cities and counties throughout Oregon have adopted comprehensive plans that meet 19 statewide planning goals that deal with land use, development, housing, transportation, and conservation of natural resources.

LOCAL COMPREHENSIVE PLANNING

Oregon's statewide goals are achieved through local comprehensive planning. State law requires each city and county to adopt a comprehensive plan and the zoning and land division ordinances needed to put the plan into effect. The local comprehensive plans must be consistent with the statewide planning goals. Once approved by the state's Land Conservation and Development Commission (the Commission), the plan is said to be "acknowledged," and along with state law, becomes the controlling document for land use in the city.

CITY PROCEDURES FOR LAND USE DEVELOPMENTS

Any development, whether a new single-family home or a shopping center, must receive prior approval from a city to ensure that it conforms to the land use plan and ordinances for health and safety and other local objectives. Typical land use decisions include variances, site and design review, conditional use permits, partitions, subdivisions, and zone changes.

To obtain city approval for a development, the landowner must submit the specified land use and demonstrate how the development proposal meets criteria set out in the code.

A city's land use code sets out the procedures it uses to consider land use applications. Certain kinds of development, such as an

addition to a home, may be approved quickly at the staff level, while others, such as a home based business or small office complex in a residential zone, may require conditional use approval by the planning commission. More complicated actions or policy changes, such as a new mixed-use zone or zone change from multi-family residential to retail commercial, may require approval of the city council.

CITY ROLES & DECISION-MAKING

According to state law, there are three main types of land use decisions: legislative, quasi-judicial and ministerial. For legislative decisions, city officials act like a legislature, considering changes to the land use code to establish local land use policies. In most cities, proposed legislative amendments to the comprehensive plan or zoning code are considered first by the planning commission, which holds one or more public hearings. The commission's recommendation is then considered by the governing body which holds at least one public hearing before taking final action.

For quasi-judicial decisions, city officials act like the judiciary, reviewing a landowner's land use application, holding hearings, considering testimony, and applying code criteria to decide whether the city must approve or deny the proposed development. To ensure a fair process, city officials should consider all testimony and evidence. Also, city officials should not read or talk about the pending application outside of the formal hearing and review process. If such an ex parte communication does occur, the city official must declare such communication. Decisions must be based on written findings addressing the application's consistency with the approval criteria from the code.

Ministerial land use decisions are made by planning staff based on clear and objective standards and requirements applicable to a specific development proposal or factual situation. Ministerial decisions do not require a public notice or hearing. ■

Ms. Lyons-Antley has more than 20 years of general counsel local government experience, advising her clients with practical and cost-effective solutions.



Oregon Water Rights Basics

By Olivier Jamin

With increasing stress imposed on water resources from drought and climate change, securing a safe and reliable water supply is a priority concern for every Oregon community. Many cities in Oregon operate their own water systems, while others are served by various water districts or contracts with other cities. Compared to irrigated agriculture, municipal and industrial water use constitutes just a fraction of the total amount of water withdrawn from streams or pumped from aquifers. But efforts to acquire or expand municipal water supplies attract a lot of attention and sometimes controversy. Because building new infrastructure takes time, local leaders often must forecast demand and supply over the long term. Meanwhile, the availability of new water rights is shrinking, as regulatory requirements expand.

Oregon water law, as in other western states, follows the rule of Prior Appropriation, often described as “first in time is first in right.” Prior to enactment of Oregon’s water code in 1909, the common law was that whoever first diverts water out of a stream for a beneficial use can prevent latecomers from interfering with that use. There is no sharing of shortages under this “wild west” rule of prior appropriation.

WATER RIGHTS ADMINISTRATIVE PROCESS

1. Application filed with the Oregon Water Resources Department (OWRD);
2. If water is available, the OWRD issues a permit; and
3. Once construction is complete, a Claim of Beneficial Use is filed with the OWRD by the permittee.

New water rights follow a three-step process. First, an application is filed with the Oregon Water Resources Department (OWRD), and the date of the application establishes the priority date. That’s important because the entire water right process can take considerable time to complete. Second, if the OWRD finds that water is available for appropriation, and withdrawal would not “impair or be detrimental to the public interest,” then it issues a permit. The public has a right to file a protest, possibly because the new right would deprive fish of needed flows or interfere with existing water rights. A permit allows development of water works and initial use. Third, when construction is complete, the permittee files a Claim of Beneficial Use with the OWRD that documents how the water is being used, which may differ from the rate of diversion or volume of water specified in the permit. The OWRD then issues a certificate, which is conclusive evidence of a fully vested water right.

As long as the certificate holder continues to use the water in accordance with the certificate, the right continues in perpetuity. Generally, certificated water rights may be forfeited following five consecutive years of non-use. However, municipal water rights are the exception and cannot be lost for non-use.

While somewhat simple in theory, the practice of applying for a new water right has become increasingly complicated. Most streams are over appropriated, so new permits for surface water are virtually a thing of the past, and groundwater is becoming increasingly regulated, to the point where water rights transfers may soon be the primary mechanism to acquire water rights.


WATER RIGHT TRANSFERS

A water right transfer is necessary to change one of the main components of a water right, such as the place of use, character of use, or point of diversion. The test is whether other water right holders may be “injured” by the change. An example of this is a change in point of diversion higher up in the watershed, which could mean withdrawals of water above someone else’s diversion. Proposed transfers are also subject to protest and hearings.

Because new water rights are becoming increasingly difficult to obtain, acquiring an existing water right and applying to transfer its place of use or character of use could soon become the primary way to secure water resources. In the last few years, the OWRD adopted a new position at odds with its long-standing practice, and with what some believe is their statutory duty, by refusing to process transfer requests specific to storage water rights. The OWRD’s current interpretation states that holders of storage water rights are not able to change the location of a dam or other reservoirs, even if such a change is required for safety purposes. The issue is currently in front of the courts.

MUNICIPAL EXTENSIONS OF TIME

Generally, a new permit will include a date to commence and complete construction, usually within the first year. That date can be extended for five years for good cause. The problem is that cities must plan for long-term growth. The goal of most cities is to lock in a supply that will meet anticipated demand for decades to come. A city would then develop a system in increments when it was confident the demand would be there, along with the ratepayers to carry the debt service. This reality has created tension between the legal requirement of prompt development and responsible municipal planning.



States throughout the western U.S. are also increasingly looking at water recycling and reuse programs to maximize water use and efficiency.

For decades, the OWRD had simply issued successive five-year municipal extensions to avoid this problem. That practice was disallowed by the courts in 2004. Then, in 2005, the Legislature enacted special laws pertaining to municipal water right extensions. Under that statute, new municipal water permits would extend the initial development period to 20 years, with the possibility of additional extensions of time. Following a 2013 court decision, water right permits that have not been fully developed must go through a special process that includes the potential for limits on withdrawals under the permit to protect fish flows.

ALTERNATIVE APPROACHES TO WATER SUPPLIES

Some municipalities have started purchasing existing water rights from farmers or other cities. Others pay farmers to improve irrigation efficiency, for example to install sprinklers to replace flood irrigation, or pipe to replace open canals. As a result of those efficiency improvements, additional water may be available to municipalities.

States throughout the western U.S. are also increasingly looking at water recycling and reuse programs to maximize water use and efficiency. For a long time, water reuse and recycling were limited to irrigation purposes, but drought conditions have forced states and regulators to expand those programs. In 2022, Colorado became the first state to adopt official rules governing potable water reuse. There are sure to be new opportunities for local governments moving forward to pilot new reuse and recycling programs as part of their water planning strategy.

Water resources continue to diminish around the western U.S. while competition for this scarce and precious resource increases. For local governments, this means that water planning for the next 50-100 years should start now for a better understanding of future supply and demand and to identify potential additional sources of water. The League of Oregon Cities, in collaboration with other stakeholders, is working hard to ensure that the Legislature and the courts understand the imperative and support public water supplies. ■

Mr. Jamin is an associate with the law firm of Davis Wright Tremaine LLP

Resources for City Officials

The League has a large online library of publications, guides, FAQs and models available to assist public officials in carrying out their duties. All of these are available at www.orcities.org under **Resources > Reference Materials**.

- Guide to Recruiting a City Attorney
- Manual for Ordinance Drafting and Maintenance
- Guide to Drafting a Sign Code
- Borrowing and Bonds for Oregon Municipalities
- Guide to the Local Regulation of Marijuana in Oregon
- Guide to Recruiting a City Administrator
- Guide to Local Government Regulation of Firearms
- Legal Guide to Collecting Transient Lodging Tax in Oregon
- So You Want to Run for Public Office - A Guide for Prospective City Elected Officials
- Home Rule 101
- Guide to Incorporation
- Guide to Public Display of Flags on Government Buildings
- Guide to Persons Experiencing Homelessness in Public Spaces
- FAQ on Initiative and Referendum in Oregon
- FAQ on Oaths of Office
- FAQ on Surplus Property
- FAQ on Municipal Audits
- FAQ on Urban Renewal
- FAQ on Public Record Fees
- FAQ on Vacating the Public Right of Way
- FAQ on Single-Use Plastic Bags and Straws
- FAQ on Oregon's Rent Control Laws
- FAQ on Emergency Procurement
- Telecom Toolkit
- Model Noise Ordinance
- Model Business License Ordinance
- Model System Development Charge Ordinance
- Model Beekeeping Ordinance
- Model Rules of Procedure for Council Meetings
- Model Charter for Oregon Cities
- Model Animal Ordinance
- Model Equipment Rental Agreement
- Model Technology Use Policy
- Model Fee Waiver Ordinances
- Model Motor Vehicle Fuel Tax Ordinance
- Model Cable Television Franchise Agreement
- White Paper on Disruptive Citizens in Public Meetings
- White Paper on Incorporating a City in Oregon
- Understanding Oregon's Unfunded Mandate Law
- And many more



Top Three Ways New Elected Officials Get Into Trouble

By Kirk Mylander, CIS General Counsel

INTRODUCTION

Newly elected councilors brim with energy and good intentions. Sometimes, however, a new council-person's enthusiasm can lead him or her to make avoidable mistakes. Here are the top three mistakes of the newly-elected.

I. Terminating Staff on Your First Day/Week/Month

We at CIS watch city council elections closely, as we're very interested in who we will be working with, and working for, the next few years. In the not-too-distant past, I received a call in late December from a person whom I knew had won his race for mayor.

"Congratulations on your election!" I said. "That's great. You must be very excited."

"Well, I am excited to make some changes," he told me. "That's why I'm calling you, because I have asked the city manager for his resignation."

There was a pause. A long pause. Mr. Mayor-Elect had not even been sworn in yet and he was firing the city manager?

The mayor continued.

"I know you have this PreLoss program at CIS, so that's why I'm calling. So, you know, to give you guys the heads up. Because if the city manager doesn't resign, then I'm going to fire him at our first meeting."

After 20 years of legal practice, not much can catch me off guard. This totally caught me off guard. I didn't know where to start.

"But, you're not sworn in... you don't have the authority to fire someone by yourself, it requires a majority vote, and..."

"Oh, I got the votes!" the mayor interrupted. "City manager resigns, or he's gone. This is why I ran for office."

So, then I had to explain to the mayor-elect how we could not support this termination, and his city would be required to pay the Pre-Loss deductible if he went through with it now. However, CIS could support a termination where he and other new councilors take some time to observe the city manager after they get into office. And if they see deficiencies in his job performance, then to provide the city manager with a specific list and give him a certain amount of time to improve, like 90 to 120 days. Also, provide the city manager with training and the support he

needs to do the job the correct way; demonstrate that the city council is there to help the city manager succeed. Then, with the clear expectations, training, support, and additional time, if the city manager does not raise his job performance to meet your metrics, let him go. And really, that's the pattern we want to see for all terminations at any level—where someone is told what's wrong, given the time and tools to improve, but for whatever reason they decide not to make a change. That's a winning, defensible scenario that is fair to everyone. But my new mayor friend wasn't having it.

"We're just going to have to agree to disagree on this one, Kirk. The people elected me to make a change, two other councilors agree with me, and we're going to do what we were elected to do."

And sure enough, at Mr. Mayor's very first meeting he made a motion to fire the city manager. The city manager had waived his right to an open meeting, so council chambers was packed with his supporters. When the vote started, those supporters were LOUD. The people were so loud that the mayor couldn't even hear how the councilors were voting. The mayor then shouted at the people, "Come on people, act like adults!" People in the audience shouted back, "YOU act like adults, terminating our city manager on your first day!" It was a circus.

When all the yelling and shouting was over, the city manager was fired and the citizens were mad mad mad—so mad, in fact, can you guess what happened exactly six months later?

That's right, the mayor and the two other councilors who voted to terminate the city manager were all three recalled. And do you know why it was exactly six months later? Yes! Because there is a six-month "safe harbor" during which a newly sworn in elected official cannot be recalled. Which shows how the people in this town were just waiting for those six months to be up.

II. Believing You are the City CEO and Causing a "Hostile Work Environment" for Staff: (or, doing the city manager's job instead of your own)

There's a type of person who often runs for a city council or mayor position on the basis of their experience and success in the private sector. And their success is to be commended; their skills and leadership learned in the business world can absolutely contribute to their success as an elected official. But occasionally, a councilor who is used to being the CEO of his or her own



ASK LOC

company, and having the power to make final decisions on their own, forgets that the public sector is very different. The power of a city council comes from acting as a group. Individual councilors and mayors have no power at all. If you're newly elected and you want to effect the mandate of your election, you do that by convincing a majority of the council to vote in concert with you to pass resolutions or ordinances. You alone can't do much of anything. As a group you can make law.

But like I was saying, some people who have been a successful CEO and who have strong leadership skills, they move too fast after being elected. They don't take the time to learn how the "new company" (the city) is different from their old company, and that they must follow different rules. Instead, they start individually managing city staff, and start ordering quick changes to staffers' duties, titles, and job locations. This makes the permanent city staff feel stressed. They start complaining of a "hostile work environment" cause by the micromanaging city councilor.

Here's where this can get dangerous for you as an elected official: managing staff is outside your scope of authority. You don't have the power to manage the daily activities of staff. Those duties belong to the city manager or city administrator. City staff typically know this, and so they may threaten to file, or actually file, a "hostile work environment" claim against you.

There's good news and bad news when it comes to staff filing lawsuits against you. The good news is that Oregon statutory law requires your city to "indemnify and defend" you for any lawsuits that are filed against you for actions taken "within the scope of your authority" as an elected official. Your own personal checkbook will never be on the line for lawsuits that flow from your official duties. However, like I said, there's bad news too. In the example above, the councilor who is micromanaging staff is NOT acting with(in) the course and scope of his or her official duties. Managing staff is the city manager's job. So, if you cause a lawsuit by micromanaging staff, you will be getting sued for actions that you took outside of your authority. And you will have to pay to defend yourself, most likely.

There's nothing to get scared about here. It's an easy fix. Just let the city manager manage the staff. If you see an issue that simply must be addressed, talk to your city manager about it. That's all you need to do. You are a city councilor now—you get to leave that day-to-day stuff to others!

III. Using Your Office for Personal Gain — The Six Words You Never Want to Hear Yourself Say

Now that you're a city councilor, people are going to treat you differently around town. That's unavoidable. When you have the power (when acting with your co-councilors) to make laws, people will view you in a different light than they used to. But you shouldn't view yourself in a different light. It leads to all sorts of problems. Here's one example.

There is a city in Oregon just large enough to have parking meters in its downtown core. Just the main drag downtown. Well, a person who had just successfully run for city council had a business that fronted that metered boulevard. This fellow owned an auto body shop, and he liked to park his own personal hot rod right out in front. So, what did he stop doing the day after he was sworn in as a new city councilor? You guessed right again; he stopped paying the parking meter in front of his shop.

So that day, the city meter reader began her shift by working her way down that city's primary downtown street. And the new councilor started watching her while he worked. He saw her moving from one car to another, checking meters and writing tickets. He watched until she reached his hot rod, parked directly in front of his store.

Now this meter reader, she was not a big imposing person like the councilor. She was petite and barely five feet tall.

The new city councilor saw the meter reader check his meter, get out her ticket book, and start writing out a ticket. Well, he rushed toward the street, burst out the front door of the store, threw his hand up and yelled. He yelled the six words that you never want to hear come out of your mouth as long as you are a city councilor: "DO YOU KNOW WHO I AM!?"

You never want to hear yourself say those six words, because that will be the beginning of the end for your time in public service. It never ends well after that. The meter reader burst into tears as the councilor continued yelling about how his position at the city compared to hers. She left and went back to her manager.

Her manager did all the right things. He told her how she had nothing to worry about, that she was only doing her job, and how the councilor was out of line. The manager told her to take the rest of the day off, and he would talk to his own boss, the city manager. When the city manager heard what the councilor had



done, he also said all the right things. He said he would talk to the councilor, that the meter reader had nothing to worry about and that she had done the right thing when she ticketed the councilor's car.

Now just as the manager was leaving, who comes storming into City Hall and goes straight into the city manager's office and slams the door closed? The councilor with the shop on main street. And he was still mad. He was yelling loud enough that staff could hear him shouting that he wanted the city manager to fire the meter reader, and to do it now! Who do you suppose the staff shares this with? The meter reader. The next day she emails her boss and says that the city councilor has created a hostile work environment, based upon her applying the parking regulations to the councilor the same as she applies them to everybody else. So, she got a lawyer and sued the councilor and the city.

CIS had to settle this case because the meter reader was right. The councilor did expect her to bend the rules for him, just because he was a councilor. And when she didn't, he demanded that she be fired. In a perfect world, she would have got her job back and the councilor would have been the one who got fired. But councilors can't be fired. You are in a unique position that way, and you do have a lot of responsibility. Use it judiciously and go out of your way to make sure that everyone knows you expect to live by the same rules as everyone else in town.

And never, ever, say to anyone, "Do you know who I am?!"

CONCLUSION

We want your tenure in office to be a success, and hope that you can now avoid these three common potholes that have made the

ONLINE RESOURCES

CIS WEBSITE

www.cisoregon.org

CIS (Citycounty Insurance Services) has been the trusted provider of insurance coverage for Oregon's cities and counties since 1981.



CIS LEARNING CENTER

The CIS Learning Center provides in-person and free online training and resources to help members achieve their goals. Find it online at: cis.sabacloud.com.

wheels come off a few elected officials who have gone before you. Remember that your power comes from acting as a group, not alone; you're free of the day-to-day stuff, which belongs to the city manager alone; and never act or talk like you deserve special treatment because of your position, or you're going to wind up all alone. ■

Upcoming Trainings for Elected Officials

PUBLIC BUDGETING 101

March 7 at 6-9 p.m. or March 8 at 1-4 p.m. – Virtual via Zoom

This general municipal budget training is intended to familiarize members of city budget committees, including city council members, and city staff contributing to budget development.

Register on LOC's website: tinyurl.com/loc-budget-training

OREGON LAND USE PLANNING FUNDAMENTALS FOR ELECTED OFFICIALS

March 15 at 6-8 p.m. – Virtual via Zoom

This course will cover the history of Oregon planning, procedures for land use hearings, and how to support planning staff in creating defensible findings for land use decisions. In addition, participants will learn how to actively engage in long-range planning and how to guide goals and projects to improve community livability.

Register on LOC's website: tinyurl.com/land-use-training

2023 State Shared Revenues

Information and forecast estimates in this report are based on the best information available as of late January. The material is subject to forecast and law changes made throughout the year.

Per Capita State Shared Revenues for Cities

Per capita distributions for revenue sources are calculated based on certified population statistics from Portland State University's Center for Population Research (PSUCPR). Population estimates compiled each July are typically certified on December 15, and thereafter begin to govern the distributions. A copy of the certified estimate applicable to 2023 distributions is available near the end of this report.

	Highway Trust Fund Revenues (Gas Tax)	Liquor Revenues (20% of Total Share)	Marijuana Tax Revenues (75% of City's Share)	Cigarette Tax Revenues	9-1-1 Tax Revenues
2020-21 Actuals	\$73.61	\$19.40	\$3.06	\$0.96	\$8.05
2021-22 Actuals	\$79.89	\$18.57	\$1.26	\$0.82	\$11.08
2022-23 Estimates	\$78.64	\$18.99	\$1.26	\$0.76	\$10.68
2023-24 Estimates	\$79.46	\$19.51	\$1.35	\$0.73	\$11.27
2024-25 Estimates	\$80.34	\$20.50	\$1.44	\$0.70	\$11.80

Non-Per Capita Based State Shared Revenues for Cities

State marijuana taxes and liquor revenues are not exclusively based on population. The 14% liquor revenue share to cities uses an adjusted population formula that factors in the per capita property taxes and per capita income of each city (see ORS 221.770). The 25% state marijuana tax share to cities is distributed based on the number of licensed marijuana premises in each certified city compared to the total number of licensed marijuana premises in certified cities. This count includes grower, processor, wholesaler, and retailer premises. The estimates for the total share for all cities are provided in the following table to allow cities to see trends that will assist cities in their individual computations.

	Liquor Revenues (Based on Formula, 14% of Total Share)	Marijuana Tax Revenues (Based on Licenses, 25% of City's Share)
2020-2021 Actuals	\$40,085,560	\$2,673,042
2021-2022 Actuals	\$39,314,000	\$1,125,000
2022-2023 Estimates	\$40,356,000	\$1,125,000
2023-2024 Estimates	\$42,050,000	\$1,220,906
2024-2025 Estimates	\$44,830,000	\$1,326,148

2023 State Shared Revenues

City Budgeting Basics for the Five State Shared Revenues

By Lindsay Tenes, LOC Tax and Finance Lobbyist

Cities are expected to again receive payment from five different state shared revenue programs during the new fiscal year. Most shared revenues are distributed to cities based on population, but some use more complex distribution mechanisms. The five revenue sources are summarized below and include descriptions of each revenue source, forecast projection trends, and key legislative updates that may impact the revenue. The LOC encourages cities to join its advocacy efforts to protect and improve each of these vital revenue sources.

Using state projections, the LOC has produced estimates of state shared revenues for cities to utilize when formulating their budgets. Projections for distributions to cities may be revised throughout the year as revenues come in or as laws change. For more detailed estimates and explanations of each shared revenue, see the LOC's State Shared Revenue Report, now available online at www.orcities.org. Cities are reminded that they must take necessary steps, including completing various required certifications and reports, to receive the revenues. Those requirements are detailed in the online report.

State Shared Revenue Background

City general funds in Oregon primarily come from property taxes, franchise fees, transient lodging taxes, fees for services and state shared revenues. As a key revenue source for cities, state shared revenues help provide basic services and meet community needs. When state shared revenue formulas were first established, local governments were generally preempted by the state from enacting or continuing to enact local taxes on the same item in exchange for a specified portion of the revenues collected by the state. Thus, these revenues should not be viewed as "shared revenues," but rather as historical city and county revenues that are now collected by the state. Despite continued local revenue challenges and rising service costs, state shared revenues are often threatened through decreased shares for local governments as a tactic to help balance the state budget. In addition, when the state increases its tax rate, it often does not include the increased revenues in the share provided to local governments.

2021-22 Total City Share	
Highway Trust Fund	\$241,572,302
Liquor Revenues	\$95,477,000
Marijuana Tax	\$4,500,000
Cigarette Tax	\$2,466,667
9-1-1 Tax	\$27,118,076

The Five State Shared Revenues

1. Highway Trust Fund Revenues (Gas Taxes, etc.)



In 2017, the Legislature approved a comprehensive transportation funding package (HB 2017) that significantly increased cities' per capita funding. The package included a 10-cent gas and use fuel tax increase, and a 53% increase in the weight-mile tax (both phased in over a seven-year period), along with graduated registration and title fee increases. Future two-cent fuel tax increases are tied to meeting certain accountability and reporting requirements; these requirements were met for increases effective through December 2023, and our estimates assume they will be met for the 2024 increase.

From the cities' total allocation, \$2.5 million is directed annually off the top to the special city allotment fund. The allocation is matched and administered by the Oregon Department of Transportation (ODOT) to provide competitive grants to small cities with a population less than 5,000. This is in addition to their per capita allocation (see ORS 366.805).

The COVID-19 pandemic affected driving behavior, but initial predictions of a sharp decline and a slow recovery have proven to be incorrect. There was a significant drop in gas taxes in 2020, but it was followed by a much quicker recovery than anticipated. Long term growth in this revenue source will be tied to external factors like how the pandemic plays out, teleworking trends, population growth, and moves toward more fuel efficient and electric vehicles.

2. Liquor Revenues



Cities' share of this state shared revenue is 34%, of which 20% is distributed per capita and 14% is distributed using a formula that factors in property taxes, population and income. The three major contributors to this revenue source are: the sale of distilled spirits; taxes on beer, wine and cider; and liquor licensing fees.

Distilled spirit sales make up more than 95% of this revenue source. The state maintains the exclusive right to sell packaged distilled spirits and sets the mark-up on products using a wholesale price formula. This means that the bulk of this state shared revenue source technically is based on profits, and not taxes.

At approximately 8 cents per gallon, or about 4 cents on a six-pack, Oregon's beer and cider tax is one of the lowest in the country. In fact, Oregon's beer tax rate has remained unchanged since 1978. Meanwhile, the state wine tax is in the middle compared to other states and is 67 cents per gallon. The wine tax has

not been increased since 1983. With tax rates presently so low, it would take large tax increases to generate any significant revenue.

Changes made during the 2021 legislative session to increase compensation to liquor store agents and distillery tasting room owners have reduced net distributions from this revenue source. The OLCC warehouse is reaching capacity, and the Legislature approved construction of a new facility in 2021 using bonds that will also be paid for out of gross revenues. In 2022, the OLCC asked for and received an increase in the bonding authority for the land and buildings from \$53.2 million to \$131.9 million, a 148% increase. When the cost of the conveyor system is included, the total project cost jumps by \$83.7 million, to \$147.1 million, making the 34% city share of the project cost a staggering \$50 million. Cities' share of this revenue source is projected to continue trending upward over the long term, but these added costs mean cities will receive less revenue that they would have otherwise.

3. Marijuana Tax Revenues



The state imposes a 17% tax on recreational marijuana products. Until the end of 2020, cities received 10% of the state's total tax revenues (minus expenses) on recreational marijuana products. With the passage of Measure 110 in November 2020, which decriminalized possession of small amounts of street drugs, there was a massive shift in the allocation of state marijuana revenue distributions. Starting in March of 2021, quarterly revenue distributions to

cities from state marijuana taxes saw roughly a 74% decrease from the fourth quarter 2020 distribution (the final distribution under the old formula). Going forward, under Measure 110, cities will share \$1,125,000 quarterly, or \$4,500,000 annually, which is not indexed and will not grow with the market.

Revenue distributions to cities are made quarterly, however only individual cities that certify will receive a distribution. This certification had been required quarterly with the OLCC, but in 2020 was moved to an annual certification with the Oregon Department of Administrative Services (DAS), similar to other shared revenue certifications. Since 2017, 75% of the shared revenue is distributed to eligible cities on a per capita basis, and 25% is distributed based on the number of licensed recreational and medical premises in the city (grower, processor, wholesaler, and retailer). Note that the license portion (25%) of the distribution is particularly hard to forecast as shops are frequently opening and closing.

Cities may impose up to an additional 3% local tax on recreational marijuana products. Most cities have an agreement with the Oregon Department of Revenue to have the state collect their local tax at the same time the state tax is collected. However, that local tax revenue is not considered a state shared revenue.

The LOC will advocate on behalf of cities for additional marijuana revenues in the 2023 legislative session, but the numbers reflected in this report assume no change from the Measure 110 formula. Since the 2021 session, there have been interim

(continued on page 56)



READY TO VOLUNTEER? WE ARE READY FOR YOU.

Learn how you can put your time, knowledge and talent to use volunteering with AARP in Oregon. Help make the communities where you live, work and play the best they can be while engaging with others who share your passion for service.

Get to know us at aarp.org/GiftofTime.

 /AARPOregon
 @AARPOR

conversations around legislation to increase the 3% cap on local taxes or backfill Measure 110 losses, or change the distribution formula, concepts LOC continue to lobby for.

4. Cigarette Tax Revenues



This revenue source is projected to continue trending downward—as it has for more than 10 years—as smoking decreases. In November 2020 voters passed Measure 108, which increased cigarette taxes by \$2.00 per pack effective January 1, 2021, increased the cap on the cigar tax from 50 cents to \$1.00, created a tax on vape products at 65% of the retail price, and preempted cities from taxing vape products. After the increase, cigarette taxes are at \$3.33 per pack, and cities' share of that revenue is a meager 0.6% of the tax, or about 2 cents per pack. It's important to note that while cities receive a share of tax revenues for cigarettes, no shared revenue is distributed for taxes on other tobacco products, including cigars, moist snuff, chewing tobacco, pipe tobacco, and now vape.

Measure 108 was expected to have the effect of decreasing revenues to cities; cities did not get a share of the \$2.00 increase, and as prices increased by 33% on average, demand was anticipated to decrease. During discussions at the Legislature, reductions in sales as high as 25% to 35% were discussed due to reduced smoking rates in Oregon and a reduction of cross border sales into Washington and California. When the latest estimates for the 2021-22 biennium are compared to the 2019-20 biennium (the last full biennium before the tax increase) there is an almost 27% decrease in this

revenue source. Some of this decrease is likely due to longstanding trends, but it seems clear that Measure 108 has achieved the intended result of reducing smoking.

5. 9-1-1 Tax Revenues



Oregon's 9-1-1 tax was increased to \$1.00 per line or pre-paid transaction effective January 1, 2020, and further increased to \$1.25 effective January 1, 2021. Before this change in 2019's HB 2449, the rate had been 75 cents since 1995. Most cities will not directly receive this state shared revenue, as the city share is directed to the public safety answering point (PSAP) provider connected to the statewide network. Less than 20 of the 45 PSAPs in Oregon are operated by cities; most are managed by counties or a regional entity.

The PSAPs are only partially funded through the state's Emergency Communications Tax, with the balance of operating costs coming primarily from property taxes. Local governments receive approximately 60% of 9-1-1 taxes, but the taxes generally covered less than 25% of the costs of total PSAP operations before the recent rate increases. Ratios of individual PSAP costs to taxes received vary. The local government share of the state tax is distributed 1% to each county, with the remainder distributed per capita.

Contact: Lindsay Tenes – ltenes@orcities.org or (971) 416-6818 ■

Bring **traffic safety** to your city

Trusted by more State Police agencies than all other radar brands combined.

Slower streets = Safer Streets

STALKER
STREET DYNAMICS

1-800-782-5537
StreetDynamics.com

Climate Change, Inflation Put Pressure on Homeowners, Utilities

By Bill Eller, Financial Shock, Florida, Green Initiatives, Inflow & Infiltration

Warmer water and rising oceans equal more intense and more frequent storms, and the rise in frequency and destruction we've seen from storms out of the gulf and across the country are just one of the symptoms of climate change.

Hurricane Ian recently demonstrated the damage these super-sized storms can do to our infrastructure, damaging roads and bridges, shutting down airports and ports and breaking water mains. Lee County was without water in the wake of the storm and most of the county was impacted by a boil order for two weeks.

Meanwhile, Tampa was a third of the way through a \$39 million project to improve stormwater resiliency, improve drainage and reduce flooding. The project was designed after Irma left pumping stations offline for a week in 2017, but officials predicted that the city's current stormwater infrastructure wouldn't be able to handle Ian's heavy rains.

The state itself has committed \$1 billion toward making itself more climate resilient, including improving drainage, renovating wastewater pump stations, protecting wetlands and replacing septic systems with sewer system tie-ins. In the past, efforts to address climate resiliency, specifically hurricanes, focused on wind damage, but Ian's biggest punch came from flooding and storm surge.

As municipal officials rebuild, they will have to consider balancing gray and green infrastructure. Green infrastructure offers a living buffer, absorbing and slowing flood waters, while putting into place gray infrastructure, such as sea walls and flood gates or elevating important infrastructure, can divert water—possibly toward green infrastructure.

When storms hit the east coast, power outages prevent pumps from working and drinking water and sewage from being treated and stormwater flows damage water mains. Storm surges and

(continued on page 58)

Committed to serving the legal needs of Oregon cities

Miller Nash has extensive experience in the combined fields of government law, real estate, construction, land use, employment, and employee benefits. We are a client-focused firm with fresh ideas and strong traditions of service.



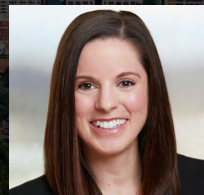
James Walker



Jeff Condit



Sarah Hale



Christi Taylor



Souvanny Miller

503.224.5858

Alaska | California | Oregon | Washington
MILLERNASH.COM



flooding can overwhelm sewer systems, causing overflows and water quality concerns.

Another concern is financial—as storms increase in size and frequency, many homeowners are unable to afford climbing insurance premiums, and others have blanket insurance, but do not have flood insurance—it is estimated that less than 20 percent of homes hit by Ian had flood insurance. Some insurance providers are no longer renewing policies in hard-hit areas, and when there is extensive property damage, some homeowners are simply walking away, leading to higher property tax delinquencies.

Hurricanes are not the only climate change-related crisis facing water and wastewater systems. Increased extreme weather events means more rain and snow in some parts of the country and droughts and wildfire in others, while extreme heat and cold are more common everywhere, and the symptoms of climate change can adversely impact infrastructure, operations and water quality.

Meanwhile, utility customers are dealing with spiraling costs as inflation rises to a 40-year high, with the core consumer price increased over forecasts in September. Shelter, food and medical

care indexes saw the largest increases. High inflation has eaten into Americans' savings and force them to break out the credit cards as they struggle with price growth, leaving an even smaller cushion if they should have an unexpected financial shock.

These two concerns overlap when it comes to home plumbing systems—water and sewer service lines serving utility customers' homes face the same challenges as utilities' delivery systems, including the impacts from climate change. However, at the same time, inflation is shrinking the average homeowner's budget, so if there is an issue, they are less prepared financially to handle it.

How can utilities help soften the blow if a customer's service line fails because of age or wear and tear? A partnership with the NLC Service Lines Warranty Program can both educate your customers about their service line responsibilities at no cost to your municipality or utility and offer a warranty that will shield them from the financial shock of an unexpected repair.

For more information on how you can educate and protect your customers, contact Homeserve at watersolutions.homeserve.com/contact. ■



American Legal
Publishing

&



League of Oregon Cities

Proud Partner with League of Oregon Cities

Oregon Basic Code written specifically for smaller cities.

Request a Codification Proposal for Your Community

Custom Codes • Online Code • Online
Meeting Minutes • Legal Analysis



Colleen Engle, Codification Consultant
CEngle@amlegal.com • (714) 348-9529 • AmLegal.com



Around the State

Stories from across Oregon

Good things our cities have been doing all across the state.

AUMSVILLE

New Mayor Sets Precedents

When Angelica Ceja Ochoa was sworn in Jan. 9 as Aumsville's mayor, she became the second female mayor in the city's history and the first in nearly 100 years, the previous being Stella Seely, who was mayor from 1925 through 1929. Ceja Ochoa is believed to be the first person of color to hold the position in Aumsville.

"My main and most pressing priority is getting funding for our new wastewater treatment facility. This is needed to meet the ammonia guidelines from DEQ. Without funding our city is looking at drastic increases to our water utility bill," she said.

Ceja Ochoa said that while more affordable housing is needed, she wants legislators and state leaders to understand that affordable housing is only a concept if utilities offset costs by a \$200 to \$300 water bill. "Affordable housing is more than just the cost of rent and mortgages. This is literally the main thing that consumes my brain right now," she said.

When Ceja Ochoa joined Aumsville's city council four years ago, her main focus was trying to educate the city and community about the importance of diversity, equity and inclusion and increasing community engagement and outreach.

"The city now has dual language staff and a newsletter, as well as our first female police officer. I plan on continuing to work on this. I hope to inspire and build up the next generation of leadership in our community and eventually diversify our events, committees and boards," she said. "My pie-in-the-sky goal is having the city hire a full-time bilingual police officer. For me, bridging cultural gaps is important."

Ceja Ochoa said that, among the challenges she has had to overcome, she is "extremely dyslexic."



"I've had people make fun of me in my adult life and openly question my intelligence. Becoming mayor is definitely stepping out of my comfort zone, especially in Aumsville where the last and only female mayor of record was in 1925," she said. "Add being a person of color to the list. I feel that is a lot for our small community to take in all at once. While it's exciting, it's also a bit unnerving."

Let it rain...



PROTHMAN
has you covered

Recruitment Options
Full Recruitment
Sourcing & Screening
Sourcing Only

www.prothman.com



RIDDLE

City Celebrates 130th Anniversary



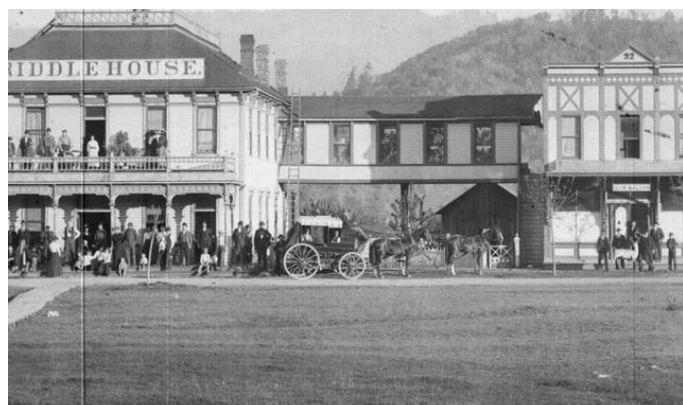
Citizens in Riddle recently gathered at the city's gazebo on Main Street to celebrate the 130 years that have passed since the city's incorporation on Jan. 30, 1893. The event included ringing the bell at the First Baptist Church 13 times, elementary school students singing "Happy Birthday" and the Riddle High School band following with their own rendition.

"We're bringing people together," said Dawn Mills, who works at the Riddle Chamber of Commerce and helped to organize the event. "And we're remembering that we're a community working together to make this a great place to live."

Elementary students also wrote letters showcasing their favorite parts of living in the town. The letters were posted in the windows of businesses along Main Street.

Riddle Mayor Bill Duckett spoke at the ceremony. After moving to the town in 1973, he was on the City Council before being elected mayor, where he's served for the past 27 years.

"I think this is great," Duckett told *The News-Review* before the ceremony. "This shows the dedication of people in our community, and that even though we're a smaller community, we've always kept our integrity. It's a great community to live in; we don't have the big city problems ... If you sneeze on one side of town, somebody on the other side will say 'bless you.'"



We've been on call for government Finance Directors since cell phone weighed two pounds.

Serving Oregon Communities Since 1987.

TKW

Your peace of mind is our passion.

Auditing & Consulting Services
www.tkw.com

MEDFORD

Park Renovations Approved

The Medford City Council has received \$714,300 for renovations at Howard School Park, thanks to an Oregon Parks and Recreation Department grant that will offset almost one-half of the cost of the project. That will be combined with city funds for the \$1.4 million improvement package.

Based on suggestions from local residents and the school, improvements to the 9.2-acre west Medford park will include a splash pad, playground, restroom, and re-paved athletic courts for activities such as basketball and pickleball. Pathways will be refurbished and the park will get better drainage and lighting.

Medford parks is completing the engineering for the park and hopes to put the project out to bid this spring. "We'll do the renovation as quickly as possible. We hope to be substantially complete in 2023," Medford Parks Director Rich Rosenthal told the *Mail Tribune*.

He said the master plan for the park was developed in 2016, but the upgrade was delayed to allow more time to obtain funding. In March 2022, Medford applied for a competitive grant



from the state. The grant requires completion of the project by Dec. 31, 2024.

The Oregon Parks and Recreation Department has disbursed more than \$70 million throughout the state for outdoor recreation projects since 1999. The grants are funded from Oregon Lottery dollars.

Medford has received nearly \$3 million of these grants over the years for Lithia & Driveway Fields, Lone Pine Park, Oregon Hills Park, Prescott Park, Cedar Links Park and Bear Creek Park. The city has been upgrading a number of older parks over the past decade, as well as building new parks, the *Mail Tribune* reported.

"Rejuvenating older facilities is every bit as good as building new ones," Rosenthal said. "Giving this very important park in the neighborhood a facelift was a top priority."



UNCOVER HIDDEN SAVINGS WITH CASH INCENTIVES

Underground leaks may be out of sight, out of mind, but if left untreated, these leaks can take a hidden toll: wasted water, wasted energy and reduced capacity to serve customers. To help make locating and repairing underground leaks more affordable, tap into Energy Trust of Oregon's cash incentives.



For more information, call 503.928.3154 or visit www.energytrust.org/wastewatertreatment.

Serving customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista.



CORVALLIS

Fire Station 3 Gets Upgrade

Corvallis Fire Station 3 is undergoing a \$3.5 million renovation and, once interior demolition is completed and the station is rebuilt, will feature four individual restrooms, six individual dorm rooms, a workout area and an open kitchen. The Corvallis Fire Department said the project should be completed late this year, according to local TV reports.

Last September, Corvallis Fire announced that the station will be closed for about 11 months while remodeling takes place. The renovation project is the first in a series of planned city facility improvements.

Fire Chief Ben Janes told KLCC that Fire Station 3 was built in 1977 and has been largely unchanged. "I was born and raised here," he said, "and I can remember being in that apparatus bay in that station in the mid-80s and getting my first station tour, and so being able to be here and to watch it be renovated and be modernized for the next 50 years is really exciting."

Janes said the project will allow the department to add a bay to keep a wildland fire truck on-site year-round. While the walls are open, the station will be plumbed to house an electric fire engine. There are just a few in the country right now, but Corvallis Fire wants to anticipate that demand in the future, he said.

Planning is underway for work on its twin station on the Oregon State University campus. The city council approved paying for both renovations with federal ARPA funds. Future projects will address other facilities including parks and recreation, staff offices and courts.





**HECO
ENGINEERS**
INTEGRITY | PROFESSIONALISM | RELIABILITY



**CITY ENGINEERS
EXPERIENCED IN
BUILDING
COMMUNITIES**

www.hecoengineers.com
208.642.3304
info@hecoengineers.com
Payette - Nampa | Idaho

-  MASTER PLANNING
-  WATER TREATMENT,
STORAGE, AND DISTRIBUTION
-  SEWER TREATMENT
AND COLLECTION
-  CONSTRUCTION CONTRACT
MANAGEMENT
-  TRANSPORTATION

TIGARD

Diversity in Action



Tigard has elected its most diverse city council and the first female mayor in the city's history. This broad representation means a great deal to the officials, and they hope community members feel the same.

"I believe that our government at all levels should truly reflect the people it serves because that's the only way we can truly understand the diverse needs and viewpoints of our community members," said City Council President Yi-Kang Hu, who was sworn into office at the start of the year.

Heidi Lueb, the city's first female mayor, also took office in January. She had been a member of the council since 2019, focusing heavily on balancing fiscal responsibility and ensuring community service needs were met. Lueb said stepping into the position isn't an honor she takes lightly, KOIN 6 reported.

"It's a really hard path to get there, to be the first to do it, and it's incredible that I'm the one doing it," she said. "I never really had a plan to be mayor or desire, and just being open to opportunities and seeing a space where I can do good...called me to step up and really take a chance and run for this role."

Since she was elected, Lueb has already heard from parents whose young daughters feel inspired seeing a woman leading the city. She said she's grateful to be an example to her own daughter and show her she can truly accomplish anything she sets her mind to.

Aishiki Nag, a Tigard High School student, is the city's youth councilor. She has an advisory voting position on the council, which allows her to share her opinion and represent the opinions of other young people in the community.

The councilors said they hope their diversity makes more community members feel comfortable coming forward and speaking to them, or even running for open council positions in the future.

Hu, an immigrant and member of the LGBTQ+ community, told KOIN 6 news he has experienced a lot of self-doubt in his life. "But by being elected, that really broke down a lot of barriers or internal doubt in my mind, and for the first time I don't feel like a complete outsider," he said.

Councilor Maureen Wolf, another newly elected member, said she is proud to be part of a community that values diversity.

"I am grateful to the prior council for their deep commitment to the city and setting the direction and culture as one of inclusion. While I am just getting to know council members, I believe we are all committed to listening and acting with all voices in mind and will bring our own experiences to the table," she said.

The third new city council member, Jai Raj Singh, said it's an honor to take part in this historic moment. "It means that Tigard is ready for deep systemic changes and I am ready to step up and serve our community to the best of my abilities."

Some of the council's top priorities for this year include housing, homelessness, reducing the city's impact on climate change, and improving Hall Boulevard and city-owned facilities, according to KOIN 6.

CANNON BEACH & PORTLAND

Favorite Cities to Visit

Cannon Beach and Portland were among a list of the country's most popular vacation destinations, joining the likes of Miami, Las Vegas and New York City, in a recent posting.

TripsToDiscover named the "24 Best Places to Visit in the USA" in December. Portland, which it called "one of the most unique and hippest cities in America," topped the list.

"Portland is a craft beer lover's dream because there are so many local brewers doing amazing things here," the travel and tourism platform noted. "It's also a great city to visit if you enjoy food trucks, mom & pop shops, quirky festivals, farmer's markets, interesting characters, and farm-to-table food."

In addition to Portland's "funky neighborhoods," TripsToDiscover highlighted the Rose City's proximity to great hiking, mountain biking and water sports as well as specific outdoor attractions such as Forest Park, the International Rose Test Garden and Mount Hood.

TripsToDiscover praised Cannon Beach's "oceanfront lodging, casual walks along the beach, and inspiring scenery at Haystack Rock and elsewhere along the shore."

"You can walk for miles and miles along the waterfront to get away from the crowds. Cannon Beach is also an artsy place with some great galleries and fine-dining restaurants," it said.



Cannon Beach



Portland



THE NATION'S LEADING BOND COUNSEL FIRM

Orrick's public finance group offers diverse experience to help achieve your City's financing objectives. We provide legal counsel on the full spectrum of financing matters including bonds, notes and other obligations, tax-exempt or taxable, for transportation projects, affordable housing, urban renewal, economic development, public infrastructure and other capital improvement projects.

Douglas Goe
Partner
503 943 4810
dgoe@orrick.com

Michael Schrader
Of Counsel
503 943 4840
mschrader@orrick.com

Steven White
Managing Associate
503 943 4838
steven.white@orrick.com

Christine Reynolds
Partner
503 943 4821
cerenolds@orrick.com

Scott Schickli
Tax Counsel
503 943 4830
sschickli@orrick.com

Caitlin Vo
Project Manager
503 943 4844
cvo@orrick.com

Greg Blonde
Of Counsel
503 943 4823
gblonde@orrick.com

Trish Eichar
Partner
503 943 4860
peichar@orrick.com

Angie Gardner
Project Manager
503 943 4826
agardner@orrick.com


orrick
orrick.com/publicfinance

#1 Bond Counsel
#1 Disclosure Counsel
— Thomson Reuters, 2018

Orrick, Herrington & Sutcliffe LLP | 1120 NW Couch Street, Suite 200 | Portland, OR 97209

Tel 503 943 4800 | Fax 503 943 4801

SALEM

Council Eyes Commercial Air Service

The effort to revive commercial air service at Salem Airport recently got \$2.4 million closer to becoming a reality, and could see people flying to Los Angeles and Las Vegas as early as this summer.

The airport has a long journey ahead before it can be ready for commercial flights, but those in support of the project say it is well on its way to becoming the new West Coast hub of an unnamed low-cost airline, the *Statesman Journal* reported.

Salem City Council voted Jan. 9 to transfer \$2,366,000 from its general fund to renovate the terminal and hire nine new airport employees. The motion passed unanimously.

Leaders with Travel Salem and the Salem Area Chamber of Commerce spoke enthusiastically in favor of bringing commercial service to the region, saying it would increase tourism and access to Oregon's wine region, bring jobs and serve as an economic boon to local businesses.



Building Inspection & Plan Review Services

Northwest Code Professionals specializes in serving jurisdictions throughout Oregon, Washington, and Idaho with plan review and building inspections. We have been in the code enforcement business for over 40 years. High standards in customer service is a testament to our longevity in this industry, and our entire team looks forward to working with you.

- Established in 1973
- Currently serving over 50 Jurisdictions throughout Oregon, Washington, and Idaho

144 E 14th Avenue, Eugene, OR 97401
Office: 541-484-9043 TF: 800-358-8034
www.nwcodepros.com

Partnering with Government to
Provide You Excellent Service

ROCKAWAY BEACH

ODOT Grant for Salmonberry Trail Segment

The city of Rockaway Beach received a \$1.7 million grant from the Oregon Department of Transportation (ODOT) for the city's section of the Salmonberry Trail. Rockaway Beach was one of the top recipients of the agency's Community Pathways Grant. The grant has been modified to \$750,000 for the design, which ODOT will handle.

"Once we see what ODOT's design for the trail is, we can then have public meetings to discuss the design and consider public input," City Councilor Mary McGinnis said. "The Rails and Trails project is sectional. Each city is responsible for the trail from city limit to city limit."

The Tillamook County Pioneer reported Rockaway Beach's five goals for the trail, which include bringing people to the center of town instead of driving through; Safe Routes to Schools; providing safe recreational opportunities; and bringing activity to the north and south ends of town by connecting through the center of town.

In addition, the city wants to disperse people with other walking options "because we had no idea that The Old Growth Cedar Trail would be so popular," McGinnis said.

The Salmonberry Trail Coast Segment is planned as a multiuse pathway accommodating two-way bicycle and pedestrian travel within and between eight coastal communities.

The basic standard for trail development for the coast segment is a 10- or 12-foot-wide asphalt paved surface with 2-foot-wide shoulders. The dimensions are consistent with state standards for regional multiuse trails, and the trail conforms to ADA standards for surfaces and grades.



Have City News to Share?

Email us your copy (500 words max.) detailing your city's notable achievement (i.e., a project, initiative, award or individual honor), preferably with an image.

Contact: Kevin Toon, ktoon@orcities.org



Below market rate financing for wastewater and stormwater treatment

We offer public agencies low cost loans for projects that prevent or mitigate water pollution. Includes easements, land purchase, new or upgraded facilities, sewers, planning and more. FREE technical assistance.

(503) 229-LOAN
CWSRFinfo@deq.state.or.us
 Visit our website:
oregon.gov/deq/wq/cwsrf



For mailing list changes, please
email loc@orcities.org.

Thank You – 2023 LOC Business Partners

PLATINUM



GOLD

American Leak Detection
American Legal Publishing
Anderson Perry & Associates, Inc.
Avista Utilities
Beery, Elsner and Hammond, LLP
BMS Technologies
Chinook Institute for Civic Leadership
Collect NW/Southern OR Credit
Davis Wright Tremaine LLP
Energy Trust of Oregon
Ferraris Investigations
FFA Architecture + Interiors, Inc

Hawkins Delafield & Wood LLP
HECO Engineers
Jacobs
Jordan Ramis PC
Kaiser Permanente
Lumen
MacDonald-Miller Facility Solutions
Merina+Co
Northwest Playground Equipment
Northwest Code Professionals
Oregon Association of Water Utilities

Oregon Corrections Enterprises
Oregon DAS Procurement Services
Oregon Dept. of Environmental
Quality - Clean Water State
Revolving Fund
Republic Services
Ring Bender LLLP
Rural Development Initiative
US Cellular
Waste Management of Oregon