

**AGENDA SEASIDE CITY COUNCIL MEETING
NOVEMBER 25, 2019 7:00 PM**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA
5. PROCLAMATION - PEARL HARBOR REMEMBRANCE DAY
6. COMMENTS FROM STUDENT REPRESENTATIVE, Tristyn McFadden
7. COMMENTS – PUBLIC – (please keep speaking time to four minutes)
8. DECLARATION OF POTENTIAL CONFLICT OF INTEREST
9. CONSENT AGENDA
 - a) PAYMENT OF THE BILLS - \$1,402,142.64
 - b) APPROVAL OF MINUTES – October 28, 2019
10. REPORTS AND PRESENTATIONS:
 - a) CLATSOP COUNTY PUBLIC HEALTH TOBACCO RETAIL LICENSING ORDINANCE, Michael McNickle
 - b) PRESENTATION – UPDATE ON CAPE FALCON MARINE RESERVE, Margaret Minnick
 - c) CLATSOP ECONOMIC DEVELOPMENT RESOURCES (CEDR) ANNUAL REPORT, Kevin Leahy
11. UNFINISHED BUSINESS:
12. NEW BUSINESS
 - a) RESOLUTION #3950 – A RESOLUTION OF THE CITY OF SEASIDE, OREGON, REGARDING CLATSOP ECONOMIC DEVELOPMENT RESOURCES CONSIDERATION
 - PUBLIC COMMENTS
 - COUNCIL COMMENTS
 - MOTION TO READ BY TITLE ONLY – ALL IN FAVOR AND OPPOSED
 - MOTION TO ADOPT – ALL IN FAVOR AND OPPOSED
 - b) CONSIDERATION – CITY OF SEASIDE INVESTMENT POLICY, Mark Winstanley
 - c) RECOMMENDATION – WATERSHED MAINTENANCE CULVERTS AND BRIDGES, Dale McDowell
 - d) SEASIDE CIVIC AND CONVENTION CENTER EXPANSION/RENOVATION ZERO SUM ORDER FOR EXTENDING CURRENT CONTRACT, Russ Vandenberg

e) UPDATE - SEASIDE CIVIC AND CONVENTION CENTER
EXPANSION/RENOVATION, Russ Vandenberg

f) VACANCY – BUDGET COMMITTEE (Term Exp.)
LIBRARY BOARD (Vacancy)
TOURISM ADVISORY COMMITTEE (Term Exp.)

13. COMMENTS FROM THE CITY STAFF

14. COMMENTS FROM THE COUNCIL

15. ADJOURNMENT

Complete copies of the Current Council meeting Agenda Packets can be viewed at: *Seaside Public Library and Seaside City Hall. The Agendas and Minutes can be viewed on our website at www.cityofseaside.us.*

All meetings other than executive sessions are open to the public. When appropriate, any public member desiring to address the Council may be recognized by the presiding officer. Remarks are limited to the question under discussion except during public comment. This meeting is handicapped accessible. Please let us know at 503-738-5511 if you will need any special accommodation to participate in this meeting.



CITY of SEASIDE

OREGON'S
FAMOUS
ALL-YEAR
RESORT

989 BROADWAY
SEASIDE, OREGON 97138
(503) 738-5511

PROCLAMATION

Whereas, On a quiet Sunday morning, December 7, 1941, more than 2,400 Americans were killed in the attack on Pearl Harbor. On that day, life changed in America, and the course of history was altered forever; and

Whereas, our citizens reacted to the attack with firm determination to defeat tyranny and secure our Nation. This enterprise required the commitment and effort of our entire country. At the height of the conflict, the United States had ships on every ocean and troops on five continents. In, all more than 16 million Americans wore the uniform of our Nation and came from all walks of life. They served honorably and fought fiercely. At home, millions more contributed to the war effort, laboring for victory in factories, on farms, and across America; and

Whereas, today we honor those who fought and died at Pearl Harbor, and we pay special tribute to the veterans of World War II. Those heroes hold a cherished place in our history. Through their courage, sacrifice, and selfless dedication, they saved our country and preserved freedom.

NOW, THEREFORE, I, Jay Barber, Mayor of the City of Seaside, in the State of Oregon, do hereby proclaim December 7, 2019, as

PEARL HARBOR REMEMBRANCE DAY

and call upon the citizens of Seaside to observe this solemn occasion with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Seaside to be affixed this 25th day of November, 2019.



JAY BARBER, MAYOR

Update on Cape Falcon Marine Reserve

Outline:

- Oregon's Marine Reserves
 - Locations and Management
 - Goals
- Cape Falcon Marine Reserve
 - Regulations
 - Ecological Research
 - Human Dimensions Research
- Friends of Cape Falcon MR's Role
 - Outreach and Education
 - Citizen Science
 - Support management plan process and implementation
- Ways to Engage





CEDR/CCC SBDC

Seaside City Council

Annual Update

November 25, 2019

RESOLUTION #3950

**A RESOLUTION OF THE CITY OF SEASIDE, OREGON,
REGARDING CLATSOP ECONOMIC DEVELOPMENT RESOURCES (CEDR)**

WHEREAS, the goals of Clatsop Economic Development Resources (CEDR) is to expand, retain and recruit business and industry; and

WHEREAS, the targets for expansion and retention include industry clusters, increasing per-capita income, diversifying the economy and promoting managed economic growth through year-round family wage jobs, and to lead delivery of professional economic development services by bringing together multi-organizational efforts; and

WHEREAS, the Seaside City Council, has determined that endorsement of the establishment of Clatsop Economic Development Resources would be a benefit to the communities throughout the County.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SEASIDE:

SECTION 1. The Seaside City Council agrees to partner with Clatsop Economic Development Resources and hereby approves the contribution of \$10,000.00 for the **fifth (5) year** as financial support for this program.

PASSED by the City Council of the City of Seaside this ___ day of _____, 2019.

SUBMITTED to the Mayor and **APPROVED** by the Mayor on this ___ day of _____, 2019.

JAY BARBER, MAYOR

ATTEST:

Mark J. Winstanley, City Manager

City of Seaside, OR Investment Policy November 25, 2019

Purpose

This Investment Policy defines the parameters within which funds are to be invested by those authorized by the City of Seaside (“the City”). This policy also formalizes the framework, pursuant to ORS 294.135, for the City’s investment activities to ensure effective and judicious management of funds within the scope of this policy. These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

Scope

This policy applies to activities of the City of Seaside with regard to investing the financial assets of general funds. Funds managed by the City that are governed by other investment policies are excluded from this policy; however, all funds are subject to Oregon Law. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$15,000,000 and \$20,000,000.

Objectives

General Objectives

The primary objectives, in priority order, of investment activities shall be:

1. Preservation of Capital

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the Oregon Short Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

3. Return

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages active trading and turnover of investments. Investments should generally be held to maturity.

Standards of Care

Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The “prudent person” standard states:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose financial/investment positions that could be related to the performance of the investment portfolio. Employees, officers, and their families shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees shall, at all times, comply

with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

Delegation of Authority and Responsibilities

i. Governing Body

The City Council will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.

ii. Delegation of Authority

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls will be granted by resolution to the "Investment Officer", responsible for the management of the investments and day-to-day administration of the funds and derived from the following: ORS 294.053, 294.125, to 294.145 and 294.810, as well as the "Investment Controller" who shall be responsible for control activities such as development of estimates of expenditures and cash requirements, periodic review and appraisal of the investment strategies, transactions, audit and accounting activity and reporting to the Council.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

iii. Investment Municipal Adviser

With consent of the Investment Controller, the Investment Officer may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with this investment policy. Investment advisers may be hired on a discretionary or

non-discretionary basis. All investment transactions by approved investment advisers must be pre-approved in writing by the Investment Officer and compliant with this Policy. If the City hires an investment advisor to provide investment management services, the advisor is authorized to transact with its direct dealer relationships on behalf of the City.

Transaction Counterparties, Investment Advisers and Depositories

1. Broker/Dealers

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives.

The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- i. Broker/Dealer firms must meet the following minimum criteria:
 - A. Be registered with the Securities and Exchange Commission (SEC)
 - B. Be registered with the Financial Industry Regulatory Authority (FINRA)
 - C. Provide most recent audited financials
 - D. Provide FINRA Focus Report filings.

- ii. Approved broker/dealer employees who execute transactions with the City must meet the following minimum criteria:
 - A. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
 - B. Be licensed by the state of Oregon;
 - C. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.

- iii. The Investment Officer may want to establish policy for engaging broker/dealer firms and registered representatives that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
 - A. Positive references from at least three other local government clients.
 - B. As part of the periodic due diligence review, inquiries with other local government clients with regard to their recent experiences with

broker/dealer firms or registered representatives and any change in relationship status.

- C. Requirement that approved registered representatives provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
 - D. Requirement that prospective registered representatives have an established history of advising local governments with similar amounts of assets under management.
- iv. Periodic (at least annual) review of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:
- A. Pending investigations by securities regulators
 - B. Significant changes in net capital
 - C. Pending customer arbitration cases
 - D. Regulatory enforcement actions

2. Direct Issuers

Obligations that are permitted for purchase by this policy may be purchased directly from the issuer.

3. Investment Advisers

A list may be maintained of approved advisers selected by conducting a process of due diligence.

- i. The following items are required for all approved Investment Advisers:
 - A. The investment adviser firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon (Note: investment adviser firms with assets under management >\$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon).
 - B. All investment adviser firm representatives conducting investment transactions on behalf of the City must be registered representatives with FINRA.
 - C. All investment adviser firm representatives conducting investment transactions on behalf of the City must be licensed by the state of Oregon.
 - D. Certification, by all of the adviser representatives conducting investment transactions on behalf of this entity, of having read, understood and agreed to comply with this investment policy.

- ii. A periodic (at least annual) review of all investment advisers under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines. Factors to consider would be:
 - A. Pending investigations by securities regulators
 - B. Significant changes in net capital
 - C. Pending customer arbitration cases
 - D. Regulatory enforcement actions

- iii. The Investment Officer may want to establish guidelines or policy for engaging investment advisers' services that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
 - A. Positive references from at least three other local government clients of a prospective investment adviser firm.
 - B. As part of the periodic due diligence review, inquiries with other local government clients of approved investment advisers with regard to their recent experiences with the adviser and any change in the relationship status.
 - C. Requirement that approved investment advisers provide notification within 30 days of a relationship termination by an Oregon based local government.
 - D. Requirement that approved investment adviser provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
 - E. Requirement that prospective investment advisers have an established history of advising local governments with similar amounts of assets under management.

4. Depositories

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

5. Competitive Transactions

- i. The Investment Officer shall obtain and document competitive bid information on all investments purchases or sold in the secondary market. Competitive bids or offers should be obtained when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

- ii. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities.
- iii. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
- iv. If an investment adviser provides investment management services, the adviser must retain documentation of competitive pricing execution on each transaction and provide upon request.

Administration and Operations

1. Delivery vs. Payment

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds.

2. Third-Party Safekeeping

Securities will be held by an independent third-party safekeeping institution selected by the City. All securities will be evidenced by safekeeping receipts in the City's name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) no. 16.

3. Internal Controls

The Investment Controller is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing and are listed below. The established control structure shall be reviewed and potentially updated periodically by the Investment Controller.

The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- i. Compliance with Investment Policy
- ii. Control of collusion
- iii. Separation of transaction authority from accounting and record keeping
- iv. Custodial safekeeping
- v. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary.
- vi. Clear delegation of authority to subordinate staff members.
- vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form.
- viii. Dual authorizations of wire and automated clearing house (ACH) transfers
- ix. Staff training
- x. Review, maintenance and monitoring of security procedures both manual and automated.

4. External Auditor

An external auditor shall provide an annual independent review to assure compliance with Oregon state law and City policies and procedures.

Suitable and Authorized Investments

1. Permitted Investments.

The following investments are permitted pursuant to ORS 294.035, 294.040, and ORS 294.810. (Note: Permitted investments may be more restrictive than ORS 294.035 and 294.810).

- US Treasury Obligations: US Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest.
- US Agency Obligations: Senior debenture obligations of US federal agencies and instrumentalities or US government sponsored enterprises (GSE).
- Oregon Short Term Fund
- Corporate Indebtedness
 - Commercial Paper issued under the authority of section 3(a) 2 or 3(a) 3 of the Securities Act of 1933.

- Corporate Bonds

The debt must be rated at least Aa2 by Moody's, AA by Standard & Poor's or AA by Fitch at the time of purchase. Split ratings are acceptable to no less than A. Ownership of corporate bonds shall be limited to a total of 35% of the portfolio, with no more than 5% of the portfolio held in any one issuer or its affiliates or subsidiaries. A rating exception may be made if the bond issuer meets the criteria of ORS 294.035(3) (i) (C). The minimum corporate bond credit rating may be lowered to at least A by Standard & Poor's, A2 by Moody's, or A by Fitch on the date of settlement.

- Repurchase Agreements
- Municipal Debt
- Qualified Institution Time Deposits/Savings Accounts/Certificates of Deposit

2. Approval of Permitted Investments

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by the City.

3. Prohibited Investments.

- i. **Private placement or "144A"** securities are not allowed. "144A" securities include commercial paper issued under section 4(2)144A (also known as "4(2) A") of the Securities Act of 1933.
- ii. **Securities Lending.** The City of Seaside shall not lend securities nor directly participate in a securities lending program.
- iii. **14-day Settlement.** The City of Seaside shall not purchase securities with a delayed settlement in excess of 14 business days per ORS statute.
- iv. **US Agency Mortgage Backed or Asset Backed Securities.** The City shall not invest directly in Mortgage Backed or Asset Backed Securities.
- v. **Equity Securities.** The City is not allowed to buy equity securities by Statute.

4. Collateralization of Bank Demand Deposits and Time Deposits and Certificate of Deposit.

- i. All bank deposits, time deposits, certificates of deposit, and savings accounts, shall be held in qualified Oregon depositories in accordance with ORS Chapter 295. Such deposits are considered investments and within the scope of this policy.
- ii. Demand deposits in qualified depository institutions are considered cash vehicles and not investments and are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

5. Repurchase Agreements

- i. ORS 294.035 (3)(j) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short Term Fund Board.
- ii. ORS 294.035 (2) limits the maximum term of any repurchase agreement to 90 days.
- iii. The OSTF Board has adopted the following margins:
 - A. US Treasury Securities 102%
 - B. US Agency Discount and Coupon Securities: 102%
 - C. Mortgage Backed and Other*: 103%

*Limited to those securities described in ORS 294.035(1)

US Agency Discount and Coupon Securities 102%

Investment Parameters

1. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be mitigated by the following guidelines:

i. Diversification

It is the policy of the City to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and

security type. Allowed security types and investment exposure limitations are detailed in the table below.

ii. Recognized Credit Ratings

Investments must have a rating from at least two of the following nationally recognized statistical ratings organizations (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

iii. Portfolio Average Credit Rating

The minimum weighted average credit rating of the portfolio's rated investments shall be Aa/AA/AA by Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service respectively.

Issue Type	Maximum % Holdings	Issuer % per Issue Type	Ratings Moody's	Ratings S&P, Fitch
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	25%	Security must be rated	Security must be rated
US Agency Secondary Securities FICO, PEFCO, FARMER MAC etc.	50%	10%	N/A	N/A
Oregon Short Term Fund	Maximum allowed per ORS 294.810	Maximum Allowed per ORS.294.810	N/A	N/A
Bank Time Deposits/Savings	50%	25%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	20%	10%	Oregon Public Depository	Oregon Public Depository
Corporate Bonds	35%	5%	Aa2	AA/AA

Commercial Paper	10%	5%	A1	P1/F1
Municipal Bonds	10%	5%	Aa2	AA/AA
Repurchase Agreements	5%	5%	Aa2	AA

Note: Corporate Bonds and Commercial Paper combined cannot exceed 35% of the portfolio per ORS 294.035

- iv. **Exposure Constraints and Minimum Investment Credit Ratings**
Investment securities, measured by par or current face value as of the date of purchase (trade date), are subject to the following aggregate, per issuer, and per issue limitations as percentages of investment assets:
- v. **Determining a Security's Rating**
A single rating will be determined for each investment by utilizing the lowest security level rating available for the security from Standard & Poor's, Moody's Investor Services and Fitch Ratings respectively.
- vi. **Restriction on Issuers with Prior Default History**
Per ORS 294.040, the bonds of issuers listed in ORS 294.035(3) (a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city, for a period of five years next preceding the date of the investment.

2. Liquidity Risk

Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to mitigate liquidity risks:

- i. The value of at least 25% of funds available for investing or six months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than 90 days to provide sufficient liquidity for expected disbursements.

- ii. Funds in excess of liquidity requirements are allowed for investments maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments. Portfolio investment maturities will be limited as follows:

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under (90) day's	25% or (three/six/twelve) months
	Estimated Operating Expenditures
Under 2.5 years	50%
Under 5 years	100%

- iii. Reserve or Capital Improvement Project monies may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- iv. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.
- v. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

3. Interest Rate Risk

Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be mitigated by providing adequate liquidity for short term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments. The following strategies will be employed to control and mitigate adverse changes in the market value of the portfolio due to changes in interest rates:

- A. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate market risk.

- B. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate re-investment risk.
- C. No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries.
- D. The maximum percent of callable securities in the portfolio shall be 75%;
- E. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy.
- F. The maximum portfolio weighted average maturity (measured with stated final maturity) shall be 2.5 years.

Investment of Proceeds from Debt Issuance

- 1. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
- 2. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and are maturity matched with outflows. Consequently, funds within the scope of ORS 294.052 are not subject to this policy's liquidity risks.

Investment of Reserve or Capital Improvement Funds

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the municipality, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used

Guideline Measurement and Adherence

- 1. **Guideline Measurement**
Guideline measurements will use market value of investments.
- 2. **Guideline Compliance**
 - A. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring

the portfolio back into compliance in a prudent manner and as soon as prudently feasible.

- B. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Investment Committee.
- C. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

Reporting and Disclosure

1. Compliance

At least quarterly the Investment Officer and Investment Controller shall receive a report to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the City Council as required. The report will include, at a minimum, the following:

- A. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
- B. Average maturity of the portfolio at period-end
- C. Maturity distribution of the portfolio at period-end
- D. Average portfolio credit quality of the portfolio at period-end
- E. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- F. Distribution by type of investment
- G. Transactions since last report
- H. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.

2. Performance Standards/ Evaluation

As required, the Investment Officer shall report to the City Council comparisons of investment returns to relevant alternative investments and comparative Bond Indexes. The performance of the portfolio should be compared to the performance of alternative investments such as the Oregon Short Term Fund; US Treasury rates; or against one or bond indices with a similar risk profile (e.g., Bond indexes comprised high grade investments and maximum maturities of three years).

When comparing performance, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

3. Marking to Market

The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be issued at least quarterly.

4. Audits

Management shall establish an annual process of review by the external auditor to address compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

Policy Maintenance and Considerations

1. Review

The investment policy shall be reviewed as required by the City Council to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

2. Exemptions

Any investments held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

3. Policy Adoption and Amendments

This investment policy and any modifications to this policy must be formally approved in writing by the City Council of the City of Seaside.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if material changes have been made since the last review by the OSTF Board.

List of Documents Used in Conjunction with this Policy

- Resolution of authorization of personnel using position titles rather than specific names.
- Relevant investment statutes and ordinances
- Investment Adviser Agreement
- Listing of financial institutions
- Safekeeping agreements
- Wire transfer agreements
- Sample investment reports



CITY of SEASIDE

OREGON'S
FAMOUS
ALL-YEAR
RESORT

PUBLIC WORKS DEPARTMENT
LOCATION: 1387 AVE U
MAIL: 989 BROADWAY
SEASIDE, OREGON 97138
(503) 738-5112

Recommendation to City Council

Date: October 7, 2019

From: Dale McDowell – Public Works

To: The Honorable Mayor and City Council

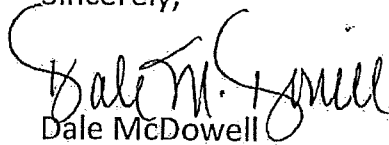
RE: Watershed Maintenance

Dear Honorable Mayor and City Council Members,

During our Source Water Protection Plan and Watershed Management Plan inspections in 2018, several Culverts and Bridges were defined in the report to be in need of replacement. These Culverts and Bridges allow us to access our entire Watershed in order to conduct Maintenance and allow access to the Watershed in case of Fire and for overall security. In addition, it was discovered that the east end of our Watershed Access Road is not gated. This is a location where the Summit Mainline enters our property. I have attached a copy of the June 2019 Report and subsequent Assessment.

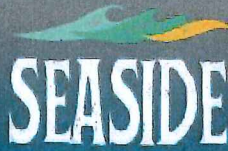
I am requesting your permission to actively seek bids from qualified contractors to replace the failing Culverts and the Bridges as defined in the report, and to allow the overstocked Red Alder in Stand 24 to be removed, along with hand slashing the Alder and thin the conifers to maintain a healthy forest. I urge you to review this recommendation as a continuation of providing proper Maintenance and Security to our Watershed. This work would not start until July 1, 2020.

Sincerely,



Dale McDowell

Public Works Director



CIVIC AND CONVENTION CENTER

MEMORANDUM

TO: Honorable Mayor & City Council
FROM: Russ Vandenberg, General Manager
DATE: November 20, 2019
RE: SCCC Expansion/Renovation – Change Order #12

We have received the following change order for the SCCC Expansion/Renovation project:

This zero-sum change order will extend our current contract with O'Brien & Company, LLC to December 31, 2019 for the purpose of Project Completion.

After making a detailed review of all changes, staff recommends approving this change order.



Change Order Request

O'Brien & Company LLC.
P.O Box 4008
Wilsonville, Or. 97070
Phone 971-865-2983

CCB#195235

Owner:
City of Seaside
989 Broadway
Seaside, Or. 97138

Project:
18-184/Seaside Convention Center
415 1st Ave
Seaside, Or. 97138

Change Order Request #012

Item: 1

Contract extension for Project Completion to December 31, 2019

Cost Type	Estimated	Markup	Amount
Time Extension	\$0.00		\$0.00

Approved By:

Signed: _____

Date: _____

Submitted By: Chris Sumpter

Signed: **Chris Sumpter**
Date: _____

Digitally signed by Chris Sumpter
DN: c=US, e=chris.sumpter@obrien-co.com,
o=O'Brien Construction, OU=Cost Area
Manager, CN=Chris Sumpter
Date: 2019.11.20 10:34:30 -0800

SEASIDE BUDGET COMMITTEE

(Meetings are held in April and May of each year)

The Seaside Budget Committee meets publicly to review the budget documents as proposed by the budget officer. The budget committee receives the budget and budget message and provides an opportunity for the public to ask questions about and comment on the budget. The committee also approves a budget, and, if ad valorem property taxes are required, approves an amount or rate of tax for all funds that receive property taxes.

The budget committee is composed of the governing body and an equal number of electors appointed by the governing body. All members of the budget committee have equal authority. An elector is a qualified voter who has the right to vote for the adoption of any measure. If the governing body cannot find a sufficient number of electors who are willing to serve, those who are willing and the governing body become the budget committee.

Applicants for the Budget Committee need to be registered voters of the City of Seaside for at least one year prior to serving on the Committee. The appointive members of the budget committee cannot be officers, agents or employees of the local government. Spouses of officers, agents or employees of the local government are not barred from serving on the budget committee if they are qualified electors and not themselves officers, agents, or employees. Appointive members of the budget committee are appointed for three-year terms.

The committee shall elect a presiding officer from among the members at the first meeting. No member of the budget committee may receive any compensation for their services as a member of the committee.

COMMITTEE/COMMISSION APPOINTMENT

1. **Date Council Notified:** November 25, 2019

Name: Les McNary
Kathleen Peterson

Commission/Committee: Budget Committee

Resignation Date: N/A

Term Expiration Date: December 31, 2019

Wants to be considered again: Yes Both - Term Expirations
2. **Applicants:**
Les McNary
Kathleen Peterson
3. **Nominations:**
4. **Appointment:**



CITY of SEASIDE

OREGON'S
FAMOUS
ALL-YEAR
RESORT

989 BROADWAY
SEASIDE, OREGON 97138
(503) 738-5511

BUDGET COMMITTEE

Term of Office: 3 years

Number of Members: 14 (Includes City Council)

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>TERM EXPIRES</u>
LES MCNARY	1624 S. FRANKLIN	738-0759	12/31/2019
KATHLEEN PETERSON	1640 HUCKLEBERRY DR.	440-5543	12/31/2019
JAMES SHIPLEY	284 ALPINE ST.	717-0392	12/31/2020
REBECCA BUCK	P O BOX 1152	738-3045	12/31/2020
NANCY MCCUNE	822 NECANICUM #101	503-260-8905	12/31/2020
ROBERT PERKEL	2039 HUCKLEBERRY DR.	971-320-0008	12/31/2021
GEORGE STACEY	1960 S. COLUMBIA	717-3700	12/31/2021

SEASIDE LIBRARY BOARD

(Meetings are scheduled the first Tuesday of each month at 4:00 PM)

The Seaside Public Library Board acts in an advisory capacity to the Library Director and Seaside Public Library on behalf of Seaside City Council regarding the operations of the City Library. The Seaside Public Library Board advises the Library Director on matters that relate to library services, policies, and funding. The Seaside Library Board shall approve bylaws, recommend library policies to the city council, follow Oregon's open meetings law and public records laws, build a good community support for the library's services, while actively listening and responding to the community requests for library services.

The board consists of five members appointed by the Mayor subject to City Council approval. The Seaside Public Library is advised by the library board. All terms of office shall be four years beginning on December 31st, and no member shall hold office for more than two full consecutive terms.

The board shall meet at least once a month in the library at a designated time and special sessions may be called by the chair of the board should the chair deem it necessary.

The board shall elect a chairman and vice-chair at the beginning of each serving year, and in the absence of the chairman, the vice chair shall assume the duties of the chairman. The board, should it so desire, may appoint the librarian as secretary to the board to take minutes and to keep a record of its actions.

The members shall serve without salary or compensation for services rendered.

COMMITTEE/COMMISSION APPOINTMENT

1. **Date Council Notified:** November 25, 2019
Name: Russ Taggard
Commission/Committee: Library Board
Resignation Date: Term Expiration - Served Two Terms
Term Expiration Date: December 31, 2019
Wants to be considered again: No - Served Two Terms
2. **Applicants:**
3. **Nominations:**
4. **Appointment:**



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SEASIDE, OREGON 97138
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LIBRARY BOARD

Term of Office: 4 years

Number of Members: 5

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>TERM EXPIRES</u>
RUSS TAGGARD*	PO BOX 2329 – GEARHART	738-2488	12/31/2019
TESS RATTY	89637 LAKESIDE CT. WARRENTON	738-5055	12/31/2020
GLORIA LINKEY	561 BONNIE COURT	440-7142	12/31/2020
CATRIONA PENFIELD	PO BOX 366	738-6380	12/31/2021
EVE MARX	2356 S. DOWNING ST.	914-588-7051	12/31/2022

*CHAIR

TOURISM ADVISORY COMMITTEE

(Meetings are scheduled the third Wednesday of every month at 3:00 PM)

The purpose of the Tourism Advisory Committee is to advise the Tourism Director, City Manager and City Council concerning issues related to the marketing of the City. The Seaside Tourism Director and General Manager of the Seaside Civic and Convention Center shall be the staff liaisons to the Committee.

The Committee shall consist of five members none of whom are employees of the City of Seaside. One must be a resident of Seaside while the remaining four shall be residents, or owners, or employees of businesses within the Seaside City limits. Nominees shall be recommended to the Council for appointment and preference given to the following:

- a) Representative from the Seaside Chamber of Commerce
- b) Representative from the Downtown Development Association
- c) Representative from the lodging businesses
- d) Representative from the restaurant or catering industry
- e) Representative from the at large who resides within the Seaside City limits.

All members shall serve for a term of three years. Any portion of a term exceeding one-half the period of the term shall be considered a term.

Each year, the first meeting of the Committee, the members shall appoint one of their members as Chairperson and one as Vice-Chairperson. One of the Committee members will serve as Secretary. Minutes of all meetings will be filed with the City Council.

The committee shall hold a regular meeting at least once each month of the calendar year. The committee may at any regular or special meeting cancel one of the monthly meetings, and/or may change the location site. The meeting shall be open to the public. Any person appointed by the City Council to serve on this committee who misses three or more regularly scheduled meetings during a 12 month period shall be notified by letter that the position must be vacated. The individual may appeal the decision to the City Council. (A 12 month period is defined as beginning in January of each calendar year.)

COMMITTEE/COMMISSION APPOINTMENT

1. **Date Council Notified:** **November 25, 2019**

Name: **Marci Utti
Sadie Mercer**

Commission/Committee: **Tourism Advisory Committee**

Resignation Date: **N/A**

Term Expiration Date: **December 31, 2019**

Wants to be considered again: **Yes - Term Expiration**

2. **Applicants:**
**Marci Utti
Sadie Mercer**

3. **Nominations:**

4. **Appointment:**



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(503) 738-5511

TOURISM ADVISORY COMMITTEE

Term of Office: 3 years
Number of Members: 5

Chairperson*
Vice Chairperson**

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>TERM EXP.</u>
MARCI UTTI*	1423 S FRANKLIN	440-1018	12/31/2019
SADIE MERCER	580 BEACH DR. #4	541-513-1781	12/31/2019
RUTH SWENSON**	PO BOX 1006	738-6273	12/31/2020
KEITH CHANDLER	200 N. PROM	440-4040	12/31/2021
LINDA WYSS	1998 HUCKLEBERRY DR.	717-0292	12/31/2021