



**CITY COUNCIL SPECIAL SESSION MEETING MINUTES ~ APPROVED
FEBRUARY 23, 2016 AT 3:00 PM**

City Hall ~ 82877 Spruce St., Westlake, OR

These proceedings of the Dunes City Council were recorded and are on file at Dunes City Hall. Upon approval by the City Council, these minutes will be available online at www.DunesCity.com

1. CALL TO ORDER

Mayor Rebecca Ruede called the February 23rd Special Session of the Dunes City Council to order at 3:00 pm.

2. ROLL CALL

Roll Call was taken by Interim City Administrator/Recorder, Jamie Mills.

Present: Mayor Rebecca Ruede, Council President Maurice Sanders, Councilor Sheldon Meyer, Councilor Duke Wells, Councilor Ed Scarberry, and Councilor Tom Mallen.

Absent and Excused: Councilor Ken Platt.

Also Present: Interim City Administrator/Recorder Jamie Mills and Administrative Assistant Rapunzel Oberholtzer.

3. APPROVAL OF THE AGENDA

Councilor Scarberry made a motion to approve the Agenda. Councilor Wells seconded the motion. The motion passed by unanimous vote.

4. CITIZEN INPUT

Mayor Ruede recognized Mr. Ave Bernard who was signed in to offer citizen comments and thanked him for producing and installing the new, red "Home of the Oregon Dunes Triathlon and Duathlon" decal on the City's sign at Pacific Avenue and Highway 101.

Mr. Bernard began his comments by providing some history of his involvement with the Oregon Dunes Triathlon and Duathlon. He explained that in the first year of the Tri/Du he contracted with Dunes City through the then City Administrator to provide a Tri/Du website and then also provided ground and aerial camera work at no charge to the City. In the second year of the Tri/Du the City Administrator did not contact him for any project work related to the Tri/Du and in the third year, when he contacted the City Administrator, he was told that the event production was to be done by the event organizer, Best in the West Events.

Going on to discuss the Oregon Dunes Triathlon and Duathlon production itself, Mr. Bernard reported that he has heard that some of the organizer's friends and athletes from OSU do not pay registration fees and although the City does not collect the fees or receive a portion of them, the City should be doing so in order to have more control over the event's revenue. Mr. Bernard went on to express concern about the bids for the event submitted by Best in the West, noting that they are not detailed so the City does not know exactly what work or products are included in the bid or the proposed budget for the event. Mr. Bernard also noted that he secured the Three Rivers Casino sponsorship and would continue to work on acquiring other major sponsors for the event so that the City does not lose money on it this year.

Making recommendations for event operations, Mr. Bernard suggested that Dunes City should collect all of the revenue and pay all of the expenses out of a separate bank account as if the event was a separate business venture, that the contract between Best in the West and Dunes City contain a penalty clause if the event organizer fails to perform as required by the terms of the contract, that the City should create a Tri/Du website and link it to the City's website rather than having the Tri/Du website accessed through Best in the West's website, and that the City should collect all of the revenue, including athlete registration fees, so that the City knows how much revenue is generated from the event.

There was a general discussion about the City's contract with Best in the West, whether or not there is one in effect, whether or not the City has ever received a profit and loss statement from Best in the West, whether or not there has been an audit of the income and loss, and other matters related to the event production and the contract. Council President Sanders objected to the discussion, noting that it was not included on the meeting agenda. Mayor Ruede noted the objection but suggested that discussion continue.

Mayor Ruede went on to provide additional history about the Tri/Du, explaining that Best in the West took over the event production in year two, bringing in race expertise, USAT accreditation, manpower, and race organizational skills. She also noted that City Staff does not have the expertise, time or tools to manage the event on its own. City Administrator/Recorder Mills explained that the original contract between Dunes City and Smith Rock Race Group provided that the City would keep all of the sponsorship fees and the event organizer would keep the registration fees. Now, the understanding has evolved to where the City keeps one half of the sponsorships it secures and the event organizer keeps the other half, plus sponsorship fees it acquires and the registration fees.

5. NEW BUSINESS

A. 2016 Oregon Dunes Triathlon and Duathlon

Mayor Ruede directed Councilor's attention back to discussion of this year's Tri/Du.

During discussion, it was agreed that Dunes City must have a contract in place. There was a discussion about what the terms of the contract should include—how much of the spon-

sponsorship income should be kept by Dunes City, whether or not the City should receive a percentage of the registration fees and, if so, what the percentage should be.

During discussion, it was suggested that Dunes City should receive fifty percent of all of the sponsorship fees associated with the Oregon Dunes Triathlon and Duathlon and a small percentage of the registration fees (to be determined during negotiation with Best in the West).

Councilors thanked Mr. Bernard for attending the meeting and offering his suggestions.

In further discussion, City Administrator/Recorder Mills pointed out that some potential sponsors for this year's event have stated that they did not want Dunes City to split their sponsorship fee with Best in the West and would not sponsor the event if that would be the case. It was suggested that, in light of that information, the contract negotiations could include either Best in the West share a percentage of the registration fees and get half of the Dunes City sponsor fees, or Best in the West would only get the registration fees.

It was agreed that it was too late this year to negotiate a better contract, from the City's perspective, but a contract with Best in the West must be in place. It was agreed to present for negotiation with Best in the West a contract that includes the fifty percent split of sponsorship fees, and a requirement for an itemized accounting of expenses after the event.

Mayor Ruede announced that she had spoken with Florence Mayor Joe Henry about sponsoring the event. He agreed that Florence would help Dunes City with the event and he agreed to present a sponsor packet to the Florence City Manager for consideration.

In further discussion it was agreed:

- There is no time to develop a new logo for this year's event so logo branded items will feature the logo designed and owned by Best in the West, but that the logo printed on athlete, volunteer and sponsor T-shirts, etc. would also include the words "Dunes City, OR" printed underneath it,
- The black and red Tri/Du hoodies and T-shirts from the last two Tri/Du events would be sold during this year's event and no new ones would be ordered for this year, and
- City Administrator/Recorder Mills would provide a list of Dunes City's sponsors to Best in the West.

City Administrator/Recorder Mills announced that Best in the West agreed to allow Dunes City to provide "goody bags" to participating athletes; sponsors can provide giveaway items, coupons, etc. to be included in the bags, which volunteers will assemble.

6. ADJOURNMENT

Council President Sanders made a motion to adjourn. Councilor Scarberry seconded the motion. There was no vote taken.

Mayor Ruede adjourned the meeting at 4:00 pm.

APPROVED BY THE DUNES CITY COUNCIL ON THE 10th DAY OF MARCH 2016.

[Signed copy available at City Hall]

Rebecca Ruede, Mayor

ATTEST:

[Signed copy available at City Hall]

Jamie Mills, Interim City Administrator/Recorder