

Travel Information Council
Port of Tillamook – Officer’s Mess Hall – Tillamook, OR
Thursday, January 22, 2015

Council Participating:

Gwenn Baldwin, Chair, 3rd Congressional District
Charlotte Lehan, 5th Congressional District (Telephonic)
Ryan Snyder, 1st Congressional District
Kathy Watson, Secretary, 2nd Congressional District

Mike Drennan, 4th Congressional District
David Lohman, OTC Representative (Telephonic)
Ed Washington

Council Absent:

Bob Russell, Vice Chair

OTE Staff Participating:

Troy Costales, Interim CEO
Jenn Smith, Executive Assistant
Annie von Domitz, Community Assets Officer
Madeline MacGregor, Communications Officer

Tim Pickett, COO
Diane Cheyne, Sign Operations Manager
Jason Nash, Rest Area Operations Manager
Heather Wyland, Policy & Rules Advisor

Guests:

Craig Campbell, Victory Group

The meeting was called to order by Chair Baldwin at 12:30 pm.

A) Introductions: Council and staff introduced themselves.

B) December 11, 2014 & January 7, 2015 minutes: Drennan made a motion to accept the minutes for December 11, 2014 & January 7, 2015 as presented. Washington 2nd; motion passed unanimously.

C) Public Comment: There was none.

D) Strategic Plan Work Session: Drennan gave an overview of the Coalition meeting held earlier in the day. He feels it is important for OTE to be actively involved in the partnerships with Oregon Department of Transportation (ODOT) and Travel Oregon (TO) as well as any other agency that would be beneficial.

- a) **Heritage Programs and Assets:** Lehan communicated her thoughts about the direction for the Heritage Programs. She thinks it would be constructive to have a frank conversation about the future and where the programs best fit.

Washington expressed the need to make better connections between the traveler and the history of the state. Some ideas were to have information at the kiosks about local sites or have signs for the various Trees and Markers.

- b) **Rest Area Program and Assets:** Council discussed the importance of the rest areas being a pivot point for promotion to get travelers into the communities. The question was asked if any promotion could be aligned with the “Oregon” brand that TO has developed.
 - i. **Rest Area Committee:** The Council discussed some of the topics the Rest Area Committee should consider. These included (but not limited to): sponsorship, assessing the physical assets, safety, coalitions, leveraging the Heritage programs, an integration plan for growth and how it would be done and branding protection. The members of the committee include Russell and Washington. Watson and Snyder said they would be willing to participate if needed.

As a review, the Council members reaffirmed the Committees they volunteered for:

Baldwin – Executive and Finance

Russell – Executive and Rest Area

Drennan – Executive and Finance

Watson – Executive

Lehan – Historical Marker and Heritage Tree

Lohman – Finance

Washington – Heritage Tree and Rest Area

Snyder – TBD

- c) **Sign Program and Assets:** The Council discussed the possibility of using the attraction signs for Heritage Trees and Historical Markers
- d) **Using coalitions – existing and new:** Watson suggested using and linking in with existing relationships. It was also suggested that an evaluation take place about where the logical places for rest area coalitions would be and why.

E) Budget Assumptions:

- a) **Financial Streamline:** Pickett reviewed the assumptions for the 2015-17 budget:
 - Programs will remain stable through the biennium with no growth (i.e. added rest areas).
 - The budget will be based on funds as they are presently committed, for the rest area program this means calendar year 2015 funding of 6.55 million dollars and calendar year 2016 funding of 4.96 million dollars.
 - The budget is zero based, meaning that all revenues and expenses will be constructed based on operating requirements as they are expected to develop through the biennium.
 - Inflation is expected to be 0%.
 - Personnel planning parameters
 - o The workforce is expected to remain stable with only one open unfilled position.
 - o The COLA (cost of living adjustment) is 2% per calendar year (effective January 1st each year).
 - o The Merit Pool is planned at 3% and will be effective, when earned, from July 1st each year.
 - o PERS will be budgeted at the level of the previous biennium. This is a conservative position addressing the potential of the lawsuit in process now.
 - The agency will take a conservative approach to new planned capital expenditures.
 - The agency will continue to develop performance measures, of which budget adherence is one, in order to demonstrate performance in a practical and understandable way.

Baldwin suggested the first bullet should read: Program *areas* will remain stable through the biennium with no growth *and identify the potential of releasing rest areas if funding (\$1.55) goes away.* The second bullet should read: The budget will be based on funds as they are presently committed, for the rest area program this means calendar year 2015 funding of 6.55 million dollars and calendar year 2016 funding of 4.96 million dollars *this assumes reduction of rest areas obtained in 2013 unless new negotiations with ODOT result in additional funding or the Legislature determines otherwise.*

Drennan made a motion to approve the budget assumptions with the changes suggested by Baldwin. Watson 2nd, motion passed with Baldwin, Drennan, Lehan, Washington and Watson voting yes. Lohman and Snyder abstained.

- F) **Legislative Session:** Campbell reviewed the status of the upcoming Legislative Session including the changes in both the House & Senate with the Democrats now having the super majority in the Senate. He said it appeared there would be a Transportation funding and policy package, but it was still being developed. Within that package he was hoping that rest area funding would be addressed.

Campbell noted that we needed to keep an eye on Senate Bill 289. The bill could affect OTE, however he said he wasn't very concerned about it.

Watson asked about having someone be “the face” of the agency since Pfeiffer’s resignation. It was decided to start with the CEO and then expand with Council members as needed.

- G) CEO Recruitment Update:** Baldwin announced that Nancy DeSouza will begin on January 26, 2015 ½ time and full time on February 1, 2015. She has chosen to use the title of Executive Director.

The Council thanked Costales for his interim service as CEO.

- H) Sponsorship Update:** Wyland reviewed the process with ODOT and OTE that has taken place (work session). Many of the items will require ODOT to run the program and the rules through the Transportation Commission and Federal Highway Administration (FHWA). She suggested staff begin developing a program, procedures and structure while ODOT goes through its process.

D) Finance Committee:

- a) **Monthly Financial Review:** Drennan reviewed the November financial report and the streamlined financial memo. He said the results of the PERS lawsuit is anticipated to be decided in the next 2-4 months which will give that line item clarity. Staff has been asked to budget for a higher PERS cost for the 2015-17 Budget. He noted that the repair and maintenance is above budget due to the change by the State Controller in regard to the limit for depreciation. Drennan said this is the best cash position the agency has ever been in and accounts receivable and payable are in good shape.

- J) Sign Process (Timing):** Cheyne reviewed the process for customers to apply for signs and addressed some of the concerns about the length of time it can take.

- K) Sign Customer Report:** Cheyne reviewed the report from December 2014 to mid-January 2015. In that time, 38 new customers had signs as a result of the authorization of the double boards.

- L) CEO Update:** Costales updated the Council on the Oak Grove waste water treatment system repair. He told them staff is expecting the information from the engineering company the following week. It is expected the system will be in place late spring or early summer. The rock being removed from the system will be stored on-site. This will save a significant amount of money on the project and in the future, the rock may be able to be used in the rest area.

- M) Committee Updates:** The committees had not met since the December Council meeting.

- N) Other Announcements:** There were no other announcements.

Adjournment: Meeting was adjourned at 3:56 pm.

Respectfully Submitted,

Kathy Watson
Secretary