I. CALL MEETING TO ORDER

II. ROLL CALL

III. APPROVAL OF OCTOBER 22, 2018 MINUTES

IV. PUBLIC COMMENT

V. VISIT NEWBERG – TOURISM ORGANIZATION – DRAFT AGREEMENT AND BYLAWS

VI. 2019 CAMELLIA FESTIVAL

VII. NEXT MARKETING SUBCOMMITTEE MEETING – DECEMBER 17, 2018

VIII. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the Office Assistant II of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the Office Assistant II at (503) 544-7788. For TTY services please dial 711.
The meeting was called to order by Chair Rob Felton at 8:36 a.m.

ROLL CALL:

Members Present: Rob Felton, Chair
Shelia Nicholas

Members Absent: Dennis Lewis, Jessica Bagley,

Staff Present: Doug Rux, Community Development Director

APPROVAL OF MINUTES

Approval of the minutes of September 17, 2018.

MOTION: Buckmaster/Nicholas moved to approve the September 17, 2018 meeting minutes. The motion carried 3 Yes/ 0 No.

PUBLIC COMMENTS:

None.

VISIT NEWBERG – TOURISM ORGANIZATION

Chair Felton indicated he was unclear what Destination Marketing Organization (DMO) means locally or at State level.

CDD Rux indicated that Travel Oregon has official DMO’s designated around the State.

Member Buckmaster noted that there is official and unofficial designations based on research that she has done.

Chair Felton raised the issue about the name Visit Newberg. He noted that in the Oregon Business magazine article it referred to Dundee. Should an organization name be established based on conversations with Dundee?

Member Buckmaster noted that Dundee is not contributing $2,500.00 to the Chehalem Valley Chamber of Commerce (Chamber) for marketing this year.

Member Nicholas asked if we have time to clarify the name issue.
Member Buckmaster inquired on transient lodging funds for Newberg and if they were just used within the city limits or not and that it is unclear.

CDD Rux explained the past discussion on the name Visit Newberg and discussion by the Transient Lodging Tax Committee and Marketing Subcommittee.

Chair Felton noted that Dundee has about the same dollars as Newberg or possibly 2/3 of the Newberg amount for tourism.

Member Buckmaster shared that the Dundee program contributes on a 70/30 split. The Dundee Wineries Association or other groups and maybe Dundee could contract separately with the tourism organization for marketing services.

CDD Rux recapped the direction that was given by the city Council to establish a tourism organization.

Chair Felton noted that Dundee has more name familiarity than Newberg.

Member Nicholas noted that circumstances change and in the future Newberg can become more familiar.

Chair Felton shared that he thinks the tourism organization will go further if you have Dundee involved. He indicated he would make a phone call and send an email to Ted Crawford.

Member Buckmaster inquired of the Dundee political leadership would have any issues including Dundee.

Chair Felton noted he talked with Megan Carda as she is on both the Dundee and Newberg committees.

Member Nicholas inquired if Dundee has a mayoral election in November.

Chair Felton noted that that Ted Crawford is the Chair of the Dundee transient lodging tax group.

Member Nicholas inquired if the job description is part of the Newberg/Visit Newberg contract.

CDD Rux noted the Newberg Transient Lodging Tax (TLT) Committee developed a draft job description that will be or could be refined by Visit Newberg. He inquired about possible names for members on the Visit Newberg Board of Directors.

**WAKE UP IN WINE COUNTRY**

Chair Felton shared that Newberg did not receive a Travel Oregon grant.

Member Buckmaster shared that she received a letter that Travel Oregon did not fund Dundee thus the Newberg budget did not balance. She shared that she edited the Dundee application that AJ drafted. She has requested that Dundee provide information why they did not get their grant request funded.

Chair Felton noted it is unclear of the two applications were too large with a total request of $40,000.00.

Member Buckmaster shared that she is unclear of it was a clerical error.
Chair Felton and Member Nicholas had a discussion on what is public information and not public information as it relates to Travel Oregon grants submittals.

Member Buckmaster noted that we could apply again in May 2019. The new tourism organization could apply. She noted that unspent TLT dollars would go to the new tourism organization.

Chair Felton shared that we have to notify DNA that we did not get the grant. The $10,000 requested from City Council was to partner with Travel Oregon.

Member Nicholas inquired if we have The Pair’s video.

CDD Rux indicated we do have the videos.

Chair Felton shared that Dundee has more discretion in spending funds than Newberg. He noted it was short sighted on the funding request amount to City Council and did not get alternative funding options if the Travel Oregon grant was not approved.

**CAMELLIA FESTIVAL:**

Member Buckmaster recapped a discussion with the Camellia Festival and that they were not aware there were no grants available for 2019. She recapped there is approximately $45,000 in the Chamber budget from TLT funds for marketing. The Chamber has only spent $500 since July 1, 2018. She met with Brian Stewart and Carissa Smith-Burkett. In the past (last year) the Chamber contributed $4,000 to the festival. Last year the City through the TLT grant program contributed $8,000. They are asking for $14,000 ($4,000 from Chamber and $10,000 from TLT).

She shared that the Chamber is looking at transferring Taste Dundee to the Dundee Wineries Association. Brews and Barbeque is being canceled. The golf tournament is also canceled.

Member Nicholas inquired how the Camellia Festival was funded in the past before the TLT grants.

Chair Felton noted it is a tough situation as they are working hard to put on the festival.

CDD Rux shared that the local softball group that puts on tournaments inquired about grants.

Member Buckmaster requested that the Camellia Festival issue be added to the TLT agenda. She also shared that in the Destination Marketing Plan shared with City Council in June 2018 that Option 3 was identified for assisting onboarding for the new tourism organization.

Chair Felton noted that this grant topic opens up the issue of the Chamber and outside organizations asking for dollars for festivals and programs.

**NEXT MARKETING SUBCOMMITTEE MEETING**

November 19, 2018

**ADJOURNMENT**
Chair Felton adjourned the meeting at 9:50 a.m.

Approved by the Transient Lodging Tax Ad Hoc Committee Marketing Subcommittee this 19th day of November, 2018.

_______________________________  ______________________________
Rob Felton                                     Doug Rux, Community Development Director
TLT Ad Hoc Committee                          Marketing Subcommittee Chair
AGREEMENT BETWEEN
CITY OF NEWBERG, OREGON
AND
VISIT NEWBERG
FOR TOURISM PROMOTION SERVICES

This Agreement is between the City of Newberg, an Oregon municipal corporation, (City) and Visit Newberg, Inc. (Contractor), an Oregon nonprofit corporation. The City wishes to enter into this Agreement with the Contractor for tourism promotion services for the City. The Contractor is willing to provide the tourism promotion services the City desires. The City will compensate the Contractor with a portion of the Transient Lodging Taxes the City assesses pursuant to Oregon State law and Ordinance No. ____.

1. Definitions:

a. “tourism promotion” means any of the following activities:

   i) advertising, publicizing, or distributing information for the purpose of attracting and welcoming tourists,
   ii) conducting strategic planning and research necessary to stimulate future tourism development,
   iii) operating tourism promotion agencies, and
   iv) marketing special events and festivals designed to attract tourists (ORS 320.300(7)).

b. “tourism” means economic activity resulting from tourists (ORS 20.300(6)).

c. “tourist” means a person who, for business, pleasure, recreation, or participation in events related to the arts, heritage, or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from, and unrelated to the person’s community of residence, and that trip:

   i) requires the person to travel more than 50 miles from the community of residence, or
   ii) includes an overnight stay (ORS 320.300(10)).

d. “tourism promotion agency” includes:

   i) an incorporated non-profit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis,
   ii) a non-profit entity that manages tourism-related economic development plans, programs, and projects, and
iii) a regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income (ORS 320.300(8)).

2. Contractor’s Services:

In exchange for the payment provided in Section 6, the Contractor will provide the following tourism promotion services to the City:

a. Tourism promotion activities: The Contractor will provide functions, activities, programs, literature (develop, arrange for printing, and distribute), advertising, staff, supplies, equipment, and support to promote Newberg as a destination for tourists and visitors. The Contractor will coordinate its activities, as appropriate, with other organizations such as the Chehalem Valley Chamber of Commerce and the Newberg Downtown Coalition and other visitor promotion entities.

b. Administrative and management functions: The Contractor will provide day-to-day management activities including planning and acquisition of services, equipment, supplies, and facilities to fulfill the Annual Business and Marketing Plan (the Business Plan) for Visit Newberg. The Contractor will be responsible for maintaining capable and competent staff, including management staff. The Contractor’s Executive Director or designee will attend any City Council meetings as requested by the City Council to provide updates, information, or other data on Visit Newberg plans and services.

3. First Year of the Agreement:

a. Once the Agreement is fully executed and before it is funded, the City may make payments on behalf of Visit Newberg for various charges (e.g. insurance premiums, advertising costs for the Executive Director). These payments will be deducted from the funding the City will provide Visit Newberg when the certificates of insurance are approved by the City.

b. Once the Agreement is fully executed and acceptable certificates of insurance have been provided to the City, the City will provide Visit Newberg with funding in the amount of _____% of the Transient Lodging Taxes accrued and unexpended since the inception of the Transient Lodging Tax, minus the City’s monthly administrative charges.

c. No later than __________, 2019:

   i) The Contractor will establish an initial high-level budget to enable the Contractor’s Board to make informed decisions regarding staff, contract vendors, leases, and other issues and
ii) The Contractor will adopt financial policies and procedures.

d. No later than ________, 2019, the Contractor will hire an Executive Director.

e. No later than ________, 2019, the Contractor will prepare and submit a Business and Marketing Plan (the Business Plan) to the City Council. The Business Plan will contain a detailed description of the services the Contractor proposes to provide during the remainder of the fiscal year, as well as a proposed budget for the remainder of the fiscal year.

The Plan will identify activities and performance goals. The Contractor will be fully responsible for the implementation of services and programs and the City will not control the day-to-day activities and operations of Visit Newberg and its employees and agents. However, the City may provide general suggestions regarding the funding of various services or programs, which the Contractor will consider in the use of City funds.

The Contractor’s proposed 2018-2019 budget will be prepared assuming a total budget for services provided under this Agreement of the amount of accrued and unexpended Transient Lodging Tax collections from previous years paid to Visit Newberg under the provisions of 3.b. above, plus _____% of projected Transient Lodging Tax collections for the current year, minus the City’s monthly administrative charges for the current year. The budget will contain a reserve fund in an amount equal to at least three months of total operating expenses.

f. The City Council will consider the Business Plan during a Council meeting in the month of ________, after which, the Council will determine whether to approve the Plan. If the Council approves the Business Plan, the Council will authorize continued funding for the remainder of the fiscal year. The Contractor will expend funds received from the City under this Agreement only as set out in and authorized by the Business Plan. If the Council does not approve the Business Plan and the parties cannot reach agreement on modification, this Agreement will terminate in the same manner as if the Contractor had defaulted or breached the Agreement, pursuant to Article 13.

g. No later than ________, 2019, the Contractor will prepare and submit to the City Council a written progress report on the Business Plan, including the budget. The City Council may request that a representative of the Contractor attend a City Council meeting to provide further information and to answer any questions.

4. Annual Business and Marketing Plan:

a. Beginning with the 2019-2020 fiscal year, the Contractor will prepare and submit a Business Plan to the City Council no later than three weeks before
the first Council meeting of May each year. The Business Plan will contain a review of the previous year’s performance and a detailed description of the services the Contractor proposes to provide in the next fiscal year, as well as a proposed budget for the next fiscal year. The Business Plan will identify activities and performance goals. Additionally, the Business Plan will contain a detailed explanation of any amendments the Contractor has made to the Contractor’s bylaws. The Contractor will be fully responsible for the implementation of services and programs and the City will not control the day to-day activities and operations of Visit Newberg and its employees and agents. However, the City may provide general suggestions regarding the funding of various services or programs, which the Contractor will consider in the use of City funds.

b. The City Council will consider the Business Plan during a Council meeting in the month of May each year, after which, the Council will determine whether to approve the Plan. If the Council approves the Business Plan, the Council will authorize continued funding of Visit Newberg for the next fiscal year. The Contractor will expend funds received from the City under this Agreement only as set out in and authorized by the Business Plan. If the Council does not approve the Business Plan and the parties cannot reach agreement on modifications, this Agreement will terminate in the same manner as if the Contractor had defaulted or breached the Agreement, pursuant to Article 13.

c. The Contractor’s proposed budget will be prepared assuming a total budget for services provided under this Agreement of ___% of projected Transient Lodging Tax collections for the current year, minus the City’s monthly administrative charges for the current year.

The Contractor’s annual budget will contain a reserve fund in an amount equal to at least three months of total operating expenses as defined by the Contractor’s adopted fiscal policies. The reserve fund may be used in the case of actual revenues being less than forecast and in support of activities included in the approved Business Plan. In no case will expenditures exceed actual funds payable under this Agreement. However, nothing in this section precludes the Contractor using funds secured from sources other than the City in the Contractors’ complete and total discretion.

5. Other Reports:

a. The Contractor will prepare and submit to the City Council three written progress reports each year (in August, November, and February) on the Business Plan, including the budget. These reports will also contain notice of any amendments the Contractor has made to the Contractor’s bylaws. The City Council may request that a representative of the Contractor attend a City Council meeting to provide further information and to answer any questions.
b. If the City’s actual collection of Transient Lodging Tax revenues exceeds the amount approved in the Contractor’s budget by 20% or more, before the City will provide additional funds to the Contractor, the Contractor will submit a revised Business Plan to the City, describing how the additional funds will be spent on tourism promotion activities.

6. Funding:

The City agrees to compensate the Contractor from Transient Lodging Tax revenues collected by the City. The compensation will be for services provided under this Agreement. The amount paid quarterly (in August, November, February, and May) to the Contractor will be based on ___% of the Transient Lodging Tax collected by the City in the preceding quarter. This amount is subject to the following:

a. The provisions of Section 5.b above, and

b. Administrative charges by the City.

7. Administrative Costs: The Contractor’s administrative and management costs, including but not limited to personnel, rent, financial management services, internal budgeting and accounting, purchasing, insurance, maintenance, supervision, legal services, printing, and any other costs will be at the cost and discretion of the Contractor.

8. Assets: The Contractor is an independent entity and will be responsible for acquiring and maintaining real and personal property related to the provision of services under this Agreement. The Contractor will own all real and personal property acquired by it. On termination of this Agreement, the Contractor will transfer any intellectual property or promotional materials associated with the provision of services under this Agreement to the City at no cost.

9. Risk of Loss and Insurance: The Contractor bears the risk of loss of all its property (as described in Section 8). The Contractor, at its own expense, will procure and maintain general liability insurance to protect the Contractor from claims that may arise out of or result from the services provided under this Agreement. Prior to funding of this Agreement, the Contractor will provide proof that it has acquired this insurance. The insurance will be in an amount per occurrence at least equal to the City’s tort claims liability limits under the Oregon Tort Claims Act with a $3,000,000 aggregate. The policy will name the City, its officers, agents, and employees as additional insureds.

The Contractor and any of its subcontractors will maintain in full force and effect Worker’s Compensation insurance and Employer Liability insurance in compliance with Oregon State law.
The Contractor will be responsible for all deductibles, self-insurance retentions, and self-insurance for the insurance required under this section. The Contractor will notify the City thirty days prior to any material change in the Contractor's insurance, or, if that is not possible, immediately upon the Contractor receiving notice of a change.

10. Annual Review/Audit: The financial books of Visit Newberg will be audited or reviewed annually by an independent certified public accountant. The accountant will make a written report of the review/audit to the Board of Directors which will then submit a copy of the report to the Newberg City Council. The audit or review will be completed as soon as practical after the close of the fiscal year.

11. Records and Accounting: The Contractor will maintain records and accounts that will allow the City to assure that all funds paid for the performance of this Agreement are properly accounted for. Within 72 hours of a written request by the City, the Contractor will make records relating to income and expenditures available for review and audit by the City. The City will have the right during the term of this Agreement, or within 180 days after the expiration or termination of this Agreement, to audit the Contractor’s records for the period of three years prior to the audit. The audit may be undertaken by a qualified person or entity selected by the City. The Contractor agrees that it will provide financial records from its accountants to the City every month. These records will include, at minimum, a balance sheet and income and expense reports. The Contractor will maintain these financial records for at least six years after the expiration of this Agreement.

12. Term: This Agreement will be in effect ______, 2019. It will remain in effect for three years unless terminated earlier under the provisions of Section 3.f (Council fails to approve the Business Plan), Section 4.b (Council fails to approve the Business Plan), Section 13 (default or material breach) or Section 21 (assignment without approval). At the end of the three year term, the Agreement will automatically renew for three one year periods unless either party wishes at any time not to extend the Agreement. If a party wishes not to extend the Agreement, that party will notify the other party that the Agreement will terminate at the end of the current Agreement period. Notification will be in writing and will be delivered no later than January 1 of the year in which the notifying party wishes the Agreement to terminate.

13. Default and Breach: Either party may terminate this Agreement in the event of a default or material breach by the other party. The notifying party must provide written notice to the other party specifying how the other party is not in compliance with the terms of this Agreement. The non-complying party will have thirty days after receipt of a notice of non-compliance to cure the issue(s). Should the correction(s) not be made during this thirty day period, this Agreement may be terminated, at the discretion of the notifying party,
unless the correction(s) cannot be made within thirty days. If the non-compliance cannot be corrected within thirty days, the non-complying party must, at minimum, begin corrective action within thirty days and proceed with due diligence until the correction is completed. This Agreement may be terminated, at the discretion of the notifying party, if the non-complying party either fails to begin to take corrective action within thirty days or fails or ceases to use due diligence to continue with the corrective action.

14. Equal Opportunity: The Contractor agrees that it will not discriminate against any employee or applicant for employment on the basis of race, age, color, sex, religion, ancestry, national origin, sexual orientation, gender identity, genetic information, or disability and will take any affirmative action necessary to ensure that all employees and applicants are treated equally. The Contractor and its employees will not, in the performance of this Agreement, discriminate against any customer, potential customer, patron, or other person on the bases listed above in this section and will provide services to all persons equally.

15. Contractor Indemnification: The Contractor will defend, protect, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all claims, losses, damages, injuries, or liability including claims for misapplication of contributions or other funds, state or federal anti-trust violations, personal injury or death, damage to property, liability arising out of the use of materials, concepts, or processes protected by intellectual property rights, and the liens of workmen and material men, regardless how these were caused, if they arose directly or indirectly from the performance of this Agreement by the Contractor, unless caused by the negligence or willful misconduct of the City. The Contractor is not an officer, employee, or agent of the City under ORS 30.285 or 30.287.

16. Licenses and Taxes: The Contractor will be responsible for the acquisition and maintenance of all licenses and permits to carry on the Contractor’s business.

17. Independent Contractor: The Contractor is an independent contractor. The parties intend that an independent contractor relationship will be created by this Agreement. The City is interested only in the results to be achieved. Conduct and control of the work will be the responsibility of the Contractor. The Contractor will not be considered an agent or employee of the City for any purpose, and the employees of the Contractor are neither employees of the City nor are they entitled to any of the benefits that the City provides for its employees.

18. No Third Party Beneficiaries: The City and the Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or will be construed to
give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless the third persons are identified by name in this Agreement and expressly described as intended beneficiaries of the terms of this Agreement.

19. Authority: As specified in Section 17, the Contractor is an independent contractor in the performance of this Agreement. The Contractor will comply with all laws regarding unemployment insurance, disability insurance, and worker’s compensation. The Contractor will have no authorization, express or implied, to bind the City to any agreement, settlement, liability, or understanding, and agrees not to perform any acts as an agent of the City.

20. Notice: Any notice or notices provided for in this Agreement or by law which must be given or served on either party will be given or served by personal service, certified mail (return receipt requested, postage prepaid), or by e-mail or facsimile followed by certified mailing of the original, in a pre-addressed, stamped envelope, addressed to:

City of Newberg
Joe Hannan
City Manager
PO Box 970
Newberg, OR 97132

21. Assignment: Neither party may assign, subcontract, or otherwise transfer any rights and responsibilities under this Agreement except upon the written consent of the other party. If any assignment is made, both the assigning party and the assignee will be bound by the terms of this Agreement. The City may terminate the Agreement if transferred or assigned without the prior written consent of the City.

22. Amendments: This Agreement may be amended only by written agreement signed by both parties.

23. Laws of Oregon: This Agreement will be governed by the laws of the State of Oregon, both as to the interpretation and performance, and the venue will be Yamhill County.

24. Waiver: The City’s failure to enforce a provision of this Agreement will not constitute a continuing waiver, will not constitute a relinquishment of the City’s right to performance in the future, and will not operate as a waiver of the City’s right to enforce any other provision of this Agreement.

25. Merger: This Agreement constitutes the entire agreement between the parties.
There are no understandings, agreements, or representations regarding this Agreement, whether oral or written, that are not specified in this Agreement.

This contract is entered into by the City of Newberg and the initial Board of Directors of Visit Newberg, Inc., effective ______, 2019.

CITY OF NEWBERG

Joe Hannan, City Manager

VISIT NEWBERG, INC.

XXXXX, Chair

XXX, Vice Chair

XXX, Treasurer-Secretary

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director

XXXX, Director (City Councilor)

XXXXX, Director (City staff)
BYLAWS
VISIT NEWBERG

Article 1. Name

Section 1. Name. This organization is incorporated under the state laws of Oregon as a 501(c)(6) non-membership organization and is known as Visit Newberg (hereinafter VN).

Article II. Purpose

Section 1. Purpose and Role. VN is an economic and tourism development organization with a primary function of creating an effective mix of marketing, sales, and service programs designed to produce a positive economic impact on visitor spending in Newberg. Developing and implementing these programs results in an enhancement of the City's livability and economic viability by, among other things, providing increased employment and economic opportunity. VN promotes the entire City and works in partnership with all sectors of the visitor industry. VN practices the highest principles of civic citizenship and follows good business practices and policies.

Article III. Contract

Section 1. Contract. The City of Newberg (City) contemplates entering into a sole source procurement contract with VN based on VN's status as the sole non-profit provider of the programs enumerated above through the use of the City's transient lodging tax income. The initial contract term is three years; however, VN will provide an annual review of the past year as well as an annual business plan for the upcoming year, and the contract may be terminated early if the City does not approve the review or business plan. The initial three year term of the contract will automatically renew for three one year periods unless either party wishes at any time not to extend the contract. If a party wishes not to extend the contract, that party will notify the other party that the contract will terminate at the end of the current contract period. Notification will be in writing and will be delivered no later than January 1 of the year in which the notifying party wishes the contract to terminate. Should VN's sole source status cease, the City will award subsequent contracts on the basis of the requirements of the public contracting law for non-sole source contracts.
Article IV. Board of Directors

Section 1. General Powers and Responsibilities. The governance of VN is vested in a Board of Directors as further provided in these bylaws. The Board of Directors (also referred to as the Board) sets policy, establishes strategic direction, and fulfills legal and fiduciary responsibilities to VN. Members of the Board of Directors (also referred to as Directors, Board members, and members) serve without compensation but they may be reimbursed for expenses related to Board services. Voting members of the initial Board of Directors have been appointed by the Newberg City Council by a majority vote.

Section 2. Number and Terms of Directors. The Board of Directors consists of no fewer than seven and no more than nine voting members, including the Chair, Vice-Chair, Treasurer-Secretary, and two members at large. The Board also includes three non-voting members: the Executive Director, one City Councilor, and one City staff member.

In order to stagger the terms of the Directors, approximately one third of the initial voting members of the Board of Directors will serve three year terms (a full term), approximately one third will serve two year terms, and approximately one third will serve one year terms. Subsequently, voting members of the Board will be elected to serve three year terms. Voting Board members will serve no more than three consecutive full terms. Voting Board members who have served three full terms may be reappointed to the Board after a hiatus of one year.

If the City Councilor position is to be filled, it will be filled by appointment by the Mayor upon approval of a majority of the City Council. If the City staff member position is to be filled, it will be filled by appointment by the City Manager. Both the City Councilor and City staff member positions serve annual terms and serve until notice of replacement.

Section 3. Selection of Directors. All Director positions to be filled after the appointment of the initial Board of Directors will be filled pursuant to this Section.

3.1 Voting Directors: No later than January of each year, the Board Chair will appoint a Board member to serve as the Nominating Committee Chair. The Board Chair will also appoint one other Board member to serve on the Nominating Committee, along with the Executive Director. Both appointments must be approved by a majority vote of the Board of Directors. The Nominating Committee will conduct interviews with candidates who are willing to accept voting Directorship responsibilities for upcoming vacancies on the Board. No later than March, the Nominating Committee will present a slate of candidates to
the Board for approval through a majority vote of the Board.

3.2 City Councilor and City staff member positions: These positions will be filled as specified in Article IV, Section 2, above.

Section 4. Qualifications of Directors. Board members will be selected based on their willingness and availability to serve and the experience, knowledge, and energy they can bring to the Board. There is no residency requirement nor is there a requirement that any Director be connected with a company, business, or organization located in either Newberg or the 97140 zip code.

The Board consists of a) two members at large, who may be, but do not need to be, tourism industry representatives, b) one City Councilor, c) one City staff person, d) the Executive Director, and e) five to seven tourism industry representatives. The tourism industry representatives need not be representatives of any specific tourism industries. At no time will a majority of the tourism industry representatives represent any one tourism industry (e.g. wine, food, or lodging). No more than one Director representing any given company, business, or organization will be allowed to serve at one time.

Section 5. Vacancies. If vacancies reduce the number of voting Directors to less than seven, and if more than sixty days remain in the term of the Director or Directors whose leaving has/have caused the number of voting Directors to fall below seven, the Chair will propose one candidate for each voting Director position which is to be filled and the Board will vote on that/those candidate(s). The election of the candidate(s) will be by a majority vote of the Board.

In all other cases, VN is not required to fill voting Director positions which are vacated mid-term. However, if such a voting Director position becomes vacant mid-term, the Chair will, within sixty days of the vacation, make a recommendation to the Board as to whether to fill the position. If the recommendation is to fill the position, the Chair will propose a candidate to complete the term. The election of the candidate will be by a majority vote of the Board.

A voting Director elected to fill a vacancy under this section will serve until the expiration of the term of the position to which the Director was elected.

A City Councilor or City staff person may be appointed to fill a vacancy in a City Councilor or City staff person position as specified in Article IV, Section 2. The appointee will serve until the expiration of the term of the position to which the City Councilor or City staff person was appointed.
Section 6. Removal or Resignation of Directors. If any Director misses more than two meetings in a row or more than three meetings during the fiscal year, the Director's resignation will be deemed to have been tendered and accepted. The other Directors, by majority vote, may make an exception for good cause shown.

Any Director may be removed by a majority vote of the Board of Directors for failure to fulfill the duties required of Directors, or intentional acts or omissions which a prudent person could reasonably have foreseen would damage the reputation or interests of VN. Removal will be based on a finding of the Board that the best interests of VN will be served by this action. The City Councilor may be removed at any time by the Mayor with approval of a majority of the City Council. The City staff person may be removed at any time by the City Manager.

Any Director may resign at any time by providing thirty days written notice to the Executive Director or the Chair.

In all cases of removal or resignation under this section, vacancies will be filled or left vacant under the specifications of Article IV, Section 5.

Section 7. Meetings. The Board of Directors meets no less than once every quarter, at a time and location determined by the Chair. All meetings will be held in accordance with Oregon Public Meetings and Records Law. The Chair or Executive Director may cancel or reschedule meetings. The Chair or Executive Director may call special meetings of the Board of Directors at any time.

Regularly scheduled Board meetings may be held without separate notice if the location, date, and time are fixed by resolution or all Directors were originally notified of the schedule. Special meetings of the Board and any regular meetings of the Board which are not pre-scheduled as specified above must be noticed to each Director no less than two days and no more than thirty days in advance of the meeting.

Decisions of a routine nature may be made by the Chair and Executive Director. These decisions, if outside the governance policies established by the Board, must be ratified by majority vote at the next regularly scheduled Board meeting.

Section 8. Quorum. A quorum consists of a simple majority of the voting Board members in good standing immediately before the meeting begins. A quorum must be present at Board of Directors' meetings in order for the Board to take action. A majority vote consists of a simple majority of the quorum of voting Board members in attendance at any given meeting.
Section 9. Voting. With the exception of the Executive Director, the City Councilor, and the City staff member, each member of the Board of Directors has one vote. Proxy voting is not allowed, either at a meeting of the Board of Directors or in any other way connected with the Board reaching a decision. Directors unable to attend a meeting of the Board may send a letter, e-mail, or other written communication to the Board stating his/her opinion or position on any matter before the Board. A copy of the communication will be distributed to each Board member present, and, if the absent Board member so requests, the communication will be read aloud at the meeting during the discussion of the issue. Any Board member may attend a meeting via telephone, conference call, or video conferencing, subject to the Oregon Public Meetings Law.

Section 10. Conflicts of Interest. When a Board member has an actual or potential conflict of interest in a transaction with VN, the material facts of the transaction and the Board member's interest will be disclosed to the Board of Directors at each meeting prior to any vote taking place. The conflict will be recorded in the minutes of the meeting. Conflicts of interest are regulated by ORS Chapter 244. The existence of an actual conflict of interest disqualifies a Board member from participating in both the discussion and the vote on the issue. A Board member with a potential conflict of interest may participate in the discussion and vote on the matter after declaring the conflict as discussed above. Each Board member will sign a conflict of interest statement annually.

Section 11. Officers, Duties. There are three officers of the Board: Chair, Vice-Chair, and Treasurer-Secretary. All officers must be voting members of the Board of Directors.

11.1 Chair: The Chair presides at meetings of the Board of Directors, assures that the Board of Directors is advised on all significant matters of business, and provides guidance in the development of overall VN long-term objectives. The Chair may also perform other duties as prescribed by the Board of Directors.

Although the Chair may vote on any issue before the Board, s/he may remain neutral on issues before the Board unless his/her vote is needed to break a tie.

The Chair and the Executive Director serve as the official spokespersons for VN. The roles of Executive Director and Chair are complementary, with the Executive Director seeing to the operation of VN and the achievement of the desired results, and with the Chair seeing to the health of the Board and the achievement of Board responsibilities.
The Chair and the Executive Director may sign deeds, mortgages, bonds, contracts, or other instruments, which the Board of Directors has authorized to be executed. A minimum of two signatures is necessary for such legal documents, except in cases where the signing is expressly delegated to some other agent by the Board of Directors or statute.

The Chair, along with the Vice-Chair and the Treasurer-Secretary, conducts an annual performance evaluation of the Executive Director and provides a written report of the review, along with a recommendation for any action, to the Board of Directors. Insofar as possible, reviews will be confidential.

11.2 Vice-Chair: The Vice-Chair serves as the first assistant to the Chair, performing the duties of the Chair in the Chair's absence. The Vice-Chair succeeds the Chair in the event of a mid-term vacancy in the position of Chair.

11.3 Treasurer-Secretary: The Treasurer-Secretary oversees financial reports, which describe the financial condition of VN and serves as liaison between the contracted financial management services provider and the Board. The Treasurer-Secretary succeeds as Vice-Chair in the event the Vice-Chair position becomes vacant mid-term and s/he succeeds as Chair in the event that both the Chair and Vice-Chair positions become vacant mid-term.

11.4 Secretary: The duties ordinarily performed by a Corporate Secretary are performed by the Executive Director and his/her staff.

Section 12. Election of Officers. The current voting Directors nominate voting Directors for the positions of Chair, Vice-Chair, and Treasurer-Secretary at the first meeting of each calendar year. The election of each officer is by a majority vote of the Directors. The election of the officers is conducted either at the first meeting of the calendar year or as soon as possible thereafter. Officers’ terms are one calendar year, but officers remain in their offices until a new election has been held. Officers may be re-elected to the same position for subsequent years, as long as the officer is a member in good standing of the Board of Directors. If an officer position becomes vacant during a term, the rules of succession in Section 11 above apply. To fill any vacancy after applying the rules of succession, the Board of Directors nominates a member to serve out the term of that position. This interim officer must be approved by a majority vote of the Directors.

Article V. Executive Director

Section 1. Executive Director. The Board employs an Executive Director who is charged with the general supervision and management of the office and business affairs.
of VN. The Executive Director reports directly to the Board. The Board sets the Executive Director’s salary. The Executive Director is charged with proposing to the Board and, upon approval by the Board, implementing an annual marketing plan and budget. The Executive Director has the authority for supervision of all employees, including all personnel actions and employee compensation within the annual budget as approved by the Board. The Executive Director serves as the Corporate Secretary, keeps all necessary records, and in general manages the affairs of VN to promote the objectives for which it was organized. In the absence of the Executive Director, all duties will be performed by a member of the staff appointed for that purpose. The Executive Director is a non-voting member of the Board of Directors, is a member of all Board committees, and carries out other duties as assigned by the Board, its officers, and committees. The Executive Director executes (with the Chair) and oversees all contracts, mortgages, deeds, bonds, or other instruments in accordance with action plans and expenditures budgeted and approved by the Board of Directors.

The Executive Director and the Chair of the Board are the official spokespersons for VN. The roles of Executive Director and Chair are complementary, with the Executive Director seeing to the operation of VN and the achievement of the desired results, and with the Chair seeing to the health of the Board and the achievement of Board responsibilities.

The Executive Director is accountable to the full Board, not to individual Board members or committees. This does not prevent full interaction between the Executive Director and Board members and committees. The actions of the Executive Director must be in harmony with the wishes of the Board as a whole. A dispute between a Board member or a committee and the Executive Director will be arbitrated by the full Board and, where necessary, a majority Board vote will determine the outcome.

**Article VI. Finances**

**Section 1. Fiscal Year.** The fiscal year of VN commences on the first day of July and ends on the last day of June each year.

**Section 2. Special Fund.** No organized effort to raise funds for VN will be undertaken unless authorized by the Board.

**Section 3. Annual Budget.** The Executive Director prepares and submits an annual budget for the coming fiscal year to the Board of Directors for review no later than May 1 each year. The Board of Directors adopts a final budget by majority vote no later than June 30 each year.
Section 4. Disbursements. All disbursements must adhere to the financial policies and procedures approved by the Board of Directors by majority vote. No obligations or expenses will be incurred and no monies will be appropriated for unbudgeted items without prior approval of the Board of Directors by majority vote. Upon approval of the annual operating budget, the Executive Director is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. All disbursements except petty cash will be made by check or electronic funds transfer.

Section 5. Annual Review/Audit. The financial books of VN will be audited or reviewed annually by an independent certified public accountant. The accountant will make a written report of the review/audit to the Board of Directors which will then submit a copy of the report to the Newberg City Council. The audit or review will be completed as soon as practical after the close of the fiscal year.

Article VII. Amendments

Section 1. Amendments. All proposed amendments or changes to these bylaws will be made by the Board of Directors and will be approved by a majority vote of the voting Directors in good standing who are then in office. Prior to the adoption of the amendment, each Director will be given at least forty eight hours’ notice of the date, time, and place of the meeting at which the proposed amendment is to be considered. The notice will state that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the bylaws and it will contain a copy of the proposed amendment.

Article VIII. Indemnification

Section 1. Indemnification. VN will indemnify any person who was or is a party, or is threatened with being made a party, to any threatened or pending action or suit by reason of the fact that s/he is or was a director, officer, employee, or agent of VN, for expenses (including attorney’s fees) actually and reasonably incurred by him/her in connection with the defense or settlement of the action or suit, provided s/he acted in good faith and in a manner s/he reasonably believed to be in, or at least not opposed to, the best interests of VN. No indemnification will be given to any person who has been adjudged to be liable for negligence or misconduct in the performance of his/her duty to VN unless and only to the extent that the court in which the action or suit was brought determines that, despite the adjudication of liability, and in view of all circumstance of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court deems proper.
Section 2. Insurance. VN will, at all times, carry all appropriate directors and officers and liability insurance.

Proposed Article IX. Purpose/Dissolution Clause

Visit Newberg is a destination marketing organization working exclusively for the Economic Development of the City of Newberg.

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the organization is located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

These bylaws are approved this ______day of __________, 2019, by the initial Board of Directors of Visit Newberg.

__________________________________  _______________________
_________, Chair  ____________________, Director

__________________________________  _______________________
_________, Vice Chair  ____________________, Director

__________________________, Treasurer-Secretary  ____________________, Director

__________________________________  _______________________
___________, Director  ____________________, Director (City Councilor)
___________________, Director

___________________, Director (City staff)

___________________, Director