



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

## Board Clerk Use Only

**Meeting Date:** 05/03/18  
**Agenda Item #:** R.1  
**Est. Start Time:** 9:40 a.m.  
**Date Submitted:** 04/09/18

**Agenda Title:** **Public Hearing and Consideration of the 2018-2019 Dunthorpe-Riverdale Sanitary Service District No. 1 Proposed Budget and other administrative matters.**

**Requested Meeting:** May 3, 2018 **Time Needed:** 10 minutes

**Department:** Community Services **Division:** Director's Office

**Contact(s):** Tom Hansell

**Phone:** (503) 988-0223 **Ext.** 80223 **Email:** Tom.J.Hansell@multco.us

**Presenters:** Tom Hansell, DCS Finance Manager

## General Information

### 1. What action are you requesting from the Board?

Convene as the Budget Committee of the Dunthorpe-Riverdale Service District to:

- Select presiding officer from among budget committee members present;
- Hear budget message;
- Open Public Hearing to consider any testimony presented by the public about the proposed budget, and
- Acting as the Budget Committee of the Dunthorpe-Riverdale Service District - Approve the FY 2018-2019 budget at \$1,678,000.

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer(s) this action affects and how it impacts the results.

Multnomah County's Service District was created under the provisions of the Oregon Revised Statutes (ORS) Chapter 451 to provide construction and operation of sanitary sewer systems in the County. The Multnomah County Board of Commissioners serves as the governing body of the District and today meet as the District budget committee.

The annual budget for each District is prepared under the direction of a budget officer designated by the Board. Tom Hansell from the Department of Community Services serves as the budget officer for the District. The budget committee reviews the annual budget and approves it either as submitted by the budget officer or with revisions requested by the committee. An approved budget will be returned to the District governing body for consideration of a resolution for adoption on June 14, 2018.

The actions taken by the District Budget Committee fulfill the requirements of Oregon's Local Budget Law (ORS Chapter 294), which provides specific methods for obtaining public review and comment on the financial and administrative policies of the District.

Multnomah County's Department of Community Services provides financial and administrative services, respectively, to the District. The District is, however, a separate and independent financial entity. Expenses incurred, such as external auditing and administration, and financial management are met with revenue from sewer user charges, connection fees, and/or assessments to real property within the service District.

This District was formed in the middle 1960's and by 1970 had removed a significant source of pollution from the Willamette River. Its 566 clients are mainly located in unincorporated Multnomah County with a few customers in northern Clackamas County.

The District contracts with the City of Portland's Bureau of Environmental Services (BES) to maintain District lines and treat the sewage flow at Portland's Tryon Creek Treatment Plant. BES also provides design and engineering services for construction, reconstruction, and/or improvement of the District's facilities.

**3. Explain the fiscal impact (current year and ongoing).**

The District has a proposed total budget of \$1,678,000 for fiscal year 2019. The proposed budget shows a \$10,000 increase for general operations, a \$450,000 increase in planned capital, and a \$581,000 decrease to unappropriated fund balance. The District will experience a \$121,000 budget decrease for FY 2019. The increase in capital aligns with design work the City of Portland had begun in FY 2018 to address necessary upgrades at the Tryon Creek Pump Station. The District continues to build-up and draw down funds from the unappropriated fund balance to match current and anticipated capital needs now and currently planned out to FY 2027.

The District's FY 2019 capital program is proposed at \$750,000. Design on the Tryon Pump Station is estimated at \$600,000 for FY 2019. The entire capital improvement costs to the District for the Tryon upgrade is forecasted at \$3.5M with construction completion in FY 2022. The District continues to budget \$150,000 to respond to pipe rehabilitation projects throughout the District. In anticipation of future capital, the proposed budget includes an unappropriated fund balance of \$278,000. Future capital needs are identified in the District's Sanitary System Facility Plan. This plan helps to guide decision making and assists in developing the District's capital funding strategies.

The current service charge is \$105.00 per month per property. To meet current operations, maintenance and capital, the District rate is proposed to increase to \$130.00 per month. The rate adjustment represents a 23% increase to District customers. The new rate provides the necessary operating resources to meet the District's proposed requirements and fulfills contractual obligations with the City of Portland.

**4. Explain any legal and/or policy issues involved.**

The District is a separate legal entity (ORS 451). Because of its size, it requires a budget committee. The actions requested of the District Budget Committee are consistent in meeting the requirements of Tax Supervising Conservation Commission and statewide local budget law.

**5. Explain any citizen and/or other government participation that has or will take place.**

Published two Notices of Public Hearing for the Budget Committee Meeting. The District continues to work directly with City of Portland BES personnel to coordinate the capital planning needs of both current and future projects.

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**Required Signature**

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**Elected  
Official or  
Department  
Director:**

Kim Peoples, DCS Director /s/

**Date:** April 9, 2018