



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

Board Clerk Use Only

Meeting Date: 5/7/15
Agenda Item #: R.3
Est. Start Time: 9:50 am
Date Submitted: 4/14/15

Agenda Title: **Public Hearing and Consider Approval of the 2015-2016 Street Lighting Service District No. 14 Proposed Budget and Other Administrative Matters.**

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: May 7, 2015 Time Needed: 15 minutes

Department: Community Services Division: Director's Office

Contact(s): Tom Hansell

Phone: (503) 988-0223 Ext. I/O Address: 425/1

Presenter

Name(s) &

Title(s): Tom Hansell, Business Services Manager

General Information

1. What action are you requesting from the Board?

Convene as the Budget Committee of the Mid-County Street Light 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
- Vote and approve on the budget for submittal to the Tax Supervising and Conservation Commission (TSCC).

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

Multnomah County's Mid-County Street Light Service District (District) operates under the provisions of Chapter 451 of the Oregon Revised Statutes to provide street lighting in particular areas of the County. The Multnomah County Board of Commissioners serves as the governing body of the District and today convenes as the District budget committee. The budget committee's role today is to ask questions, comment, and vote on the budget.

The annual budget for the District is prepared under the direction of a budget officer

designated by the Board. Tom Hansell from the Department of Community Services serves as budget officer of 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. Once approved the budget is sent to TSCC for review and comment and the approved budget is published to seek public comment. The approved budget will be returned to the District governing body for consideration of a resolution for adoption on June 18, 2015.

These procedures 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 Departments of County Management and Community Services provide financial, administrative, and illumination engineering services to the District. The District is, however, a separate and independent financial entity. Expenses incurred, such as administration and fiscal services, are met with revenue received from a tax assessment to real property within the street lighting service District.

The District was organized to provide street lighting in the unincorporated areas of Multnomah County and the cities of Maywood Park, Troutdale, and Fairview.

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

The District proposes a total budget of \$1,350,000 for fiscal year 2016. This budget represents a \$490,500 or 57% increase above the current adopted budget. The FY 2016 budget is presenting a proposed \$1.075 million dollar LED street light capital conversion project.

In anticipation of the LED project the District has been building its fund reserves. Even with planned energy saving and District reserves the District experienced a \$371,000 funding gap to reach the planned \$1.075 million dollar LED street light replacement project. In anticipation of a capital funding shortfall for the FY 2016 budget, the District communicated the need for short term financing to the County's Chief Financial Officer (CFO). The District is following the recommendation of the CFO to pursue a \$371,000 inter-fund loan through Multnomah County's asset replacement revolving loan fund, for a three year term. The energy savings will provide the needed resources to repay the loan.

This proposed budget for FY 2016 will be a transition year as maintenance of the street lights moves away from Portland General Electric and over to District contractors. The District budget will start to see an increase in contract administration but the new costs will be offset by the planned energy savings. The District continues to work with the cities in supporting lighting system improvement projects which respond to vehicular and pedestrian conflict areas and on improving pedestrian safety.

The revenues necessary to support the operations of the District are collected through user fees and special assessments collected through the property tax system. The District's current assessment is \$60.00 per property per year. For FY 2016, the District proposes no change to the rate.

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 cities of Portland and Gresham in collaborating on best management practices in maintaining and delivering LED street lighting solutions to the citizens we serve.

Required Signature

**Elected
Official or
Department**

Director: Kim Peoples /s/ **Date:** 4/14/15

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.