



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

Board Clerk Use Only

Meeting Date: 5/4/17
Agenda Item #: R.2
Est. Start Time: 11:10 am
Date Submitted: 4/13/17

Agenda Title: **Public Hearing and Consideration of the 2017-2018 Dunthorpe-Riverdale Sanitary Service District No. 1 Proposed Budget and other administrative matters.**

Requested Meeting May 4, 2017 **Time Needed:** 15 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 2017 – 2018 budget at \$1,799,000.

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 15, 2017.

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 565 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 \$1,799,000 for fiscal year 2018. The proposed budget shows a \$6,375 increase for general operations, a \$150,000 increase in planned capital, and a \$68,125 increase to unappropriated fund balance. The change in capital aligns with design work the City of Portland will be starting for necessary upgrades at the Tryon Creek Pump Station. The District proposes to sustain the build-up of the unappropriated fund balance to meet future anticipated capital needs now planned out to FY 2027.

The District's capital program is proposed at \$300,000 for FY 2018. Construction design on the Tryon Pump Station is estimated at \$150,000 for FY 2018. The entire capital improvement costs to the District for the Tryon upgrade is forecasted at \$1.55M paid over the next five years as the project progresses. 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 \$859,000. Future capital needs are identified in the District's Sanitary System Facility Plan. This plan helps to guide our decision making, looks at a 20-year planning horizon, and assists in developing the District's capital funding strategies.

The revenues necessary to support the operations of the District are collected through special assessments collected through the property tax system. The District's current assessment is \$105.00 per month per property for connections to the public sewer system. For FY 2018, 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 City of Portland BES personnel to coordinate the capital planning needs of both current and future projects.

Required Signature

**Elected
Official or
Department
Director:**

Kim Peoples /s/

Date:

April 13, 2017