

City of Yachats
FINANCE COMMITTEE

April 11, 2018

Draft Minutes

Chair Beaucaire called the April 11, 2018 meeting of the Finance Commission to order at 10:00 am in Room 1 of the Yachats Commons. Members present: Shannon Beaucaire, Tom Lauritzen, Don Groth, John Moore, and Jim Tooke. Absent: none. Staff present: Clerk Judy Richter, Wastewater Plant Lead Dave Buckwald, Water Plant Lead Rick McClung. Audience: 3.

I. Review CIP 5-Year Plan

Lauritzen explained the City is required to submit a five-year CIP Plan to the State when they submit their budget. He noted they established the FY8-19 plan at the last meeting and now need to complete the longer-term part of the CIP Plan.

A. Sewer and Water

Water and sewer is expected to generate \$130,000 - \$150,000 of reserves each year. Lauritzen suggested the goal should be between \$200,000 - \$300,000 per year.

Lauritzen noted the previous forecasting for reserves generations is slightly inaccurate. He indicated he and Richter would soon have new numbers to assess and verify actual reserve generation. Moore noted that customer rates have been going up by 3% but reserve generation has not been increasing at the same rate.

Lauritzen noted there are \$90,000 in FY18-19 and \$120,000 in FY19-20 for Sewer.

Buckwald asked if the \$30,000 for I&I inspection had been overlooked. Lauritzen suggested they could add \$30,000 per year starting in FY19-20. Buckwald explained Public Works needs a minimum of \$10,000 for FY18-19. The Committee discussed whether I&I was maintenance or capital work. Beaucaire clarified Buckwald was asking for a minimum of \$10,000k for FY18-19 and \$30,000 each year thereafter for a plan for replacing manholes. Lauritzen suggested the Master Plan should identify the I&I projects (Plan done in FY19-20), so operations should cover I&I for FY18-19 and FY19-20. Starting in FY20-21, they could add six years of \$30,000 in the CIP. Buckwald stressed to keep the \$15,000 in the operations side for lines.

Buckwald explained for elimination of septic tanks, there will likely be four extensions of the collection lines. Regarding the plant, there is rust forming on the building so they will need to reside the plant in the near future. Buckwald noted the manufacturer of the siding voided the warranty because the installation was within 500 feet of the ocean.

Buckwald noted the following the following:

- Replace Quiet Water pump station in 15 years.
- Not doing wind machines.
- Need to address the rust on the roof on the headworks building. The rust needs to be prevented from going into the stream. Repairing this roof would likely be needed within 5-10 years.
- Nothing in storm drain plan for 5 years

Summary of changes and additions for Water and Sewer:

WATER	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
Pole Building	60,000					
I&I/manholes			30,000	30,000	30,000	30,000
Collection line			50,000	50,000	50,000	50,000
2000 tanker truck		25,000				
Residing Waste Treatment Plant					25,000	
Storm Drains			40,000	40,000	40,000	40,000

McClung indicated the ballfield drain line project was necessary because of the 101 project (the project increased the storm drain size on 101, so they had to increase the size of the outflow). Richter reported there was \$7,000 in this year for the drain, and Lauritzen asserted they could transfer that amount to the 101 project.

Richter noted the \$6,000 for the bucket truck was not in the CIP for this year. Lauritzen indicated they could put that amount in the amended CIP. Lauritzen clarified they should add a revenue line in Fund 150 for the insurance claim money of \$11,000 and add an expense of \$3,000 for the bucket truck to each of water and sewer (\$6,000 total)

McClung noted the Storm Drain Master Plan identifies 17 projects at a total of \$380,000. He specifically noted the need for outflow from a creek at the end of Bay View Terrace, and asserted they need to identify other areas where creeks flow under the streets. Lauritzen indicated they can put \$40,000 for ten years starting in FY20-21.

Lauritzen noted the City needs to figure out how to pay for streets and storm drains in the future. Groth indicated they could add this item to the agenda for the Public, Works and Streets Commission.

McClung asked for two years for radio reads at 15,000

B. City Hall

Lauritzen summarized for FY18-19 there is:

- \$5,000 for updating the Emergency Operation Plan
- \$20,000 for information systems development
- \$10,000 for hardware
- \$20,000 for website development

McClung noted the differing brands/types of meters are causing the importation of meter data into the munibilling software to have errors. McClung also noted radio read meters would require a new handheld device.

Lauritzen added the following:

- \$10,000 in FY20-21 for upgrading the accounting software
- \$10,000 in FY19-20 for meter read interface upgrade
- \$20,000 in FY20-21 for office furniture, equipment upgrade, and web app deployment
- \$15,000 in FY21-22 for upgrading accounting software (\$10,000) and web app deployment (\$5,000)

1 \$5,000 in FY22-23 web app deployment

2
3 McClung asked about the possibility of moving City Hall. Lauritzen noted there is a placeholder for
4 the Library move to 501. Moore clarified with Lauritzen that this line item could be switched to a
5 City Hall move if the Library ended up not moving. McClung also noted if Library does move, then
6 there may be a line item needed for someone moving to the current library.
7

8 **C. Visitor Amenities**

9 Moore clarified the \$60,000 for the restrooms is in FY19-20.

10
11 Lauritzen noted the voters approved \$400,000 for parking, of which \$200,000 went to purchase the
12 bank building for its parking and \$200,000 was reserved for purchasing additional parking. In the
13 CIP for 101, they assumed they would finance the 501 Building, return the \$200,000 to the parking
14 fund, and use the operations of the building to cover the mortgage. That financial plan was not
15 implemented. Lauritzen suggested they return to Visitors Amenities the \$200,000 that was
16 reserved in the streets fund to purchase parking. The Committee agreed to return the money to
17 Visitors Amenities.
18

19 Moore noted the Trails Committee is eager to complete the 804 Trail, which conditional on how
20 Ocean View drive is handled. Trails also has a goal to establish an emergency evacuation route
21 across the cemetery to the new fire station location, but they have not gotten the necessary
22 easements from property owners. Groth noted they are also asking for a bridge to cross the ditch
23 along Highway 101 at Marine Drive.
24

25 Lauritzen suggested including a general amount trails support from Visitor Amenities without
26 referencing specific projects. Moore reported the Trials Committee is focusing more on
27 maintenance rather than trails development.
28

29 The Committee agreed to:

30 \$25,000 in FY20-21 for monument/directional/informational signage in town

31 \$100,000 in FY21-22 for parking

32 \$100,000 in FY22-23 for parking
33

34 **D. Coverage of Highway 101 Project**

35 Richter explained the income and expenses around the Highway 101 project, with the City
36 contributing \$1,148,000. The City still needs to cover \$635,000. Moore asked about the recovery
37 of funds
38

39 Lauritzen explained the Committee should now focus on how to increase revenues.
40

41 Beaucaire indicated the next meeting will be in May 2018. Beaucaire adjourned meeting at 12:05
42 pm.
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47 _____
48 Shannon Beaucaire, Chair

49 Minutes prepared by H.H. Anderson on May 6, 2018.