

City of Yachats

Finance Committee Meeting

February 8, 2017

Attendees:

Bob Bennett Jim Tooke Don Groth John Moore Tom Lauritzen

Topics:

1 – Jim Adler presented a plan for acquisition of several parcels of land on both sides of the Yachats River, using a non-profit entity (View the Future), holding 501(c)3 status. Using a variety of grants, gifts and donations, View the Future would acquire the property and working with the City, turn the property into a combination of parks, watershed, riparian zones and possibly raw water storage. The question that was posed to the Finance Committee was:

Will the FC recommend to the Council that the City of Yachats partner with Adler's group to move the process along, understanding that no financial commitment is included in the recommendation at this time? After discussion, all members agreed to make the recommendation to Council.

2 – Rick McClung presented a memo outlining a few things that should be in the 2017-2018 CIP. After discussion, the FC agreed to add \$20,000 to the 17-18 year for completing the Conservation and Curtailment section of the Water Master Plan; reducing the Water Master Plan by an offsetting \$20,000 and scheduling the remaining \$65,000 for 2018/2019. Our rationale was that after we complete the South Water Reservoir in the fall of 2017, we will be in the position to address staff commitment to the Water Master Plan Update. We further agreed to split the Master Plan into 2 lines on the Plan. We also agreed to add the South Reservoir dollars and show the loan funding as separate lines so the plan is clearly communicated. Rick further requested adding \$45,000 for an in-house project to make plumbing modifications to the backwash process, which will substantially reduce the volume of water discharged into the catch basin. After discussion, the FC agreed to add the project for 2 reasons. (1) – it will utilize in-house labor, reducing the operational costs and (2), the project seems to qualify for SDC Funds, as it is alignment with ORS223.307, expenditures of SDC Funds. Basically, a project that improves system performance is qualified.

3 – There was confusion among the FC as to the status of the back-hoe acquisition, budgeted for the current year and split between Water and Sewer. If the back hoe has not been acquired, we will have to include it in the next year's plan.

4 – For Streets, most of the 2016/2017 work was deferred into 2017/2018, resulting in a budget plan of approximately \$187,600 for the coming year. Prior to adopting the final CIP, we will need to address if this is feasible.

5 – Apparently, the Public Works and Streets Commission has twice recommended that we direct \$.50 from the base of Water and Sewer to partially fund the Street program. This proposal never made it to the FC. Bob Bennett and Don Groth discussed the approach that their commission recommends to start funding Streets. After discussion and noting that the amount involved will be around \$5,000 from Water and \$5,000 from Sewer, the FC concluded that the recommendation will not have any significant impact on Water and Sewer funds; would start the mechanics of funding a Street Plan; and, would cause no harm to the financial condition of the City. Therefore, respecting the effort that the PWC had expended, we agreed to recommend to the Council that we proceed with the recommendation.

Next Month – Parks, Commons, Library, Museum and general, along with a further review of Streets and 2016/2017 capital acquisitions.

Respectfully submitted: Tom Lauritzen, Acting Chair in Joan's absence.