



**MINUTES
DEVILS LAKE WATER IMPROVEMENT DISTRICT
BUDGET MEETING**

**LINCOLN CITY COUNCIL CHAMBERS
May 15, 2015
10:00 A.M.**

BUDGET COMMITTEE:

MEMBER	POSITION	TERM
Brian Green	Board Chair	Board Term
David Skirvin	Board Vice Chair	Board Term
Kent Norris	Secretary/Treasurer	Board Term
Randy Weldon	Board Member	Board Term
Kip Ward	Board Member	Board Term
Susan Wahlke	Position 1	Dec. 31, 2016
Ed Willette	Position 2	Dec. 31, 2015
Robert Landhuis	Position 3	Dec. 31, 2016
Douglas Holbrook	Position 4	Dec. 31, 2016
Mitchell Moore	Position 5	Dec. 31, 2015

The DLWID budget recommendation is available online here:
http://www.dlwid.org/Financials/2015-2016/Budget_2015-2016_BC.pdf

A video of this meeting is available online here:
http://lincolncityor.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1533

BUDGET OFFICER: Paul Robertson, Lake Manager

(Video: 0:00)

Robertson introduced the meeting at 10:05 a.m. This is the budget presentation for fiscal year 2015-2016.

Panel members introduced themselves. Board Member Kip Ward will be arriving late.

DLWID Board Chair Brian Green asked for nominations for a budget committee chair.

David Skirvin nominated Green to be budget chair. Randy Weldon seconded. Unanimous vote in favor.

Green asked for nominations for budget vice chair.

Doug Holbrook nominated Susan Wahlke to be budget committee vice chair. Green seconded. Unanimous vote in favor.

(Video: 3:00)

BUDGET PRESENTATION

The recommended budget, including budget history and current priorities, is available on the Devils Lake Water Improvement District website at:

www.dlwid.org/Financials/2015-2016/Budget_2015-2016_BO.pdf

The budget as recommended by the budget committee is scheduled for a hearing and adoption by the board on June 11, 2015.

ROBERTSON: Reviewed the budget process and goals as outlined in the budget recommendation. He noted that the Devils Lake Water Improvement District tax base includes every property in the lake watershed, including all of Lincoln City.

Priorities include the reduction of harmful algal blooms (HABs) in the lake, with a focus on a proposed aeration-oxidation project. Other priorities, programs, and activities are outlined in the budget recommendation.

General fund history reviewed. Budget now has about \$500,000 in net assets. Long-range forecast anticipates about 3% in annual growth. A significant additional expense is expected if DLWID proceeds with an aeration project, which will require a large amount of electricity to operate compressors around the lake.

The budget presentation outlined specifics of the general and improvement funds.

(Video: 28:00)

COMMITTEE REVIEW

MITCHELL MOORE: Asked about Thompson Creek project.

ROBERTSON: Salmon-Drift Creek Watershed Council sought a grant from the Oregon Watershed Enhancement Board (OWEB) to repair 5 culverts on Thompson Creek on the east side of the lake in order to improve coho salmon migration. DLWID provided some funds to support a matching grant. The project did not get funded in the first round of applications. A survey a couple of years ago found 44 large coho adults coming up the creek. The budget includes \$10,000, including \$3,000 for a stream survey and \$7,000 for a grant match. Last winter, a Neotsu Creek property owner also saw coho. A survey found 6 fish, the first documented record of coho in that system.

KENT NORRIS: Asked if DLWID had received any of the grants it applied for last year and if grant applications would be submitted this year. Asked about the timing of a possible aeration engineering plan and the possibility of a grant.

ROBERTSON: No grants were received last year, but the district expects to apply for more grants this year. A project plan must be in place before a grant can be sought. An aeration engineering plan will take at least 3 months.

GREEN: Asked about reconciling the materials and services fund on LB1 with the general fund number on LB31.

ROBERTSON: The LB11 improvement fund plus the LB31 number equals the LB1 total.

GREEN: Asked if money can be moved around within the M&S fund.

ROBERTSON: You can move money within a fund by resolution.

MOORE: Asked about grant opportunities, noting that timing is critical. Noted the recent reauthorization of the federal Harmful Algal Blooms Control Act, which provides \$20.5 million a year administered by NOAA. Act spearheaded by U.S. Rep. Suzanne Bonamici of Oregon. Could be a great asset.

Kip Ward arrived at 10:44 a.m.

(Video: 40:00)

PUBLIC COMMENT

DON SELL, 2165 NE East Devils Lake Road, Otis: Asked about flooding on East Devils Lake Road. Said county plans to redo culvert. Noted a security risk if something happens to a bridge on Highway 101. East Devils Lake Road is an alternate route. There's much land to be redeveloped on the east side of the lake. Why can't local government bodies get funding support for the road from state and federal government? Need a permanent fix rather than a band-aid approach.

GREEN: Cost has been prohibitive, but governor's office is now behind a search for a solution.

[8-minute recess]

(Video: 55:00)

COMMITTEE REVIEW

MOORE: Asked about the presentation of budget priorities. For the sake of clarity, suggested listing the aeration project more prominently at the top of the list.

Discussion followed, with general agreement.

ROBERTSON: Rather than revising the budget recommendation, the subsequent budget report with budget committee recommendations could clarify that aeration is a high priority.

(Video: 1:08:00)

Doug Holbrook moved that the budget committee recommend adoption of the budget as proposed with changes that have been discussed regarding dam replacement numbers and acceptance of the tax levy. Green seconded.

SUSAN WAHLKE: Do we need to specify the amount of the tax levy?

Holbrook withdrew his motion.

Holbrook moved to recommend adoption of the budget as proposed with changes for the dam removal total and acceptance of the tax levy, which is found on Page 37 and Page 38 of the budget document, at a rate of 0.2499 on property inside the Devils Lake Watershed and 0.128 outside the watershed. Green seconded.

ROBERT LANDHUIS: Would a dollar amount be more informative?

GREEN: We can't know a dollar amount until we know the value of the property being assessed. All we can do is specify a rate and estimate the amount of expected revenue.

WAHLKE: LB32 shows projected revenue.

RANDY WELDON: Your home is taxed at about \$0.25 per \$1,000 of assessed value if it is inside the watershed and about \$0.125 per \$1,000 outside the watershed. That equates to about \$25.00 per year for a home with \$100,000 tax assessed value inside the watershed and \$12.50 per year for a \$100,000 assessed value outside the watershed.

Call for vote. Unanimous vote in favor.

The Budget Committee meeting adjourned at 11:22 a.m.

Respectfully submitted,
Rick Mark