

Minutes from January 20, 2018

Attendees:

Sharon Evinger – Chair

Bill Eagle – Vice Chair

Claudia Eagle

Genell Grow

Blanche Katz

Della Fawcett

Marty Rowe – Press

George Dunkel - SDOA

Michael Ray - Staff

The meeting opened with an ice breaker. The group broke into pairs. Each person wrote down three things they have done in their life. Two had to be true, one false. The partner had to guess the false statement.

George gave a presentation on what the Special District Association of Oregon provides for special districts in Oregon. He explained that there are 950 special districts in the state and they vary from water and sewer districts to public utility districts. He stated that most are single purpose, in that they only provide one service, i.e.: fire protection.

George primarily spoke from a slide handout he provided, which showed how special districts land in the organization of state government.

He then went over some of the benefits of special districts such as dedicated funding, separately elected board, defined mission; special districts can have a broader geographic boundary and overlap other geographic boundaries like county lines and city limits.

Special districts are voted in by the people who would use or benefit from the district, thus generally have broad public support.

George then went over some examples of special districts and he covered some of the regulations and oversight of special districts.

George also covered some of the funding mechanisms available to special districts: User fees; tax base; general obligation bonds, etc.

He discussed Compression and how Ballot Measure 5 put a \$10 cap on property taxes for all local governments – except school districts. He discussed how with property taxes, areas in compression such as Clatskanie and Rainier would have to lower the amount collected from existing special districts in order to collect for new districts to keep below the \$10 cap. This means less money all around for all special districts collecting property tax revenue. Michael brought up that areas of Vernonia are also in or

close to compression. He stated that there are around 1000 properties currently in compression in Columbia County.

He closed his discussion by pointing out what services the SDAO provides its members. And he suggested that we use the County Clerk and the County Assessor's Office as a resource when gathering information about what forming a Special District requires. George suggested a marketing expert to help in the formation.

George recommended that serious thought be put forth when considering the formation of a special district. He is aware of the previous attempts taken to raise the Extraction Fee on rock mining and of the previous ballot measure. He recommended we take our time and plan out a course of action. He suggested that a county-wide survey on transit and a special district be done to gauge community sentiment. A survey would also let us know where to point our education efforts towards.

After the presentation from George, attendees did a SWOT exercise where we brainstormed some of the Strengths/Weaknesses/Opportunities/and Threats facing the formation of a Special District.

There was some discussion on whether the committee should vote on how to move forward. Sharon reminded the group that decision making is not allowed without the public present. Michael re-iterated that the group would need to discuss moving forward in one direction or another at the next CCRTAC meeting in February and that any vote or decision would need to be at a public meeting.

Break for lunch

After lunch we continued to discuss the SWOT exercise for a few minutes. Genell will type up the SWOT exercise and distribute to all board members.

Next Michael handed out a couple of pieces of information. These included Section 5 of the Feasibility Study, the worksheet that County Finance uses to figure Transit's Admin. Allocation and the current budget worksheet for Transit.

The Admin Allocation worksheet was for informational purposes only and wasn't discussed in any detail.

Michael went over the budget numbers and explained that as of this iteration, Transit would end the FY in the black with \$107K brought forward into FY 19. He also pointed out a few line items where the budget has been exceeded such as Marketing and Advertising and Personal Mileage Reimbursements. Michael explained that although these two items (along with a few others) are currently in the red, other items are predicted to run lower expenditures than predicted, leaving Transit with a surplus. He went on to explain that the budget worksheet is only a snapshot in time and that the figures are always adjusting based on revenue received and expenses paid. Michael explained that he updates the worksheet on a weekly basis to keep tracking revenue against expenditures. Michael also explained that with some line items (the two mentioned above), that spending can be halted and no more use from them expended, but that others such as fuel continue to be used because they are a critical part of operations.

Finally, the group discussed the Feasibility Study that examined the possible consolidation of CC Rider and SETD. Michael gave a brief overview of what the study looked at and what the scenarios were. He described the three scenarios that moved through the study and explained that Scenario 1 was a district formed by CC Rider, either special or service; Scenario 2 was contracting with SETD like CCR currently does with MTR; and Scenario 3 was merging with SETD.

Michael explained that Scenario 1 was basically what the committee is wrestling with currently. "Should we form a Special District?" Genell was interested in the possibility of a Service District and how it differs from a Special District. She wanted the differences between the two discussed for those in attendance who might not know. Michael indicated that a Service District is similar to a Special District, but would continue to be overseen by the County Commissioners. A Service District would still require a vote of the County and a tax base, but everything else stays the same. The STF Committee would continue to function and offer advice for the Commissioners to help them make decision. Michael pointed out that Lincoln County Transit is a Service District.

Scenario 2 would have CCR contract drivers, maintenance and dispatch out to SETD, the same way that CCR does with MTR Western. Michael explained that this scenario would primarily benefit SETD as they would receive payment from Columbia County to run our service. This scenario would end up costing Columbia County more money than we currently pay MTR Western as SETD has a higher rate for its services, plus they would add an additional 10% fee. This additional cost burden would be in the 30% to 37% range, above what we currently pay for third party contracting.

Scenario 3 would be a disadvantage to SETD and possibly to CCR. The scenario would not improve things over existing service and would end up costing Columbia County taxpayers more for the same or less service. For SETD, the scenario has the possibility of causing them to dissolve and not getting the votes to re-incorporate with CCR, as SETD would have to disband by vote then have a simultaneous vote with Columbia County to form a new combined district. The new district would have a higher tax rate than the old SETD district. This might not play well in the SETD district. Sharon noted that yes, it appears through the Study that a merger would end up costing SETD more with no benefit for their constituents.

One of the interesting outcomes of the Feasibility Study that correlates well with what George discussed is that the committee not rush headlong into a Special District. The Study even recommends waiting a couple of years to see how the payroll tax funding coming on line affects CC Rider's bottom line. It would also give CC Rider a chance to develop more intra-county service. Because CC Rider's primary customer base is commuters, increasing intra-county ridership might be necessary before being able to sway public opinion about the need for stable funding through some type of tax measure. The Feasibility study also recommends that CC Rider develop a transit development plan to help the department focus on a long-term vision for transit in Columbia County.

The meeting adjourned at 2:00 PM.