

City of Rainier
Work Session Meeting Minutes
January 2, 2018
6:00 PM
Rainier City Hall
106 West "B" Street

Mayor Cole called the work session to order at 6:00 PM.

Council Present: James Bradfield, Steve Massey, Mike Kreger, Jenna Weaver

Council Absent: Sloan Nelson

City Staff Present: Debra Dudley, City Administrator/Finance Director/Recorder

Agenda: Rainier Diking District Presentation

Present: Matt Petersen and Terry Deaton

Matt Petersen, President stated that they are in the process of getting the Rainier Dike re-certified this spring and the cost is approximately \$200,000. Petersen reviewed the requirements that the Diking District has met. Petersen stated that in more recent years the Diking District has partnered with NRCS so that they could use the Army Corp of Engineers instead of a private contractor which saved them a very large sum of money. Petersen noted the Diking District contains property that is in the City's Urban Growth Boundary (UGB) and stated that businesses and property owners are depending on the City of Rainier and the Rainier Drainage Improvement District to complete the levy certification and avoid serious ramifications of de-certification. Petersen stated the zoning type of properties located in the Diking District and the number that is in the UGB is seventy one. Petersen stated that the Rainier Diking District is requesting that the City of Rainier pay 50/50 on the re-certification cost of approximately \$200,000. Debbie stated there was legislation passed last fall that was supposed to alleviate some of the challenges for smaller diking districts. Terry Deaton stated that they have not received anything. Debbie inquired about the taxation of the land owners in the diking district and if they have thought about changing that formula. Petersen stated they have discussed that and they are aware they should change the rate formula, as now it is only based on \$20 per acre. Debbie asked if they look into the Scappoose formula and Deaton stated they have looked at several other formulas from other areas. Debbie asked if any other sources were stepping up to help with the re-certification and if the Diking District has the resources for the split. Deaton said they will have to. Jenna questioned if it would be a benefit to the City as far as tax dollars and Debbie stated the City gets tax money from very few properties in the Diking District as most of them are out

of the City Limits even though they are in our UGB. Mayor Cole stated he is not opposed to partnership but he stated he would like the Diking District to go back to the table and re-evaluate their formulas. Mayor Cole stated the decision to help the Diking District needs to be fair and equitable to all the rate payers. Mayor Cole noted that once they find a workable formula, they may possibly come back to the City and possibly need less funding. Debbie noted she thought the Diking District had \$300-400,000 in the bank. Deaton noted they had harvested some timber and that is where that money came from but they have since had to replace a couple of pumps. Deaton agreed they do have resources in the bank. Discussion continued about the resources that Diking District has or needs to have available to maintain the Diking District in the future. Council questioned the businesses that are in the Diking District and what they pay. Deaton stated they pay a \$20 fee per acre. It was discussed why the industrial businesses and commercial properties should be paying a higher rate than that homes and farms. Bradfield voiced his opinion that they assess all the properties so that everybody in the district pays a portion of the re-certification. Deaton stated the only way they can get the funding is through the tax assessor and that they cannot go ask the businesses for the money. Debbie noted that they can change their current tax assessment structure. Mayor Cole stated the cost to run the Diking District has increased, yet the revenue has not gone up. Jenna asked if the City could loan them the money until they get their formula for collecting revenue processed. Debbie noted that this is possible. Mayor Cole noted that it is hard to kick in \$100,000 when 80% of the property is not in the city limits. Debbie asked that since most of the properties are in the County, if the County has offered to provide any assistance. Deaton asked, the County? Debbie said these businesses pay a significant amount of taxes to the County. Mayor Cole re-iterated that he has to be able to justify spending \$100,000 to the Diking District. Several options for tax and forms of revenue were discussed to help fund the Diking District. Mayor Cole stated they should really try to work with all the business owners to understand that the Diking District needs more funding as it would be wiser to pay for the Diking District than very high flood insurance. Mayor Cole asked Jim Bradfield to be the advisor to the Diking District.

Work Session Adjourned at 7pm

Mayor Jerry Cole

Debra Dudley, City Administrator/Finance Dir./Recorder

