

Council Packet

City of Halsey
Regular Council Meeting
Council Chambers
Remote Attendance via Zoom
100 W. Halsey Street

Tuesday January 11, 2022
7:00 PM

D. CONSENT AGENDA

Consent Agenda		
Council Action:	MOTION	February 8, 2022

Any Councilor may request to remove an item from the consent agenda that they wish to have discussed and acted on outside the consent agenda. If there is no request made, Council may approve all the items on the consent agenda with a single motion.

1. Council Meeting Minutes – January 11, 2021

- **Possible Motion:** I move that the Governing Body of the City of Halsey approve the business items in the consent agenda as submitted.

- **Council Options**

1. Remove an item for separate consideration & decision.
2. Approve as recommended.
3. Provide further direction to staff.
4. Postpone approval

REGULAR CITY COUNCIL MEETING

January 11, 2022, 7:00 p.m. at City Hall, 100 W Halsey St., Halsey, OR

**This hybrid meeting was also conducted as a teleconference, with external participation available via phone or video link.*

MEETING CALLED TO ORDER

Meeting called to order at 7:00 p.m.

ROLL CALL

Present: Mayor Jerry Lachenbruch, Councilor Jerry Gillson, Councilor Michelle Isom, Councilor Ken Lorensen, Councilor Randy McMillen, Councilor Christine Raven, Councilor Stacy Strauss

Staff Present: City Administrator Hilary Norton, Assistant City Recorder Larissa Gangle, Librarian Jorden Parrish,

Guests: Linn County Sheriff Sergeant Frambes, Tia Parrish (The Times), TJ Gillson

Remote Participants: Municipal Clerk Laurie Eastridge, Public Works Andy Ridinger

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Council Meeting Minutes – December 14, 2021

Motion: I move that the Governing Body of the City of Halsey approve the business items in the consent agenda as submitted.

Motion by: Councilor Lorensen, Seconded by Councilor Gillson

Vote:

Ayes: Unanimous

Motion Carries

FINANCIAL REPORTS

Council reviewed the Financial Reports and Journal Entries for December 2021.

The December Financial Report includes check numbers 19452-19515 in the amount of \$41,524.69 The prior month's final check number was 19451.

Motion: I move that the Governing Body of the City of Halsey approve the December 2021 Financial Reports and Journal Entries as submitted.

Motion by: Councilor Gillson, Seconded by Councilor Lorensen

Vote:

Ayes: Unanimous

Motion Carries

DELEGATIONS

Linn County Sheriff's Department – Sergeant Frambes

Halsey contracts for 72 hours, and in December 92.25 hours were logged. There were traffic Citations, 17 Traffic Warnings, 1 Adult arrest and 57 Complaints/Incidents investigated.

A possible improper sale to a minor at the store is still being investigated. A question was asked on the requirements for the registration of sex offender.. If a registered sex offender changes address, they have 30 days to report the new address. There is a website where you can see where these folks are living. Sergeant Frambes clarified the mail theft incident that occurred on West 5th. They were able to track her, but they could not prove that she took the mail from the mailbox. Mail theft is more common in December.

CITIZEN COMMENTS

There were no citizen comments.

REPORTS TO COUNCIL

City Administration-Hilary Norton

Halsey will be making a domain change from www.cityofhalsey.com to www.halseyor.gov. This will affect the website as well as the email addresses. The older email address should forward to the new email addresses. Brandon Sofge is available to help Councilors sign in to the new addresses..

The League of Oregon Cites Small City Meeting will be in our Community Center on February 11th. Councilors who want to attend need to let Norton know. There is limited seating due to the need to maintain social distancing.

The refrigerator in the kitchen has stopped working. Norton will purchase a good quality residential refrigerator, rather than a new commercial one.

The RARE Student Program Director at University of Oregon stated that the City will be required to pay the \$23,800 match, but is not required to pay for housing. He stated that the projects proposed from the Council Priorities are all appropriate, and it is good for the student to have multiple projects.

Budget Committee has one vacancy. One member's term expired last June. That person is applying again. The vacancy must also be posted, so that anyone interested has the opportunity to apply.

Last fall Council gave permission for a staff retreat on innovation and process improvement. This has been tentatively scheduled for May 18.

Local Access Only and No Loitering Signs have been ordered for West D Street. A fence contractor has been scheduled to give an estimate for a fence near the railroad tracks.

Jorden Parrish has given her notice to leave the Librarian position. Laurie Eastridge will be filling in at the Library until a new Librarian is hired. Library hours will remain the same except on Wednesday, which will temporarily change to 10:00 am to 2:00 pm. We are sad to see Jorden leave us, but she has a great opportunity at a new job in Albany.

Public Works Department-Andy Ridinger

The annual water use report was completed. The Gas Company unfortunately caught one of the water lines on West 4th Street. It has been repaired. Drain pipes were cleaned in two different areas. The lagoons got full, so we started discharging them on December 20. Before discharging, the equipment at the lagoon was inspected, replaced, and rebuilt as needed. The Christmas decorations are down. With all the rain in December, there weren't any major issues with our systems. A question was asked about the vacor truck, and Andy reported that it was back after the repairs.

Library-Jorden Parrish

Parrish's last day as the Librarian will be Friday, Jan. 21st. The Library did better in 2021 than in 2020, because of Covid. Some things that hopefully will happen in 2022 are the 5K Run/Walk Fundraiser, two new laptops for public use, and possibly joining the Oregon E-books consortium. These may depend on the new Librarian. A councilor asked if the online use of the library is counted in the threshold numbers. Any use of the library is counted.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Appoint Budget Officer FY-2022-2023 Budget Cycle

Council was asked to appoint a Budget Officer for the FY 2022-23 Budget cycle.

Motion: I move that the Governing Body of the City of Halsey appoint and designate the City Administrator to be the Budget Officer for the Fiscal Year 2022-2023

Motion by: Councilor Lorensen, Seconded by Councilor Gillson

Vote:

Ayes: Unanimous

Motion Carries

Approval of the Budget Calendar for Fiscal Year 2022-2023

Council was asked to approve the FY 2022-23 Budget Calendar.

Motion: I move that the Governing Body of the City of Halsey approve the 2022-2023 Budget Calendar as submitted.

Motion by: Councilor Isom, Seconded by Councilor Gillson

Vote:

Ayes: Unanimous

Motion Carries

Sweet Home Sanitation Household Hazardous Waste Report

The Household Hazardous Waste Report was provided to Council in the packet. This is one of the requirements of the TMDL plan. The report includes all waste collected at the event, not just waste from Halsey.

Total Maximum Daily Load Update Report

There were some items that weren't completed in 2020 because of Covid. In 2021 we got caught up again. The City is on track to apply to join the Tree Cities program in December. Larissa built a page on the website that includes information about storm water runoff, pollutants, illicit discharge and animal waste.

ORDINANCES & RESOLUTIONS

RESOLUTION 2021-704 – A Resolution of the City of Halsey Adopting the Updated Water Management and Conservation Plan.

The Water Management and Conservation Plan is required by Oregon Water Resources Department. It must be updated every 10 years. This update was created by OAWU. It was submitted to OWRD for their comments and publications of notices earlier this year. It is now ready to be reviewed and approved by Council.

Motion: I move that the Governing Body of the City of Halsey adopt RESOLUTION 2021-704, A Resolution of the City of Halsey Adopting the Updated Water Management and Conservation Plan.

Motion by: Councilor Isom, Seconded by Councilor Lorensen

Vote:

Ayes: Unanimous

Motion Carries

ADJOURNMENT

Meeting adjourned at 7:30 p.m.

Municipal Clerk, Laurie Eastridge

Mayor Jerry Lachenbruch

E. FINANCIAL REPORTS

Financial Reports & Journal Entries		
Council Action:	MOTION	February 8, 2022

Issue Statement: Council is asked to review and approve the Financial Reports and Journal Entries for January 2022.

Summary:

Approving the December Financial Report includes approving check numbers 19516-19562 in the amount of \$31,178.45. The prior month's final check number was 19515.

- - **Possible Motion:** I move that the Governing Body of the City of Halsey approve the January 2022 Financial Reports and Journal Entries as Submitted
 - **Council Options**
 1. Approve as recommended.
 2. Approve with amendments.
 3. Split into two separate motions
 3. Provide further direction to staff.
 4. Deny or Postpone request.

CITY OF HALSEY
COMBINED CASH INVESTMENT
JANUARY 31, 2022

COMBINED CASH ACCOUNTS

01-0001001	COMBINED CASH - CHECKING	8,035.54
01-0001002	MONEY MARKET	57,328.97
01-0001003	INVESTMENT POOLED	1,951,307.16
		<hr/>
	TOTAL COMBINED CASH	2,016,671.67
01-0001000	CASH ALLOCATED TO OTHER FUNDS	(2,016,671.67)
		<hr/>
TOTAL UNALLOCATED CASH		.00
		<hr/>

CASH ALLOCATION RECONCILIATION

10	ALLOCATION TO (10) GENERAL FUND	532,758.09
18	ALLOCATION TO VEHICLE & EQUIP RESERVE	16,023.82
20	ALLOCATION TO (20) STREET FUND	42,262.38
25	ALLOCATION TO (25) STREET & PATHWAY FUND	71,933.81
40	ALLOCATION TO (40) BOND FUND	54,651.44
55	ALLOCATION TO (55) LIBRARY FUND	17,535.18
60	ALLOCATION TO (60) WATER FUND	239,091.92
61	ALLOCATION TO (61) SEWER FUND	251,959.19
62	ALLOCATION TO (62) WATER RESERVE FUND	308,339.02
63	ALLOCATION TO (63) SEWER RESERVE FUND	156,727.39
65	ALLOCATION TO STORM WATER BLUE HERON FUND	28,095.22
68	ALLOCATION TO (68) STORM WATER DRAINAGE FUND	18,581.74
72	ALLOCATION TO (72) WATER SYSTM DEVELOP CHG	106,829.29
73	ALLOCATION TO (73) SEWER SYSTM DEVELOP CHG	30,627.57
74	ALLOCATION TO (74) STORMWATER SYSTEM DEVELOP	122,777.33
80	ALLOCATION TO (80) VETERANS MEMORIAL PARK	12,020.39
85	ALLOCATION TO (85) HALSEY CITY PARK FUND	6,457.89
		<hr/>
	TOTAL ALLOCATIONS TO OTHER FUNDS	2,016,671.67
	ALLOCATION FROM COMBINED CASH FUND - 01-0001000	(2,016,671.67)
		<hr/>
ZERO PROOF IF ALLOCATIONS BALANCE		.00
		<hr/>

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

Pacific Continental Checking (Operating Checking) (1)
January 31, 2022

Account: 010001001

Bank Account Number: 25500067

Bank Statement Balance:	53,723.68	Book Balance Previous Month:	11,574.26
Outstanding Deposits:	86.11	Total Receipts:	65,425.37
Outstanding Checks:	45,774.25	Total Disbursements:	68,964.09
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	8,035.54	Book Balance:	8,035.54

Outstanding Deposits

Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount
1125	86.11						
						Total:	86.11

Deposits cleared: 31 items Deposits Outstanding: 1 items

Outstanding Checks

Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount
6	22.03-	18344	2,000.00	19510	119.71	19558	388.00
7	3.86-	18489	100.00	19522	125.00	19559	91.96
8	15.42-	18511	150.00	19533	2,095.00	19560	879.04
9	13.77-	18692	28.50	19546	2,668.75	19561	1,000.00
14206	27.52	19068	28.50	19548	115.08	19562	452.96
17523	23.44	19077	68.45	19550	1,450.00	92201	15,429.13
17752	316.65	19120	120.00	19551	358.48	124202	211.35
18058	53.23	19370	112.03	19552	433.82	124202	9,881.65
18073	154.00	19370	112.03-	19553	232.84	124202	5,111.43
18155	1.63	19423	154.84	19554	153.71	225201	260.20-
18156	13.27	19424	107.79	19555	69.74		
18163	.85	19424	107.79-	19556	617.00	Total:	45,774.25
18170	.50	19488	50.00	19557	913.50		

Checks cleared: 51 items Checks Outstanding: 49 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:
Print Outstanding Checks and Deposits and Bank and Book Adjustments

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

Money Market Account (Money Market) (2)

January 31, 2022

Account: 010001002

Bank Account Number: 25500059

Bank Statement Balance:	57,328.97	Book Balance Previous Month:	29,521.40
Outstanding Deposits:	.00	Total Receipts:	40,878.45
Outstanding Checks:	.00	Total Disbursements:	13,070.88
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	57,328.97	Book Balance:	57,328.97

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 22 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 3 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:

Include transaction count

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CASH DISBURSEMENTS - MoneyMkt (CD2)						
01/31/2022	1	Trans MM to CK	01-0001001	Combined Cash - Checking	8,000.00	
01/31/2022	2	Trans MM to CK	01-0001002	Money Market	.00	8,000.00-
01/31/2022	3	Trans MM to CK	01-0001001	Combined Cash - Checking	5,000.00	
01/31/2022	4	Trans MM to CK	01-0001002	Money Market	.00	5,000.00-
01/31/2022	5	ACH Bank Fees	10-110-55-5545	Bank Fees/Misc Expense	70.88	
01/31/2022	6	ACH Bank Fees	01-0001002	Money Market	.00	70.88-
Total CASH DISBURSEMENTS - MoneyMkt (CD2):					13,070.88	13,070.88-

References: 6 Transactions: 6

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CASH RECEIPTS - MANUAL ENTRIES (CRJE)						
01/31/2022	1	MM Interest	01-0001002	Money Market	.37	
01/31/2022	2	MM Interest	10-000-40-650	Interest on Investments	.00	.37-
01/31/2022	3	LGIP Trans Ck	01-0001001	Combined Cash - Checking	40,000.00	
01/31/2022	4	LGIP Trans Ck	01-0001003	Investment Pooled	.00	40,000.00-
01/31/2022	5	PERS adj	01-0001001	Combined Cash - Checking	.01	
01/31/2022	6	PERS adj	10-110-50-5402	PERS Retirement-Employer	.00	.01-
Total CASH RECEIPTS - MANUAL ENTRIES (CRJE):					40,000.38	40,000.38-

References: 6 Transactions: 6

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
JOURNAL ENTRIES (JE)						
01/31/2022	1	LGIP Interest	01-0001003	Investment Pooled	754.50	
01/31/2022	2	LGIP Interest	10-000-40-650	Interest on Investments	.00	199.31-
01/31/2022	3	LGIP Interest	18-000-40-650	Interest on Investments	.00	6.00-
01/31/2022	4	LGIP Interest	20-000-40-650	Interest on Investments	.00	15.81-
01/31/2022	5	LGIP Interest	25-000-40-650	Interest on Investments	.00	26.91-
01/31/2022	6	LGIP Interest	40-000-40-650	Interest on Investments	.00	20.45-
01/31/2022	7	LGIP Interest	55-000-40-650	Interest on Investments	.00	6.56-
01/31/2022	8	LGIP Interest	60-000-40-650	Interest on Investments	.00	89.45-
01/31/2022	9	LGIP Interest	61-000-40-650	Interest on Investments	.00	94.27-
01/31/2022	10	LGIP Interest	62-000-40-650	Interest on Investments	.00	115.36-
01/31/2022	11	LGIP Interest	63-000-40-650	Interest on Investments	.00	58.64-
01/31/2022	12	LGIP Interest	65-000-40-650	Interest on Investments	.00	10.51-
01/31/2022	13	LGIP Interest	68-000-40-650	Interest on Investments	.00	6.95-
01/31/2022	14	LGIP Interest	72-000-40-650	Interest on Investments	.00	39.97-
01/31/2022	15	LGIP Interest	73-000-40-650	Interest on Investments	.00	11.46-
01/31/2022	16	LGIP Interest	74-000-40-650	Interest on Investments	.00	45.93-
01/31/2022	17	LGIP Interest	80-000-40-650	Interest on Investments	.00	4.50-
01/31/2022	18	LGIP Interest	85-000-40-650	Interest on Investments	.00	2.42-
Total 122:					53,825.76	53,825.76-
Total JOURNAL ENTRIES (JE):					754.50	754.50-
References: 18 Transactions: 18						
Grand Totals:					53,825.76	53,825.76-

Date	Check Number	Payee or Description	Check Amount
01/31/2022	1	Trans MM to CK	8,000.00
01/31/2022	3	Trans MM to CK	5,000.00
01/31/2022	5	ACH Bank Fees	70.88
01/05/2022	19516	Alyrica Networks	39.99
01/05/2022	19517	AT&T	82.93
01/05/2022	19518	Carlson Hardware Inc.	42.53
01/05/2022	19519	Columbia Bank	2,672.26
01/05/2022	19520	Executive Cleaning	572.00
01/05/2022	19521	Jano's Trophies	26.00
01/05/2022	19522	Linn-Benton Utilities	125.00
01/05/2022	19523	Office Depot, Inc,	135.60
01/05/2022	19524	One Call Concepts Inc.	8.40
01/05/2022	19525	Petty Cash	212.92
01/05/2022	19526	Renewable Resource Group, Inc	376.00
01/05/2022	19527	Vantaggio	1,992.00
01/05/2022	19528	Willamette Valley Refrigeration	159.00
01/12/2022	19529	Aggregate Resource Crushing	308.09
01/12/2022	19530	CECO, Inc.	1,130.65
01/12/2022	19531	Caselle, Inc.	743.00
01/12/2022	19532	Ferguson Waterworks #3011	74.17
01/12/2022	19533	JAYRAY	2,095.00
01/12/2022	19534	JSG Lawn Maintenance	600.00
01/12/2022	19535	Kelley Connect Co.	362.88
01/12/2022	19536	Local Government Law Group, PC	160.00
01/12/2022	19537	Morley Thomas Law	300.00
01/12/2022	19538	Napa Auto Parts	245.74
01/12/2022	19539	Pacific Power	4,629.43
01/12/2022	19540	Renewable Resource Group, Inc	304.00
01/12/2022	19541	Roome Telecommunications Inc.	359.53
01/12/2022	19542	Security Alarm Corp	341.65
01/12/2022	19543	Sierra Springs	9.14
01/12/2022	19544	Vantaggio	1,299.99
01/12/2022	19545	Whitney Equipment Company, Inc	450.00
01/18/2022	19546	JAYRAY	2,668.75
01/18/2022	19547	Jerry's Home Improvement Cente	215.67
01/18/2022	19548	U.S. Postal Service	115.08
01/18/2022	19549	Vantaggio	1,280.00
01/24/2022	19550	Legacy Telecommunications	1,450.00
01/24/2022	19551	Norm's Electric Inc.	358.48
01/24/2022	19552	NW Natural Gas	433.82
01/24/2022	19553	OAWU	232.84
01/24/2022	19554	OCCMA	153.71
01/24/2022	19555	Office Depot, Inc,	69.74
01/24/2022	19556	Rainbow Carpet Cleaning	617.00
01/24/2022	19557	Christine Raven	913.50
01/24/2022	19558	Renewable Resource Group, Inc	388.00
01/24/2022	19559	Security Alarm Corp	91.96
01/24/2022	19560	TMG Services	879.04
01/24/2022	19561	Woodchuck Tree Service, LLC	1,000.00
01/24/2022	19562	Zumar Industries	452.96
01/31/2022	92201	DIRECT DEPOSIT TOTAL	15,429.13
01/24/2022	12420221	AFLAC	211.35
01/24/2022	12420222	EBS Trust, CIS- Benefits	9,881.65
01/24/2022	12420223	IRS Tax Deposit	4,974.80
01/24/2022	12420224	Oregon Dept of Revenue - WC/UI	1,877.28
01/24/2022	12420225	P.E.R.S.	5,111.43
01/24/2022	12420226	VOYA	300.00

Date	Check Number	Payee or Description	Check Amount
01/31/2022	13120221	Norton, Hilary - DIR DEP	.00
01/31/2022	13120222	Andy Ridinger - DIR DEP	.00
01/31/2022	13120223	Gangle, Larissa Michele - DIR DEP	.00
01/31/2022	13120224	William Jones - DIR DEP	.00
01/31/2022	13120225	Parrish, Jorden - DIR DEP	.00
01/31/2022	13120226	Laurie Eastridge - DIR DEP	.00
Grand Totals:			<u>82,034.97</u>

Report Criteria:

Computed checks included
Manual checks included
Supplemental checks included
Termination checks included
Void checks included

Pay Period Date	Journal Code	Check Issue Date	Check Number	Payee	Payee ID	Description	GL Account	Amount
01/31/2022	PC	01/31/2022	1312022	Norton, Hilary	130		01-0001001	4,372.73-
01/31/2022	PC	01/31/2022	1312022	Andy Ridinger	210		01-0001001	3,904.91-
01/31/2022	PC	01/31/2022	1312022	Gangle, Larissa Michele	241		01-0001001	2,965.60-
01/31/2022	PC	01/31/2022	1312022	William Jones	245		01-0001001	2,478.62-
01/31/2022	PC	01/31/2022	1312022	Parrish, Jorden	250		01-0001001	1,146.90-
01/31/2022	PC	01/31/2022	1312022	Laurie Eastridge	254		01-0001001	560.37-
Grand Totals:			6					15,429.13-

Check No.	Check Date	Vendor No.	Payee	Description	GL Account	Amount Pd
19516	01/05/2022	934	Alyrica Networks	Internet-Shop	60-310-55-5662	39.99
19517	01/05/2022	24	AT&T	LONG DISTANCE-ACCOUNT # 020787	10-110-55-5662	82.93
19518	01/05/2022	46	Carlson Hardware Inc.	December Shop Supplies	61-320-55-5606	42.53
19519	01/05/2022	665	Columbia Bank	Pressure Guage	61-320-55-5606	2,672.26
19520	01/05/2022	954	Executive Cleaning	December Contract Janitorial Services	10-110-55-5680	572.00
19521	01/05/2022	166	Jano's Trophies	Council Name Plates	10-110-55-5541	26.00
19522	01/05/2022	635	Linn-Benton Utilities	LBUC Annual Dues 2022	61-320-55-5543	125.00
19523	01/05/2022	791	Office Depot, Inc.	Office Supplies	10-110-55-5616	135.60
19524	01/05/2022	272	One Call Concepts Inc.	Line Locates	61-320-55-5546	8.40
19525	01/05/2022	308	Petty Cash	Utility Bill Postage	10-110-55-5610	212.92
19526	01/05/2022	19	Renewable Resource Group, Inc	Coliform & Nitrate	60-310-55-5860	376.00
19527	01/05/2022	1029	Vantaggio	January 2022 Monthly Billing	10-110-55-5770	1,992.00
19528	01/05/2022	902	Willamette Valley Refrigeration	Fridge Diagnostic Service	10-110-55-5619	159.00
19529	01/12/2022	711	Aggregate Resource Crushing	Shop Rock	61-320-55-5605	308.09
19530	01/12/2022	47	CECO, Inc.	Fuel	61-320-55-5615	1,130.65
19531	01/12/2022	49	Caselle, Inc.	Monthly Software Support	61-320-55-5611	743.00
19532	01/12/2022	848	Ferguson Waterworks #3011	Locate Wire	60-310-55-5606	74.17
19533	01/12/2022	1085	JAYRAY	Naming/Brand Workshop & Prep	10-110-55-5891	2,095.00
19534	01/12/2022	1062	JSG Lawn Maintenance	Landscape Services	10-110-55-5910	600.00
19535	01/12/2022	1014	Kelley Connect Co.	Monthly Copier Contract	61-320-55-5702	362.88
19536	01/12/2022	1042	Local Government Law Group, P	Legal Services	10-110-55-5721	160.00
19537	01/12/2022	957	Morley Thomas Law	Municipal Judge-Monthly Fee	10-110-55-5648	300.00
19538	01/12/2022	632	Napa Auto Parts	Small Motor	61-320-55-5691	245.74
19539	01/12/2022	297	Pacific Power	5th & L Pump Station	60-310-55-5672	4,629.43
19540	01/12/2022	19	Renewable Resource Group, Inc	Coliform	60-310-55-5860	304.00
19541	01/12/2022	332	Roome Telecommunications Inc.	Library	55-410-55-5664	359.53
19542	01/12/2022	688	Security Alarm Corp	Panic Buttons for City Hall	10-110-60-6016	341.65
19543	01/12/2022	875	Sierra Springs	Water	10-110-55-5616	9.14
19544	01/12/2022	1029	Vantaggio	Laptop for ACR	10-110-55-5770	1,299.99
19545	01/12/2022	421	Whitney Equipment Company, Inc	Calibration of Equipment	61-320-55-5679	450.00
19546	01/18/2022	1085	JAYRAY	Mission Statement Workshop & Developing/Sha	10-110-55-5891	2,668.75
19547	01/18/2022	170	Jerry's Home Improvement Cente	City Hall Bathroom Fan Supplies	10-110-55-5680	215.67
19548	01/18/2022	314	U.S. Postal Service	Newsletter Postage- February 2022	10-110-55-5610	115.08
19549	01/18/2022	1029	Vantaggio	Server Updates, Migration to New Domain, Lapt	10-110-55-5770	1,280.00
19550	01/24/2022	1100	Legacy Telecommunications	Annual Generator Inspection & Services	61-320-55-5679	1,450.00
19551	01/24/2022	258	Norm's Electric Inc.	Light Fixture Installations & Bath Fans at City H	10-110-60-6016	358.48
19552	01/24/2022	263	NW Natural Gas	Shop (Acct# 247581-2)	60-310-55-5671	433.82
19553	01/24/2022	276	OAWU	Annual Membership Dues	60-310-55-5730	232.84
19554	01/24/2022	267	OCCMA	2022 Membership Dues	10-110-55-5731	153.71
19555	01/24/2022	791	Office Depot, Inc.	1099 Forms, Misc.Office Supplies	10-110-55-5616	69.74
19556	01/24/2022	837	Rainbow Carpet Cleaning	Annual Carpet Cleaning City Hall	10-110-55-5680	617.00
19557	01/24/2022	1094	Christine Raven	Planning Deposit Refund	10-110-55-5623	913.50
19558	01/24/2022	19	Renewable Resource Group, Inc	Coliform	60-310-55-5860	388.00
19559	01/24/2022	688	Security Alarm Corp	Monthly Security Monitoring	10-110-55-5771	91.96
19560	01/24/2022	1043	TMG Services	CL2 Vacuum Rebuild Kits for Lagoon	61-320-55-5679	879.04
19561	01/24/2022	1099	Woodchuck Tree Service, LLC	Tree Removal in ROW on East 3rd St.	20-210-55-5665	1,000.00
19562	01/24/2022	1076	Zumar Industries	Barricades	20-210-55-5602	452.96

Grand Totals:

31,178.45

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____



LINN COUNTY SHERIFF'S OFFICE

Michelle Duncan, Sheriff

1115 S.E. Jackson Street, Albany, OR 97322

Albany, OR. 97322

Phone: 541-967-3950

www.linnsheriff.org

2022

MONTHLY REPORT TO THE CITY OF HALSEY FROM THE LINN COUNTY SHERIFF'S OFFICE

FOR THE MONTH OF:

January

TRAFFIC CITATIONS: -----	3
TRAFFIC WARNINGS: -----	11
TRAFFIC CRASHES: -----	2
ADULTS CITED/VIOLATIONS: -----	0
ADULTS ARRESTED : -----	1
JUVENILES CITED/VIOLATIONS: -----	0
JUVENILES ARRESTED: -----	0
COMPLAINTS/INCIDENTS INVESTIGATED:-----	48

TOTAL HOURS SPENT:

Halsey

113.50

CONTRACT HOURS= 72 HOURS

**Michelle Duncan,
Sheriff, Linn County**

By: Sergeant Steven Frambes



**MONTHLY BULLETIN OF DISPATCHED
CALLS AND CASES
FOR CONTRACT CITIES**

This Report Encompasses: 1/ 1/22 to 1/31/22

Total Incidents This Month: 48

Incident Information:	Description
CAD# 2022000209 TIME: 1/1/2022 6:52:28AM CASE# CAD Only HALS	LOST DOG Reported at Block of 100 W 2ND ST HALS Caller reporting her dog as missing. Information about the dog was documented.
CAD# 2022000345 TIME: 1/1/2022 1:38:46PM CASE# CAD Only HALS FOLLOW UP COMPLETE	FOLLOW UP Reported at Block of 400 W 5TH ST HALS A deer blind stolen from a prior case was returned to the owner 21-04917
CAD# 2022000517 TIME: 1/1/2022 8:50:59PM CASE# CAD Only HALS COUNTY PARKS	EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS park patrol, nothing suspicious seen
CAD# 2022001160 TIME: 1/3/2022 3:05:38AM CASE# CAD Only HALS COUNTY PARKS	EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS Park patrol, nothing suspicious seen.
CAD# 2022002936 TIME: 1/5/2022 9:48:41PM CASE# CAD Only HALS COUNTY PARKS	EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS Park patrol, nothing suspicious seen.

Incident Information:

Description

CAD# 2022004342
TIME: 1/8/2022 6:12:15AM
CASE# 2200090
HALS
REPORT TAKEN

Report Filed. UUV Reported At Block Of 100 E 2ND ST Occurred between 1930 hours on 1/7/2022 and 0600 hours on 1/8/2022 Reported: 1/8/2022 Officer Statement:

Andrew Pedder, 24, of Blachly was arrested for unauthorized use of a vehicle and criminal mischief in the third degree. He stole a vehicle in Halsey to get his vehicle unstuck, then returned the vehicle.

CAD# 2022004606
TIME: 1/8/2022 4:07:01PM
CASE# CAD Only
HALS

OD INGESTION POISONING Reported at Block of 900 W O ST HALS

Medical call, LCSO did not respond.

CAD# 2022004662
TIME: 1/8/2022 5:38:59PM
CASE# CAD Only
HALS
TEST CALL CLEARED

SUSPECT FOLLOW UP Reported at Block of 100 E 2ND ST HALS

CAD# 2022005995
TIME: 1/10/2022 8:37:17PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen

CAD# 2022006624
TIME: 1/11/2022 7:23:14PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

Park patrol, nothing suspicious seen.

CAD# 2022006642
TIME: 1/11/2022 8:14:39PM
CASE# CAD Only
HALS
WARNING MOVING VIOLATIC

TRAFFIC STOP Reported at Block of 200 W 2ND ST HALS

Traffic stop, driver warned for moving violation

Incident Information:

Description

CAD# 2022006654
TIME: 1/11/2022 8:40:32PM
CASE# CAD Only
HALS
WARNING MOVING VIOLATIC

TRAFFIC STOP Reported at Block of 31800 HWY 228/W 2ND ST HALS

traffic stop, warned for moving violation

CAD# 2022006664
TIME: 1/11/2022 9:00:43PM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 400 W 2ND ST HALS

traffic stop, warning for equipment violation.

CAD# 2022006785
TIME: 1/12/2022 4:33:13AM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen.

CAD# 2022007216
TIME: 1/12/2022 4:14:51PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

TRAFFIC COMPLAINT Reported at Block of 200 W O ST HALS

Area check for dirt bikes at the park. No evidence of dirt bikes were found and everyone seemed to be enjoying the park. Unable to contact the original RP as they refused to call LCSO after notifying the city.

CAD# 2022007350
TIME: 1/12/2022 8:32:49PM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 100 W G ST/W 2ND ST HALS

Driver stopped and warned for broken headlight.

CAD# 2022007984
TIME: 1/13/2022 9:58:15PM
CASE# CAD Only
HALS
CITE AGGRESSIVE DRIVER

TRAFFIC STOP Reported at Block of 31900 HWY 228/BLUE HERON ST HALS

Teri Jimenez, 26 year old Albany resident, was cited for driving 62 mph in a posted 40 mph zone and warned for driving 74 mph in a posted 55 mph zone and failure to carry current proof of insurance.

Incident Information:

Description

CAD# 2022008424
TIME: 1/14/2022 2:50:44PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

HARASSMENT Reported at Block of 400 E 1ST ST HALS

Male reported his ex-girlfriend called him countless times while at work, even after telling her to stop. The male requested a deputy contact her on the phone to make her stop. A deputy contacted the female and explained telephonic harassment to her.

CAD# 2022008596
TIME: 1/14/2022 8:04:52PM
CASE# CAD Only
HALS
WARNING ISSUED

TRAFFIC STOP Reported at Block of 100 W 2ND ST HALS

Operator warned for psgr headlight out

CAD# 2022008646
TIME: 1/14/2022 9:48:24PM
CASE# CAD Only
HALS

SUSPICIOUS VEHICLE Reported at Block of 300 W O ST HALS

Caller reporting a vehicle shining lights into her home. The caller then advised the vehicle left. LCSO did not respond.

CAD# 2022008704
TIME: 1/14/2022 11:52:06PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen

CAD# 2022008782
TIME: 1/15/2022 2:58:31AM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 31800 HWY 228/W 2ND ST HALS

traffic stop, warned for equipment violation.

CAD# 2022008874
TIME: 1/15/2022 9:17:29AM
CASE# 2200188
HALS
REPORT TAKEN

Report Filed. VEHICLE RECOVERED FOR OTHER AGENCY Reported At Block Of 400 E 2ND ST Occurred between 2300 hours on 1/8/2022 and 2300 hours on 1/8/2022 . Reported:

Deputies recovered two stolen vehicles in Halsey. Both of the vehicles were stolen from Eugene. The undamaged vehicles were returned to their rightful owners. Eugene PD responded to fingerprint and obtain DNA swabs from the vehicles. Investigation ongoing.

Incident Information:

Description

CAD# 2022009577
TIME: 1/16/2022 2:00:59PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

FOLLOW UP Reported at Block of 000 E 1ST ST HALS

Victim of car theft had questions regarding her case.

CAD# 2022009821
TIME: 1/16/2022 10:27:55PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen.

CAD# 2022009854
TIME: 1/16/2022 11:56:10PM
CASE# CAD Only
HALS
WARNING MOVING VIOLATIC

TRAFFIC STOP Reported at Block of 31800 HWY 228/W 2ND ST HALS

Traffic stop, warned for moving violation

CAD# 2022011595
TIME: 1/20/2022 12:46:12AM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

Park patrol, nothing suspicious seen

CAD# 2022012028
TIME: 1/20/2022 5:04:53PM
CASE# CAD Only
HALS
FOLLOW UP COMPLETE

FOLLOW UP Reported at Block of 400 W D ST HALS

Citizen had questions regarding a court decision on a criminal case. The investigating deputy answered his questions.

CAD# 2022012097
TIME: 1/20/2022 7:44:33PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

FOLLOW UP Reported at Block of 200 W 2ND ST HALS

No Public Narrative.

Incident Information:

Description

CAD# 2022012197
TIME: 1/21/2022 12:03:29AM
CASE# CAD Only
HALS
CAD CALL COMPLETE

FOLLOW UP Reported at Block of 000 E 1ST ST HALS

CAD# 2022012652
TIME: 1/21/2022 6:01:17PM
CASE# 2200261
HALS
REPORT TAKEN

Report Filed. ACCIDENT VEHICLE NO INJ Reported At Block Of 00 AMERICAN DR/W
HALSEY ST Occurred between 1800 hours on 1/21/2022 and 1801 hours on 1/21/2022

Two-vehicle, possible minor injury crash at intersection. Travis Hewitt (43) of Halsey was cited for failure to yield when crossing a roadway and no seat belt after a crash occurred when leaving Diamond K Sales parking lot.

CAD# 2022012727
TIME: 1/21/2022 8:36:19PM
CASE# 2200263
HALS
REPORT TAKEN

REPORT PENDING. Original Call Type: UEMV Reported At Block Of 00 W 1ST ST
Occurred between 2036 hours on 1/21/2022 and 2036 hours on 1/21/2022 . Reported:

Deputies respond to an UEMV that had occurred at Julie's Tavern.

CAD# 2022013267
TIME: 1/22/2022 5:53:45PM
CASE# CAD Only
HALS
HALSEY

DISTURBANCE Reported at Block of 400 W D ST HALS

Male was upset over a smell in his apartment.

CAD# 2022013290
TIME: 1/22/2022 6:30:16PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

PHONE HARASSMENT Reported at Block of 400 W D ST HALS

Deputies provide information to two parties involved in civil dispute in Halsey.

CAD# 2022013544
TIME: 1/23/2022 3:52:32AM
CASE# CAD Only
HALS
CAD CALL COMPLETE

INTOXICATED SUBJECT Reported at Block of 400 W D ST HALS

Deputies respond to intoxicated male going through mental health crisis. Deputies help console male, male went to bed for night.

Incident Information:

Description

CAD# 2022013553
TIME: 1/23/2022 4:53:14AM
CASE# CAD Only
HALS
CAD CALL COMPLETE

ASSIST OTHER AGENCY Reported at Block of 400 W D ST HALS

Deputies respond to assist Halsey Fire with intoxicated male sleeping off his intoxication.

CAD# 2022013913
TIME: 1/23/2022 8:26:00PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

FOLLOW UP Reported at Block of 400 W D ST HALS

Deputies conduct follow up with intoxicated male from night before. Male was feeling better and appreciated the law enforcement contact.

CAD# 2022014582
TIME: 1/24/2022 9:09:39PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

Park patrol, nothing suspicious seen.

CAD# 2022014828
TIME: 1/25/2022 10:21:31AM
CASE# CAD Only
HALS

INFORMATION ONLY REPORT Reported at Block of 300 W 2ND ST HALS

Abandoned vehicle on private property. Information was provided on how to proceed.

CAD# 2022015147
TIME: 1/25/2022 6:23:00PM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 100 W D ST HALS

traffic stop, warned for equipment violation

CAD# 2022015158
TIME: 1/25/2022 6:35:09PM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 1000 W 2ND ST HALS

traffic stop, warned for equipment violation.

Incident Information:

Description

CAD# 2022015184
TIME: 1/25/2022 7:27:54PM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 000 W 2ND ST HALS

traffic stop, warned for equipment violation

CAD# 2022015186
TIME: 1/25/2022 7:35:15PM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen

CAD# 2022015580
TIME: 1/26/2022 12:28:47PM
CASE# CAD Only
HALS
CAD CALL COMPLETE

MVC NON INJURY Reported at Block of 000 W 1ST ST/HWY 228 HALS

Caller reported a non injury crash in a parking lot. A deputy arrived and assisted parties in exchanging insurance information.

CAD# 2022017269
TIME: 1/29/2022 5:10:40AM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen

CAD# 2022017825
TIME: 1/30/2022 1:13:34AM
CASE# CAD Only
HALS
COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen

CAD# 2022017851
TIME: 1/30/2022 2:34:35AM
CASE# CAD Only
HALS
WARNING EQUIPMENT VIOL

TRAFFIC STOP Reported at Block of 100 W 2ND ST HALS

Operator warned for illegal colored lighting for fog lights (green) when in operation.

Incident Information:

Description

CAD# 2022018349

TIME: 1/31/2022 4:28:31AM

CASE# CAD Only

HALS

COUNTY PARKS

EXTRA PATROL Reported at Block of 1300 W 2ND ST HALS

park patrol, nothing suspicious seen.

I. REPORTS TO COUNCIL

1. Employee Reports		
a. City Administrator Report		
Council Action:	NONE	February 8, 2022

1. Domain Change Update

The domain change is complete. If you have any difficulties accessing your email, please contact Brandon.

2. IT Request for Proposals (RFP) Out

The IT RFP was released on January 12th and closes on February 9th. We have one response so far, but three other companies have expressed intention to bid.

3. Wetlands Inventory RFP is closed

The RFP for LWI was released on January 3rd, and responses were due on January 28th. We received only one response. We will document the RFP process and try to get two other proposals to compare this proposal to, to make sure our public contracting process compliance.

4. Website RFP is closed

The Website RFP closed on January 21st. We received four excellent proposals. They are very dense with lots of features and security specifics. We are evaluating them, checking references and looking at other sites they have done, and will be requesting demos of the Content Management Systems for each proposal.

5. City Hall Doors and Locks

The upstairs door repair and the downstairs emergency door replacement will happen after the contractor receives the new emergency door – probably late February or early March. We have a temporary solution on the Community Center door that allowed it to be programmed so it is working again. However, reprogramming it breaks it. We need a new lock.

6. RARE Student Update

The RARE Student application has been submitted. We were the first to apply for this year's cycle! The Ford Family Foundation Grant has also been submitted, and we should be notified within about 30 days if we receive it.

7. West D Street

The fence has been installed at the end of West D Street. Signs are on order but have not yet been received.

8. Art in City Hall

I would like permission from Council to install some art on the empty walls in City Hall. We have some historic photographs that could be framed fairly inexpensively. Many cities have a large arial wall map of the city, which can also double as a useful tool for planning meetings and occasionally a Council meeting. There may be local photographers who would be willing to donate or discount work in exchange for public acknowledgement. This would align with the "Community Identity and Sense of Place" that was a Council Goal in the last cycle.

8. Well 69 Update

Andy and I met with Dan Vaage of Civil West and Dennis Orlowski of GSI Water Solutions. They are experts in wells and have worked with several other small towns to assess, repair, or replace older wells. They will get us an estimate of what it will cost to do an assessment of our well.

I. REPORTS TO COUNCIL

1. Employee Reports		
b. Public Works Department		
Council Action:	NONE	February 8, 2022

Water Distribution

Water treatment plant meter battery died

Wastewater Collection

Wastewater collected for January 2022	5,562,000 Gallons
Average collected per day:	179,000 Gallons
Effluent Total	14,160,000 Gallons
Daily Average	457,000 Gallons

Water System

Water plant master meter

Sewer

Annual reports

Sewer cleaning

Streets

E. 3rd St Tree removed

New fence installed at West D

Graded gravel roads

Blackstone – asphalt patching

Drainage

Cleaning pipes

Misc

Dump truck tune up

Generator maintenance WTP, lift station, lagoon

Notes:

Our master meter at the WTP died, ordered new battery Dec 3rd received January 26th.

I did our annual reports, I&I, Bio-solids/Recycled water report.

We cleaned some sewer lines in town.

We responded to a homeowner with concerns about a tree on the cities ROR, after receiving recommendations we had a tree service cut it down on E 3rd street.

The new fence has been installed at the dead-end street on W.D street.

We graded the graveled streets in town.

We cleaned some drainage pipes and some ditches on the West side of town

New exhaust fans were installed in the bathrooms at city hall.

We did a full tune-up on the dump truck, and the generators at the water treatment plant, lift station and at the lagoon had their annual maintenance completed

I. REPORTS TO COUNCIL

1. Employee Reports	
c. Library	
Council Action:	NONE
February 8, 2022	

Circulation for January		Total Circulation since opening (Aug. 2015)	10,131
Fiction	28		
Non-Fiction	27	Total Number of Patrons to Date	515
Total	55		
Cities Represented in Circulation		Total Number of items in collection	4467
Halsey	45		
Sweet Home	4	Avg. Daily Threshold Count since opening	6.24
Shedd	6	ADTC for December	2.11
Value of Inventory Through January			
Fiction	\$46,674.43		
Non-Fiction	\$32,717.73	Books added to inventory in January	5
Total	\$79,392.16		

Librarian Search

The application period will close on February 4th. As of February 3rd, we had received 15 complete applications. Three applicants have MLS degrees, and several have library experience or volunteer library experience. We are very excited to have such a talented group of applicants. Interviews will be scheduled for the week of February 7th.

Library Advisory Committee

The Library Advisory Committee met on January 14th. They discussed Jorden's departure and plans for this coming year. They will meet again after the new librarian is hired, so they can meet them and so the conversation about events can continue. They also plan to start meeting at least twice a year so they can be better connected to each other and the library.

Library Furnace

The old gas heater is over 22 years old. It was in use when the building was converted into a library, and it was working okay at the time, so it was not replaced. It is now having issues. It needs a new blower and a new fan bearing, together about \$1,000. I would like to try to replace it with a ductless air pump in the next fiscal year. We will apply for grants to help pay for it. We have a STCCF grant application nearly ready, and we also plan to apply for a CLCF grant and a FFFT Good Neighbor Grant. In the interim, we may use some oil radiator space heaters to keep the building comfortable and the air dry enough to protect the books.

E-books Update

The E-books consortium has greatly increased in cost since we investigated it two years ago. We don't have enough space in the library budget to pay for it without assistance. I have some ideas on how to get that, but we need to hold off applying for this until we know where the funds are coming from – and I want to see if there are less expensive options. I also think it would be useful to have the new librarian do some research in the community to find out how many are interested in this and would use it.

J. OLD BUSINESS

1. RCAC Final Water Rate Study Report

Council Action: *NONE*

December 14, 2021

Issue Statement: The final RCAC Water Rate Study is presented to Council for review.

Summary: This water rate study was prepared by the Rural Community Assistance Corporation, paid for by the USDA.

The RCAC is an independent expert – they work with small city utilities, they gather data, and use their own modeling to create this report for Council.

Council is not bound to do anything suggested in the report and must balance the needs of three utilities (not just water) and of the households in Halsey.

- Their process includes evaluating all the equipment in the system and estimating needed reserve levels.
- They use three kinds of reserves: operating, emergency, and capital.
- The city does not identify reserves in this way, although we essentially keep funds in these categories every year.
- By RCAC's model, we are not putting enough funds in reserves each year.
- RCAC also anticipates rates will need to increase to keep the 50% loan forgiveness grant from Business Oregon for the water meter project.

Michelle Bilberry of Business Oregon says that while our rates are right at the threshold, they are not too low, and we will not be required to raise the rate this year.

Both RCAC and Business Oregon complimented Halsey's practice of small incremental rate increases each year, and of putting as much money as possible into the reserve funds. Incremental increases are easier for households to bear and help to keep pace with increased operations costs and inflation. The reserves also protect the rate payers – if there is enough in them to pay for an emergency repair, it may let the city avoid an emergency bond or an emergency loan that would require a large rate hike suddenly.

The RCAC model offers two options to increase the reserves over the next five years. One would include higher increases to base rates and smaller increases to usage rates. The other includes lower increases to base rates and higher increases in usage rates.

J. OLD BUSINESS

2. ARPA Funds Update

Council Action: *NONE*

December 14, 2021

Issue Statement: The U.S. Department of Treasury has released the final rule on the use of Coronavirus State and Local Fiscal Recovery Funds (SLFRF.) These funds were granted by the American Rescue Plan Act (ARPA).

Summary: The final rule allows all cities to claim up to \$10 million as replacement of lost revenue. The interim rule required a complex calculation to determine how much revenue a locality could claim as lost. Using funds in this category also streamlines the reporting process.

Revenue replacement funds may be used to provide any service traditionally provided by local governments.

This opens up usage to support a variety of Council goals including possibly paying for the RARE student (without a city match) hiring a consultant for Emergency Response Planning or for the Parks project, replacing the damaged path in the park, asset management software, the online billing and e-payment system, eBooks service, and ditch mower. It still allows the other uses we have already talked about – assistance to businesses, households, economic recovery, industry recovery, responses to public health emergency, other efforts to limit the spread of covid-19.

We could already spend it on water or sewer projects, but now it can also be spent on stormwater and street projects.

There are restrictions that apply to all SLFRF funds: no funds may be placed in reserves or “rainy day” funds, no funds may be used to pay down pension liabilities, no retrospective spending, no payments on bonds or debt services, no payments required by settlement, judgement, or consent decree.

Previously we had discussed spending the bulk of the funds on I&I repairs, as that was a clearly allowed use that would also benefit the city. The new final rule opens several other options.

The City Administrator’s recommendation is to first determine if we need a new well, if the old well can be repaired or reconditioned, and what that will cost. This is the number one Council Priority for the new two-year cycle.

K. NEW BUSINESS

1. Utility Rate Increases 2022-23

Council Action: *NONE*

February 8, 2022

Issue Statement: Council is asked to consider utility rate increases for the 2022-2023 fiscal year.

Summary: This is a preliminary discussion to guide the City Administrator when preparing the proposed FY 2022-23 Budget. Council cannot adopt rate increases without a public hearing. No action will be taken in this meeting.

- The last utility rate increase took place in June of 2019. In 2020 and 2021, Council made the decision not to increase rates for any utilities, to avoid increasing the financial burden of households impacted by Covid-19.
- RCAC Staff and Business Oregon both state that yearly small increases are more manageable for households on limited incomes as opposed to having years with no increase followed by larger increases
- The new RCAC study suggests larger rate increases over the next 5 years, however a smaller one may be advisable as Council may want to consider increases in the Sewer and Stormwater utilities as well.
- The city will need to repair, recondition, or replace Well 69. Building up the water reserve will give the city more funding options and may help protect citizens from an emergency bond or sudden emergency rate increase.
- The Sewer Reserve is still recovering from the lift station pump replacement in 2009. Potential future wastewater projects include a wastewater facilities plan, dredging or lining the lagoons, and inflow and infiltration (I&I) repairs to the collection system.
- Council is asked to consider increases for both stormwater funds this year. In 2014, the Blue Heron Stormwater fee was lowered to \$8 per month from \$14 per month, as there was enough in the fund to replace both pumps. In 2018, the fee was further lowered to \$6 at the same time the Stormwater Utility Fee was created. In 2019, both pumps were replaced. The fund is not recovering from the expense of the new pumps. It should slowly build over the next several years until the system needs a major repair or replacement.
- The city-wide stormwater utility was created in 2018. The \$1 per month fee has not been increased since then. The city has continued to transfer in the State Shared Revenue each year. The unappropriated balance is steadily decreasing. In the last two years, the cost of materials has increased exponentially.

Reserve Funds

2021-2022	Water Reserve	\$ 311,000
2021-2022	Sewer Reserve	\$ 157,000

Estimated revenue generated for Water/Sewer per \$1.00 increase

Water	\$ 4,620
Sewer	\$ 4,680

Suggested: Water \$1-3; Sewer \$1; Blue Heron Storm \$1; Storm Drainage \$2.

- **This item is for discussion. The Budget Officer is requesting Council consensus/recommendation for the purpose of preparing the proposed budget document. There will be public notice and a public hearing before any rate increase can be adopted.**



City of Halsey, OR Drinking Water Rate Study

Rural Community
Assistance Corporation



Completed with funding from
a USDA Technitrain Grant

by

Jeremy Peirsol

10/2022

Submittal page

Preliminary results letter to community

8/17/21

Halsey, OR Proposed Drinking Water Rate Alternatives

Introduction

The city of Halsey OR is conducting a review of its drinking water rates after receiving a loan from the State Revolving Fund (SRF). With its new annual payment now due, this rate study analyzed the necessary revenue needed for Halsey to meet its needs but also to adequately contribute to reserves for asset replacement. The following document looks at two scenarios with different approaches to gathering sufficient revenue. The first approach generates more revenue through usage rate increases to minimize base increases. The second approach does increase usage rates; however, more emphasis is placed on increases to the base rates.

Current Rate Structure

Base Rate

Service Connection Size	Residential	Commercial
All Sizes	\$44.00	\$44.00

Use Rate (per 1,000 gallons)

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$1.25		4,001-7,000	\$2.00
7,001-15,000	\$1.75		7,001-15,000	\$2.00
15,001+	\$2.25		15,001+	\$2.00

Alternative 1: Changes to Base and Tier Rates

In Alternative 1, Halsey would increase both the base and usage rates each year. The changes to the base rates are increased annually with a smaller rate of increase each year until revenue targets are met. After that, Halsey would need to continue to adjust rates to account for inflation each year.

Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5
	Base	8.00%	6.00%	4.00%	2.00%
	Usage	8.00%	6.00%	4.00%	2.00%

Base Rate

Draft Base Rates

Classes: Residential, Commercial

Meter Size

All Sizes

Year 1	Year 2	Year 3	Year 4	Year 5
50.00	54.00	57.24	59.53	60.72

Use Rate (per 1,000 gallons)

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$2.00		4,001-7,000	\$3.00
7,001-15,000	\$2.50		7,001-15,000	\$3.00
15,001+	\$3.00		15,001+	\$3.00

The tables above show the planned rate increases for Alternative 1. In year 1 after increases, the base rate increases from \$44.00/month to \$50/month before ultimately reaching over \$60/month in year 5. The tier breaks remain the same as current levels; however, the usage rate increases for both residential and commercial customers.

5-year Budget Projection for Alternative 1

Results of the new rates	2022	2023	2024	2025	2026	5 Years
TOTAL EXPENSES	\$296,303	\$300,710	\$305,214	\$309,817	\$309,658	\$1,521,700
TOTAL REVENUE	\$257,970	\$278,373	\$294,707	\$306,316	\$313,178	\$1,450,544
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$38,333	-\$22,336	-\$10,507	-\$3,500	\$3,520	-\$71,157
NET CASH FLOW (Contribution to Reserves)	\$123	\$16,119	\$27,949	\$34,956	\$37,113	\$116,260
Affordability assuming MHI of \$50238 for residential meters.	1.42%	1.53%	1.62%	1.69%	1.73%	

The increases will balance the budget in year 1 with increasing contributions to reserves each year until reserve target contributions have been met. This is a phased-in rate increase over several years, so revenue margins will be close when balancing budgets in year 1. Some past projects in the DW system, such as meter replacement, are set to be completed and thus require less funds than previous years. This is expected to provide more of a buffer in budget projections.

Alternative 2: Changes to Base Rate, Small Tier increase

In Alternative 2, the city would raise rates to \$52/month instead of the \$50/month in Alternative 1. The effect of this increase is to generate more Year 1 revenue from base rates. Revenue projections are similar to Alternative 1 because usage rates are not increased as much in this scenario.

Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5
	Base	10.00%	5.00%	2.00%	2.00%
	Usage	10.00%	5.00%	2.00%	2.00%

The table above marks the growth in base and usage rates after the initial increase is implemented. The tables below show the actual planned monthly base rate by class and diameter size over the 5-year period.

Base Rate

Draft Base Rates

Classes: Residential, Commercial

Meter Size

All Sizes

Year 1	Year 2	Year 3	Year 4	Year 5
52.00	57.20	60.06	61.26	62.49

Use Rate (per 1,000 gallons)

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$1.50		4,001-7,000	\$2.50
7,001-15,000	\$2.00		7,001-15,000	\$2.50
15,001+	\$2.50		15,001+	\$2.50

As mentioned above, this alternative implements larger base increases up front, resulting in a 5th year base rate of \$62.49. Tier breaks remain the same as are currently in place. Usage rates see a \$.025/1,000 gallon increase across the board, which keeps them closer to current usage rates.

5-year Budget Projection for Alternative 2

Results of the new rates	2022	2023	2024	2025	2026	5 Years
TOTAL EXPENSES	\$296,303	\$300,710	\$305,214	\$309,817	\$309,658	\$1,521,700
TOTAL REVENUE	\$258,195	\$283,533	\$297,437	\$303,406	\$310,063	\$1,452,634
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$38,108	-\$17,177	-\$7,776	-\$6,411	\$405	-\$69,067
NET CASH FLOW (Contribution to Reserves)	\$348	\$21,279	\$30,680	\$32,045	\$33,998	\$118,350
Affordability assuming MHI of \$50238 for residential meters.	1.42%	1.56%	1.64%	1.67%	1.71%	

Like Alternative 1, budget margins are projected to be slim; however, reductions in expenses due to capital projects finishing should add more of a buffer in year 1. In each subsequent year, contributions to reserves increase until meeting the target reserve contribution rate in 2026.

Conclusion

The above analysis offers two different approaches to addressing Halsey's revenue needs. Alternative 1 provides an approach that is more focused on usage rate increases than Alternative 2. Both approaches raise base rates with phased increases over a 5-year period that result in balanced budgets and fully funded reserves. Alternative 1 projects a 5th year base rate of \$60.72/month vs \$62.79/month in Alternative 2, which results in a better base rate affordability for customers. Each approach will achieve the same goal for Halsey. It just depends on what alternative approach will be best suited for the system.

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Executive Summary

The City of Halsey took out a loan from the Oregon State Revolving Fund (SRF) to upgrade and replace its aging water meters. With the initial loan payment coming due, the city wanted to evaluate its current rate structure and ensure that the system is producing sufficient revenues for operating the drinking water system. As part of this review, a focus was placed on building a detailed asset inventory with projections for establishing reserves.

From the rate analysis, two alternatives are provided for Halsey city leaders to consider. Both alternatives provide for sufficient operating revenues as well as meeting reserve targets within the timeframe of the budget forecast. One alternative achieves revenue targets by raising customer usage rates more and the other focuses more on raising revenue through base rates.

1 Introduction

1.1 Introduction

1.1.1 Paragraph on RCAC

Founded in 1978, RCAC provides training, technical and financial resources and advocacy so rural communities can achieve their goals. Since 1978, our dedicated staff and active board, coupled with our key values: leadership, collaboration, commitment, quality and integrity, have helped effect positive change in rural communities across the West.

RCAC's work includes environmental infrastructure (water, wastewater and solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, Tribal organizations, farmworkers, colonias and other specific populations. Headquartered in West Sacramento, California, RCAC's employees serve rural communities in 13 western states and the Pacific islands.

1.1.2 Description of purpose of FCA

RCAC conducted this drinking water rate study on behalf of the city of Oregon in order to determine an appropriate rate for customers of the drinking water system. Halsey has recently undertaken a loan from the State Revolving Fund (SRF) for upgrades to the system. This rate study was conducted to review existing rates and ensure that the city is generating sufficient revenue to meet debt service and operation and maintenance costs, meanwhile maintaining reserves for the drinking water system.

1.1.3 Board Responsibilities

All findings and conclusions of this rate study are RCAC's professional assessment and are not a directive for action to the community. Whereas RCAC strongly recommends its findings to the community, the city council must act in accordance with city code and applicable state laws to enact RCAC recommendations in whole or in part.

1.1.4 Guiding principles in a rate study

Sustainability

Rates should cover the costs to the system to allow it to provide wastewater services for the foreseeable future.

Fairness

Rates should be fair to all rate payers. The city should not charge more for collections than the cost to provide the service. However, the costs should include operations, repairs, interest, loan principal, and all other costs related to the collection, treatment, and land application of treated effluent now and in the foreseeable future.

Justifiability

Rates must be based on actual needs of the enterprise system. Revenue generated from wastewater rates should not be used for anything else but to pay for the costs of collecting, treating, and releasing the treated water within its service area, plus any administrative costs.

Therefore, the proposed rates are based on the best available information provided by the system.

- 1.1.5 Disclaimer – The findings, recommendations, and conclusions contained in this financial analysis are based on financial information provided to RCAC by Halsey. Although reasonable care was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein. Any action taken on the basis of such findings, recommendations, or conclusions is undertaken at the discretion of Halsey. In no event will RCAC or its partners, employees, or agents, be liable for any decision made or action taken in reliance on the information contained in this analysis.

2 System Basic Statistics

2.1 Community

2.1.1 Location & maps



2.1.2 History

Halsey was incorporated in 1872 as a city in Oregon. The town was formed around the railroad running through town and was ultimately named for William L. Halsey, who was a former Vice President of the Oregon and California Railroad.

2.1.3 Legal Entity

Halsey is incorporated as a municipality in the state of Oregon.

2.1.4 Governing body/staff

Halsey is governed by a part-time mayor and a 6-member city council. The mayor is elected to two-year terms, whereas councilors are elected to staggered 4-year term. In the event of a tie vote, the mayor can serve as the tie-breaking vote.

2.1.5 Median Household Income (MHI)

The median household income for Halsey used in this rate study is \$50,238. This figure was taken from the American Community Survey 2010 census.

2.2 System Description

2.2.1 Service area

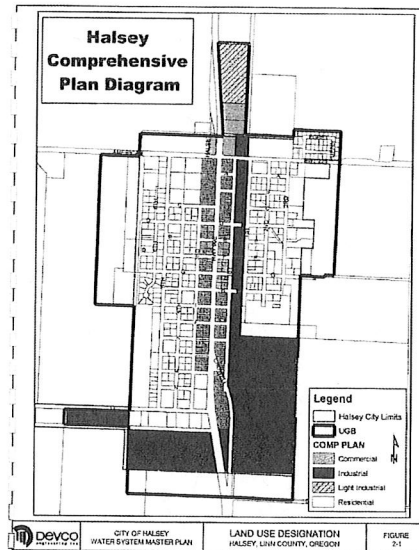


Figure 1 Taken from Halsey 2008 Water Master Plan

2.2.2 System history

Halsey is served primarily by two groundwater wells located at the city's water treatment facility. Water is then filtered and disinfected before being pumped to storage tanks. From here, water is pumped to customers through its distribution system. Halsey conducted major upgrades throughout the 1990s and more recently undertook another project in 2020 to make system upgrades.

2.3 Customer Base description

2.3.1 Types of accounts including # of accounts of each type

Customer Type	3/4"	1"	1 ¼"	1 ½"	2"	3"
Residential	327	20		1	1	1
Commercial	9	5	1	0	0	0

2.4 Current water rates structure

2.4.1 Identification of type(s) of rate structures the system uses

Halsey employs a tier block rate structure. This means that customer classes are charged a base rate for services and then a usage rate is applied after certain usage thresholds have been met.

2.4.2 Rate schedule

WATER

Residential Use:

0 - 3000 gallons	\$44.00
3001 - 7000 gallons	\$1.25/1000 gallons
7001 - 15000 gallons	\$1.75/1000 gallons
15000+ gallons	\$2.25/1000 gallons

Commercial Use:

Up to 4000 (base) gallons	\$44.00
4001+ gallons	\$2.00/1000 gallons

2.5 Future population and usage projections

2.5.1 Community growth

Community growth is expected to be minimal. For the purposes of this rate study a 1.5% annual growth rate was assumed for Years 1 & 2, decreasing to 1% annually for Years 3-5 in the projection.

Growth of Consumption over Base year	Year 1	Year 2	Year 3	Year 4	Year 5
Community Growth Factor	1.5%	3.0%	4.0%	5.0%	6.0%

2.5.2 Conservation efforts

Growth of Consumption over Base year	Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor	3.0%	2.0%	1.0%	0.0%	0.0%

When water rates increase and revenue is tied to usage rates, it is commonly assumed that customers will conserve water to save money. For this rate study an initial conservation holdback of 3% is assumed with the conservation adjustment gone after year 3.

3 Current Financial condition and analysis

3.1 Current rate schedule/structure

3.1.1 Rate Description

The city of Halsey utilizes an increasing tier-block rate structure. Customers are charged a base rate, which comes with a defined usage allowance. Residential customers are given the first 4,000 gallons included with the base rate. Commercial customers are allotted the first 3,000 gallons with their base rate charge. Usage rates for each customer class increase with increased usage.

Base Rate

Service Connection Size	Residential	Commercial
All Sizes	\$44.00	\$44.00

Use Rate (per 1,000 gallons)

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$1.25		4,001-7,000	\$2.00
7,001-15,000	\$1.75		7,001-15,000	\$2.00
15,001+	\$2.25		15,001+	\$2.00

3.1.1.1 Current customer classes, rate structure and rates

Currently, there are only two customer classes in Halsey's rate structure: Residential and Commercial.

3.1.1.2 Misc. non-user that are not used in the revenue calculations and non-user fees that are used in revenue calculations

Halsey reports a small amount of revenue generated from sources other than drinking water rates. They city has minor revenue from reconnection fees and late fees, interest on investments, and from backflow testing services. These factored into the five-year projections; however, these revenues account for less than 5% of total revenues projected for the drinking water system.

3.1.2 Analysis of current rate structure

The current rate structure seems to work for Halsey. Base rates, regardless of customer class or connection diameter, remain the same. Though the structure doesn't account for larger connections to demand more water at any given time than their smaller connection neighbors, extra revenue is collected from higher volume customers. This helps make the rate structure fairer since customers who use more water are ultimately charged more than those who don't consume as much water.

3.2 Current budget

3.2.1 Historical revenue and expenses (2-4 years)

EXPENSES AND SOURCES OF FUNDS	2019	2020	2021	% Belongin g to Water	2022	2023	2024	2025	2026
OPERATIONS & MAINTENANCE EXPENSES									
Personnel Services	107,346	116,601	121,200	100%	123,866	126,591	129,376	132,223	135,132
Weed Killer/Spray/Op Mat & Sup	387	333	800	100%	818	836	854	873	892
Grounc Cover/Oper Matl & Sup	92	1,009	600	100%	613	627	640	655	669
PW Supplies/Oper Mat & Sup	3,370	3,953	4,000	100%	4,088	4,178	4,270	4,364	4,460
Postage/Bulk Mail/Op Mat & Sup	305	306	1,800	100%	1,840	1,880	1,921	1,964	2,007
Fuel/Operating Materials & Sup	2,203	2,192	2,500	100%	2,555	2,611	2,669	2,727	2,787
Small Tools & Equipment	1,940	2,442	2,500	100%	2,555	2,611	2,669	2,727	2,787
Telecommunications	1,572	1,985	2,000	100%	2,044	2,089	2,135	2,182	2,230
Northwest Natural Gas	1,406	1,134	1,600	100%	1,635	1,671	1,708	1,746	1,784
Pacific Power & Light	19,802	21,202	25,000	100%	25,550	26,112	26,687	27,274	27,874
Chlorination	930	997	1,200	100%	1,226	1,253	1,281	1,309	1,338
Water Plant/Maintenance-Bldg	5,750	209	2,000	100%	2,044	2,089	2,135	2,182	2,230
PW Shop/Maintenance-Bldg	3,032	1,185	2,000	100%	2,044	2,089	2,135	2,182	2,230
Vehicle/Maint - Equip	76	94	500	100%	511	522	534	545	557
Heavy Equip/Maint-Equip	2,512	1,653	2,000	100%	2,044	2,089	2,135	2,182	2,230
Fire Extinguisher/Maint-Equip	93	140	100	100%	102	104	107	109	111
Water Sys Repair/Maint-Equip	1,885	7,596	8,000	100%	8,176	8,356	8,540	8,728	8,920
Copier/Maintenance-Equipment	1,402	1,773	1,800	100%	1,840	1,880	1,921	1,964	2,007
Organization Dues/Fees	259	641	1,500	100%	1,533	1,567	1,601	1,636	1,672
Publishing/Public Notices	0	0	100	100%	102	104	107	109	111
Education/Training Expense	350	270	500	100%	511	522	534	545	557
Clothing/Safety Equipment	127	120	300	100%	307	313	320	327	334
Travel/Meeting Expense	181	40	500	100%	511	522	534	545	557
Lab Service	1,813	2,926	3,500	100%	3,577	3,656	3,736	3,818	3,902
Well/Cross Connection Permit	0	675	500	100%	511	522	534	545	557
Backflow Testing	4,698	6,764	6,500	100%	6,643	6,789	6,939	7,091	7,247
Planning Engineering Fees (per Hilary)			3,000	100%	3,066	3,133	3,202	3,273	3,345
				100%	0	0	0	0	0
				100%	0	0	0	0	0
Total Refurbishing and Rebuilding Cost					0	0	0	0	0
Planning Engineering Fees	0	0	10,000						
Contracts/Professional Service	2,044	2,813	5,400						
Total Operation and Maintenance Expenses:	163,574	179,052	211,400		200,312	204,719	209,223	213,826	218,530
GENERAL & ADMINISTRATIVE EXPENSES									
Operating Reserve Funding					0	0	0	0	0
Emergency Reserve Funding					0	0	0	0	0
Debt Reserve Funding					0	0	0	0	0
Replacement of Existing Capital Assets					36,893	36,893	36,893	36,893	33,593
Replacement of Funded Project Assets					0	0	0	0	0
Reserves for Additional Capital Assets					1,563	1,563	1,563	1,563	0
Debt Service					57,535	57,535	57,535	57,535	57,535
				100%	0	0	0	0	0
Total General and Administrative Expenses:	0	0	0		95,991	95,991	95,991	95,991	91,128
TOTAL EXPENSES	163,574	179,052	211,400		296,303	300,710	305,214	309,817	309,658
SOURCE OF FUNDS / REVENUES RECEIVED									
Sales Revenue (Base + Usage)	207,240	214,614	170,000		0	0	0	0	0
New connections	4,000	0	0	100%	0	0	0	0	0
Interest income	3,814	3,871	2,000	100%	2,044	2,089	2,135	2,182	2,230
Uncollectable Receivables					-498	-549	-576	-588	-601
Reconnect/Admin	725	325	200	100%	204	209	213	218	223
Fees Late/NSF	120	0	0	100%	0	0	0	0	0
Backflow Testing	6,600	6,740	6,500	100%	6,643	6,789	6,939	7,091	7,247
24 hour notice	2,625	1,590	500	100%	511	522	534	545	557
Miscellaneous	-1,186	1,660	100	100%	102	104	107	109	111
				100%	0	0	0	0	0
				100%	0	0	0	0	0
Grants and Loans			102,000						
TOTAL REVENUE	223,938	228,800	281,300		258,195	283,533	297,437	303,406	310,063
NET LOSS OR GAIN:	60,364	49,748	69,900		-38,108	-17,177	-7,776	-6,411	405
NET CASH FLOW (Contribution to Reserves)	60,364	49,748	69,900		348	21,279	30,680	32,045	33,998

3.2.2 Current budget as approved by the board

Account Number	Account Title	03/2021	03/2021	2020-21	Remaining	%
		Current Period	YTD	Current year		
		Actual	Actual	Budget		
(60) WATER FUND						
(60) WATER FUND						
60-000-40-100	Beginning Cash Estimate	.00	.00	120,000.00	120,000.00	.00
60-000-40-350	Miscellaneous Income	.00	237.72	100.00	137.72	237.7
60-000-40-382	Late Charges	.00	1,260.00	500.00	760.00	252.0
60-000-40-383	24 Hour Notice	.00	1,470.00	500.00	970.00	294.0
60-000-40-384	Turn On/Turn Off Fees	.00	440.00	200.00	240.00	220.0
60-000-40-650	Interest on Investments	.00	1,239.30	2,000.00	760.70	61.97
60-000-40-710	Service Connection Charges	1,000.00	2,000.00	.00	2,000.00	.00
60-000-40-720	Utility Service Charge	.00	147,502.67	170,000.00	22,497.33	86.77
60-000-40-740	Backflow Testing Receivables	.00	6,920.00	6,500.00	420.00	106.4
60-000-40-780	Grants & Loans	.00	.00	102,000.00	102,000.00	.00
Total (60) WATER FUND:		1,000.00	161,069.69	401,800.00	240,730.31	40.09
WATER						
PERSONNEL SERVICES						
60-310-60-5100	Payroll	.00	44,398.43	80,000.00	35,601.57	55.50
60-310-60-5201	FICA Taxes	.00	2,723.45	4,600.00	1,876.55	58.21
60-310-60-5202	Medicare Taxes	.00	636.93	1,400.00	763.07	45.50
60-310-60-5203	State Unemployment Taxes	.00	273.00	800.00	527.00	34.13
60-310-60-5204	Workers Compensation Taxes	.00	17.45	100.00	82.55	17.45
60-310-60-5300	Employee Health Insurance	.00	18,475.24	35,000.00	16,524.76	52.79
60-310-60-5401	PERS Retirement-Employee	.00	2,663.88	4,300.00	1,636.12	61.95
60-310-60-5402	PERS Retirement-Employer	.00	6,336.08	10,000.00	3,663.92	63.36
Total PERSONNEL SERVICES:		.00	75,524.46	136,200.00	60,675.54	55.45
MATERIALS AND SERVICES						
60-310-55-5543	Public Works/Miscellaneous Exp	.00	82.48	1,000.00	917.52	8.25%
60-310-55-5546	Line Locates/Excav Notice/Misc	.00	63.60	300.00	236.40	21.20
60-310-55-5601	Weed Killer/Spray/Op Mat & Sup	.00	196.51	800.00	603.49	24.56
60-310-55-5605	Ground Cover/Oper Matl & Sup	.00	260.20	600.00	339.80	43.37
60-310-55-5606	PW Supplies/Oper Mat & Sup	13.64	667.22	4,000.00	3,332.78	16.68
60-310-55-5610	Postage/Bulk Mail/Op Mat & Sup	.00	.00	1,800.00	1,800.00	.00
60-310-55-5615	Fuel/Operating Materials & Sup	.00	951.37	2,500.00	1,548.63	38.05
60-310-55-5655	Small Tools & Equipment	.00	857.98	2,500.00	1,642.02	34.32
60-310-55-5662	Telecommunications	76.93	1,074.01	2,000.00	925.99	53.70
60-310-55-5671	Northwest Natural Gas	.00	794.22	1,600.00	805.78	49.64
60-310-55-5672	Pacific Power & Light	.00	13,689.19	25,000.00	11,310.81	54.88
60-310-55-5675	Chlorination	75.18	636.38	1,200.00	563.62	53.03
60-310-55-5681	Water Plant/Maintenance-Bldg	.00	807.65	2,000.00	1,192.35	40.38
60-310-55-5682	PW Shop/Maintenance-Bldg	.00	.00	2,000.00	2,000.00	.00
60-310-55-5690	Vehicle/Maint - Equip	.00	269.28	500.00	230.72	53.86
60-310-55-5691	Heavy Equip/Maint-Equip	.00	5,267.89	2,000.00	3,267.89	263.3
60-310-55-5700	Fire Extinguisher/Maint-Equip	.00	.00	100.00	100.00	.00
60-310-55-5701	Water Sys Repair/Maint-Equip	247.72	2,035.48	8,000.00	5,964.52	25.44
60-310-55-5702	Copier/Maintenance-Equipment	.00	1,397.15	1,800.00	402.85	77.62
60-310-55-5730	Organization Dues/Fees	.00	600.80	1,500.00	899.20	40.05
60-310-55-5740	Publishing/Public Notices	.00	.00	100.00	100.00	.00
60-310-55-5750	Education/Training Expense	.00	.00	500.00	500.00	.00
60-310-55-5755	Clothing/Safety Equipment	.00	110.33	300.00	189.67	36.78
60-310-55-5760	Travel/Meeting Expense	.00	.00	500.00	500.00	.00
60-310-55-5840	Bad Debt Expense	.00	.00	500.00	500.00	.00
60-310-55-5860	Lab Service	57.00	1,773.00	3,500.00	1,727.00	50.66

Account Number	Account Title	03/2021 Current Period Actual	03/2021 YTD Actual	2020-21 Current year Budget	Remaining	%
60-310-55-5870	Well/Cross Connection Permit	.00	.00	500.00	500.00	.00
60-310-55-5890	Backflow Testing	.00	5,136.75	6,500.00	1,363.25	79.03
60-310-55-5900	Planning Engineering Fees	.00	2,430.00	10,000.00	7,570.00	24.30
60-310-55-5910	Contracts/Professional Service	.00	3,089.62	5,400.00	2,310.38	57.22
60-310-55-5920	Business OR Loan Payment	.00	.00	7,600.00	7,600.00	.00
Total MATERIALS AND SERVICES:		470.47	42,171.11	96,600.00	54,428.89	43.66
CAPITAL OUTLAY						
60-310-60-6001	Equipment	.00	4,000.00	112,000.00	108,000.00	3.57%
60-310-60-6002	Construction	.00	12,454.95	15,000.00	2,545.05	83.03
Total CAPITAL OUTLAY:		.00	16,454.95	127,000.00	110,545.05	12.96
Total WATER:		470.47	134,150.52	359,800.00	225,649.48	37.28
UNALLOCATED						
OPERATING CONTINGENCY						
60-999-75-7501	Operating Contingency	.00	.00	12,000.00	12,000.00	.00
Total OPERATING CONTINGENCY:		.00	.00	12,000.00	12,000.00	.00
UNAPPROPRIATED ENDING FUND BAL						
60-999-90-9001	Unappropriated Ending Fund Bal	.00	.00	30,000.00	30,000.00	.00
Total UNAPPROPRIATED ENDING FUND BAL:		.00	.00	30,000.00	30,000.00	.00
Total UNALLOCATED:		.00	.00	42,000.00	42,000.00	.00
(60) WATER FUND Revenue Total:		1,000.00	161,069.69	401,800.00	240,730.31	40.09
(60) WATER FUND Expenditure Total:		470.47	134,150.52	401,800.00	267,649.48	33.39
Net Total (60) WATER FUND:		529.53	26,919.17	.00	26,919.17-	.00

3.2.3 Recent noteworthy budget changes discussion

Most of the recent increases in outlays over the past few years are related to the capital project in the water department. Grant revenue is classified as a one-time revenue. Likewise, additional engineering fees and professional services were classified as one-time expenses. As such, these revenues and expenses were not used to project 5-year budget estimates.

3.2.4 Uncollectable accounts

Halsey has a consistent collections policy for late/unpaid accounts. Lost funds for these types of accounts account for only 0.2% revenue loss in 5-year rate projections in this study.

3.3 Current dedicated reserves

Existing Reserves	Amount
Debt Reserve	\$0
Operating Reserve	\$30,000
Emergency Reserve	\$50,000
Capital Reserve	\$230,000
Total	\$310,000

Halsey reported healthy reserves in general. The city will have to start saving for its debt reserve after closing out its loan. The town will need to continue annual reserve contributions as specified in the letter of conditions of its loan and also to maintain reserve levels as drawdowns are made for asset replacement.

3.3.1.1 Advise about transferring annual carryover into reserve funds

Any unspent funds remaining at the end of the fiscal year should be added to the reserve contributions for that year.

3.3.1.2 Advise about need to separate available funds by enterprise

The drinking water department is an enterprise fund, meaning that the fees generated by the program should be used only for activities relating to that specific enterprise. Enterprise funds should be managed to be self-sustaining and kept separate from other general and enterprise funds.

3.3.1.3 Analysis of current dedicated reserves

Current dedicated reserve levels for Halsey are healthy. The system should maintain suggested reserve contribution levels to maintain adequate reserves.

3.4 Analysis of current financial condition

3.4.1 Revenue sufficiency associated with current rates

Current rates were sufficient to meet obligations under past conditions. However, with the new debt obligation coming due for Halsey, the system will need to increase rates to meet both the loan payment and other obligations associated with the loan.

3.4.2 Affordability criteria of current rates

$$\text{Affordability} = \frac{\text{Avg residential monthly base charge}}{\text{Median Monthly Household Income}}$$

$$\$44/\text{month}/(\$50,238/12\text{months}) = 1.1\%$$

As noted above, Halsey's affordability index is 1.1%, which is deemed affordable. Generally, an affordability index above 1.5% is used as a threshold for determining affordability by funders. It must be noted that affordability thresholds can vary by state.

4 Future Financial condition and analysis

4.1 Suggested Capital Replacement Plan

For a comprehensive look at Halsey's Capital Replacement Plan, *see Appendix 6.2.*

4.2 Suggested reserve funding

Halsey will need to increase its reserve contributions following its capital project. Not only will the system be taking on a new debt service payment, but the city will also need to maintain annual reserve contributions to maintain assets. In this rate study, no additional contributions to the operating or emergency reserve are required. It is recommended, however that Halsey make an annual capital reserve contribution of \$38,456 to maintain current assets.

4.2.1.1 Capitalization threshold

The capitalization threshold is a predetermined amount used in calculating reserves that states the dollar amount an asset will be funded through the regular O&M budget vs drawing down from reserves. For Halsey, items valued at less than \$3,000 were presumed to be funding through the regularly approved budget process.

4.2.1.2 What if nothing happens?

The consequences of not funding reserves are not always immediately seen. However, systems without reserves must seek outside sources of funding for asset replacements. Maintaining reserves allows systems to meet replacement costs in a strategic manner that allows for more local control of the process.

4.3 Suggested rates

According to Halsey's letter of conditions with the state of Oregon, if the "average monthly residential water rates for the water supplied by the system are not at or above the affordability rate of \$49.04 per 7,500 gallons," the principal forgiveness portion of the loan will not be forgiven. This means that current rates are not sufficient. The two following rate alternatives provided in this document will meet the above-mentioned conditions for the loan.

4.4 Impact of suggested rates on 5-year budget

Any rate recommendation made in this document will result in the city of Halsey meeting the terms of its loan with the State Revolving Fund. The rate recommendations will also fund reserve contributions at recommended levels by at least year 5, though reserve contributions will be made annually in all scenarios.

4.5 Impact of suggested rates on Customer bills

4.5.1 Rate equity and affordability analysis

Customer bills are set to go up with the need for more revenue. Under the current rate structure, all customers are charged the same regardless of connection size. This means that any changes to the base rate will impact customers equally. It is the changes to usage rates that will affect customers differently. Below is a table of projected impacts to customers under the recommended rate. Note that impacts will vary with any adjustments made to the rate structure.

Average Bill Every M by Meter Size for the Residential Class

Meter Size	Count	Meter Size	Current	Year 1	Year 2	Year 3	Year 4	Year 5
0.750	327	3/4"	\$47.99	\$56.41	\$60.98	\$64.64	\$67.23	\$68.70
1.000	2	1"	\$58.97	\$71.82	\$77.70	\$82.37	\$85.66	\$87.68
1.250	0	1"						
1.500	1	1.5"	\$44.04	\$50.11	\$54.13	\$57.38	\$59.67	\$60.88
2.000	1	2"	\$225.04	\$305.79	\$331.67	\$351.57	\$365.63	\$376.11
3.000	1	3"	\$545.71	\$752.60	\$816.53	\$865.52	\$900.14	\$926.50

Average Bill Every M by Meter Size for the Commercial Class								
Meter Size	Count	Meter Size	Current	Year 1	Year 2	Year 3	Year 4	Year 5
0.750	9	3/4"	\$44.47	\$50.79	\$54.86	\$58.15	\$60.48	\$61.71
1.000	5	1"	\$81.09	\$108.31	\$117.29	\$124.33	\$129.30	\$132.61
1.250	1	1"	\$44.24	\$50.49	\$54.55	\$57.83	\$60.14	\$61.39

The average customer bill as noted above relates to changes recommended under Alternative 1. Customer base rates increase to \$50/month with slight increases to user rates.

5 Recommendations

5.1 Summary of rates, reserve funding, other recommendations

5.1.1 Recommendation Rate: All base increase, larger usage rate increase

Classes: Residential, Commercial					
Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5
All Sizes	50.00	54.00	57.24	59.53	60.72

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$2.00		4,001-7,000	\$3.00
7,001-15,000	\$2.50		7,001-15,000	\$3.00
15,001+	\$3.00		15,001+	\$3.00

In the above scenario, customer base increases raise from \$44/month across the board to \$50/month. Additionally, usage rates increase by for all customer types. Revenue is generated more through user rates than is the case in alternative 2.

5.1.2 Alternative 2: Larger increases to Base Rates

Classes: Residential, Commercial					
Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5
All Sizes	52.00	57.20	60.06	61.26	62.49

Tier Break (gal)	Residential		Tier Break (gal)	Commercial
0-3,000	\$0.00		0-4,000	\$0.00
3,001-7,000	\$1.50		4,001-7,000	\$2.50
7,001-15,000	\$2.00		7,001-15,000	\$2.50
15,001+	\$2.50		15,001+	\$2.50

In Alternative 2, more focus is applied to revenue generation via an additional \$2/month base increase in year 1 vs Alternative 1. Less emphasis is placed on increases to user rates, though smaller increases are still applied in this scenario.

5.1.2.1 What happens if no action is taken

If no action is taken by the city, Halsey will not meet the conditions of its loan agreement. Reserves will not be adequately funded, and the system will be less resilient to needs that arise with the drinking water system. More importantly, Halsey's rates will not be at the minimum levels set for the city to receive loan forgiveness as defined in the conditions of the loan agreement with the State Revolving Fund.

5.2 General recommendations for improving financial condition

5.2.1 Increasing revenues without raising rates

Increasing revenues without raising rates is not a possibility for Halsey. In the future, however, if Halsey establishes healthy reserves, it is possible that the growth of the fund could have a larger impact with respect to annual reserve contributions.

5.2.2 Reducing expenses

Reducing expenses is always an option, so long as the system has an adequate operations and maintenance budget. Optimizing performance, getting the maximum useful life from assets, and strategic planning can help systems plan for the future, meanwhile optimizing the use of ratepayer's money.

5.2.3 Raising rates

As the primary source of operational revenue generation, raising rates is the most realistic alternative for the city of Halsey. Whether the system chooses to address base rates or usage rates, customers will have to shoulder the burden for the upkeep of the drinking water system. Where Halsey chooses to increase the rates for customers will dictate how customers are impacted by any selected rate increases.

5.3 Implementation of rate adjustments

5.3.1 General implementation advice

Borrowers for State Revolving Fund loans generally have one year after closing before a first payment is due. The city should consider this when determining when to implement rate increases. All projections contained in this study assume a full 12 months of revenue generation to meet the budget projections generated in the rate model.

5.3.1.1 Key points to remember when adjusting rates

Raising rates require multiple readings and a public comment period. The city should account for these requirements when considering when the rate increases are set to take effect. Communication with the public is key to keeping the customer base informed and able to plan for impacts on their personal budgets.

6 Appendix

6.1 Multi-year budget: All Base Increase Alternative

EXPENSES AND SOURCES OF FUNDS	2019	2020	2021	% Belongin g to Water	2022	2023	2024	2025	2026
OPERATIONS & MAINTENANCE EXPENSES									
Personnel Services	107,346	116,601	121,200	100%	123,866	126,591	129,376	132,223	135,132
Weed Killer/Spray/Op Mat & Sup	387	333	800	100%	818	836	854	873	892
Grounc Cover/Oper Matl & Sup	92	1,009	600	100%	613	627	640	655	669
PW Supplies/Oper Mat & Sup	3,370	3,953	4,000	100%	4,088	4,178	4,270	4,364	4,460
Postage/Bulk Mail/Op Mat & Sup	305	306	1,800	100%	1,840	1,880	1,921	1,964	2,007
Fuel/Operating Materials & Sup	2,203	2,192	2,500	100%	2,555	2,611	2,669	2,727	2,787
Small Tools & Equipment	1,940	2,442	2,500	100%	2,555	2,611	2,669	2,727	2,787
Telecommunications	1,572	1,985	2,000	100%	2,044	2,089	2,135	2,182	2,230
Northwest Natural Gas	1,406	1,134	1,600	100%	1,635	1,671	1,708	1,746	1,784
Pacific Power & Light	19,802	21,202	25,000	100%	25,550	26,112	26,687	27,274	27,874
Chlorination	930	997	1,200	100%	1,226	1,253	1,281	1,309	1,338
Water Plant/Maintenance-Bldg	5,750	209	2,000	100%	2,044	2,089	2,135	2,182	2,230
PW Shop/Maintenance-Bldg	3,032	1,185	2,000	100%	2,044	2,089	2,135	2,182	2,230
Vehicle/Maint - Equip	76	94	500	100%	511	522	534	545	557
Heavy Equip/Maint-Equip	2,512	1,653	2,000	100%	2,044	2,089	2,135	2,182	2,230
Fire Extinguisher/Maint-Equip	93	140	100	100%	102	104	107	109	111
Water Sys Repair/Maint-Equip	1,885	7,596	8,000	100%	8,176	8,356	8,540	8,728	8,920
Copier/Maintenance-Equipment	1,402	1,773	1,800	100%	1,840	1,880	1,921	1,964	2,007
Organization Dues/Fees	259	641	1,500	100%	1,533	1,567	1,601	1,636	1,672
Publishing/Public Notices	0	0	100	100%	102	104	107	109	111
Education/Training Expense	350	270	500	100%	511	522	534	545	557
Clothing/Safety Equipment	127	120	300	100%	307	313	320	327	334
Travel/Meeting Expense	181	40	500	100%	511	522	534	545	557
Lab Service	1,813	2,926	3,500	100%	3,577	3,656	3,736	3,818	3,902
Well/Cross Connection Permit	0	675	500	100%	511	522	534	545	557
Backflow Testing	4,698	6,764	6,500	100%	6,643	6,789	6,939	7,091	7,247
Planning Engineering Fees (per Hilary)			3,000	100%	3,066	3,133	3,202	3,273	3,345
				100%	0	0	0	0	0
				100%	0	0	0	0	0
Total Refurbishing and Rebuilding Cost					0	0	0	0	0
Planning Engineering Fees	0	0	10,000						
Contracts/Professional Service	2,044	2,813	5,400						
Total Operation and Maintenance Expenses:	163,574	179,052	211,400		200,312	204,719	209,223	213,826	218,530
GENERAL & ADMINISTRATIVE EXPENSES									
Operating Reserve Funding					0	0	0	0	0
Emergency Reserve Funding					0	0	0	0	0
Debt Reserve Funding					0	0	0	0	0
Replacement of Existing Capital Assets					36,893	36,893	36,893	36,893	33,593
Replacement of Funded Project Assets					0	0	0	0	0
Reserves for Additional Capital Assets					1,563	1,563	1,563	1,563	0
Debt Service					57,535	57,535	57,535	57,535	57,535
				100%	0	0	0	0	0
Total General and Administrative Expenses:	0	0	0		95,991	95,991	95,991	95,991	91,128
TOTAL EXPENSES	163,574	179,052	211,400		296,303	300,710	305,214	309,817	309,658
SOURCE OF FUNDS / REVENUES RECEIVED									
Sales Revenue (Base + Usage)	207,240	214,614	170,000		0	0	0	0	0
New connections	4,000	0	0	100%	0	0	0	0	0
Interest income	3,814	3,871	2,000	100%	2,044	2,089	2,135	2,182	2,230
Uncollectable Receivables					-498	-549	-576	-588	-601
Reconnect/Admin	725	325	200	100%	204	209	213	218	223
Fees Late/NSF	120	0	0	100%	0	0	0	0	0
Backflow Testing	6,600	6,740	6,500	100%	6,643	6,789	6,939	7,091	7,247
24 hour notice	2,625	1,590	500	100%	511	522	534	545	557
Miscellaneous	-1,186	1,660	100	100%	102	104	107	109	111
				100%	0	0	0	0	0
				100%	0	0	0	0	0
Grants and Loans			102,000						
TOTAL REVENUE	223,938	228,800	281,300		258,195	283,533	297,437	303,406	310,063
NET LOSS OR GAIN:	60,364	49,748	69,900		-38,108	-17,177	-7,776	-6,411	405
NET CASH FLOW (Contribution to Reserves)	60,364	49,748	69,900		348	21,279	30,680	32,045	33,998

Multi-year Budget: Increased Tier Rate Alternative

[illegible]

6.2 Capital Replacement Plan

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (C, F)	% Belonging to Water	Estimated Historic Cost (Water only)	Normal Estimate of Life	Current Age	Estimated Current Cost	Planned Remaining g Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Existing Reserves	Annual Reserve Required	
Replacement of Existing Capital Assets																
	Source															
1	Well 69 (sometimes called well 1)	1999	250,000 c	c	100%	\$120,099	30	52	250,000	-22	15	346,500	15%	85%	18,929	2,083
1	Well 69 submersible pump motor	2010	4,500 c	c	100%	\$3,854	20	11	4,500	9	9	5,474	100%	0%	2,272	344
1	Well 69 submersible pump@105'	1999	1,500 c	c	100%	\$1,285	20	11	1,500	9	9	1,825	100%	0%	757	Not Cap.
1	Well 69 building	1999	25,000 c	c	100%	\$12,010	60	52	25,000	8	8	29,754	25%	75%	3,155	519
1	Well 98 (sometimes called well 2)	1998	250,000 c	c	100%	\$180,783	30	23	250,000	7	7	291,136	15%	85%	18,929	3,442
1	Well 98 submersible pump motor	2011	5,500 c	c	100%	\$4,777	20	10	5,500	10	10	6,837	100%	0%	2,776	391
1	Well 98 submersible pump@62'	2011	1,500 c	c	100%	\$1,303	20	10	1,500	10	10	1,865	100%	0%	757	Not Cap.
1	Well 98 building	1998	10,000 c	c	100%	\$7,231	60	23	10,000	37	37	22,371	25%	75%	1,262	104
Treatment																
3	100 HP pump motors	1998	10,000 c	c	100%	\$21,692	15	23	30,000	-8	4	32,728	25%	75%	3,766	1,084
3	100 HP centrifugal pumps	1998	20,000 c	c	100%	\$43,383	15	23	60,000	-8	4	65,457	25%	75%	7,572	2,168
2	30 HP pump motors (one is spare)	1998	1,500 c	c	100%	\$2,169	15	23	3,000	-8	4	3,273	100%	0%	1,514	434
2	30 HP centrifugal pumps (one is spare)	1998	5,000 c	c	100%	\$7,231	15	23	10,000	-8	4	10,909	100%	0%	5,048	1,445
1	Package filtration system	1998	50,000 c	c	100%	\$35,153	15	23	50,000	-8	4	54,547	25%	75%	6,310	1,806
1	Chemical injection pump (bleach)	1998	2,000 c	c	100%	\$1,446	15	23	2,000	-8	4	2,182	100%	0%	1,010	Not Cap.
1	Chemical storage tank (bleach)	1998	400 c	c	100%	\$289	30	23	400	7	7	466	100%	0%	202	Not Cap.
1	Backup generator	1998	55,000 c	c	100%	\$39,768	30	23	55,000	7	7	64,050	25%	75%	6,941	1,262
1	Treatment plant building	1998	250,000 c	c	100%	\$180,783	60	23	250,000	37	37	559,272	5%	85%	6,310	519
Storage																
1	Reservoir #1	1999	400,000 c	c	100%	\$192,158	60	52	400,000	8	8	476,066	15%	85%	30,287	4,985
1	Reservoir #2	1998	625,000 c	c	100%	\$451,507	60	23	625,000	37	37	1,398,180	5%	85%	15,774	1,298
Distribution																
49	Fire hydrants	1975	3,000 c	c	100%	\$78,852	40	46	147,000	-6	5	163,897	15%	85%	11,130	2,642
11	Blow off assemblies	1999	1,200 c	c	100%	\$6,341	40	52	13,200	-12	5	14,717	100%	0%	6,663	1,582
2,525	2" Steel pipe	1999	75 c	c	100%	\$90,975	75	52	189,375	23	23	312,397	15%	85%	14,338	1,304
250	4" Steel pipe	1999	90 c	c	100%	\$10,899	75	52	22,500	23	23	37,115	25%	75%	2,839	258
10,100	6" Steel pipe	1999	90 c	c	100%	\$436,860	75	52	899,000	23	23	1,499,459	5%	85%	22,942	2,066
2,600	8" Steel pipe	1999	100 c	c	100%	\$124,903	75	52	260,000	23	23	429,888	15%	85%	19,686	1,790
250	4" PVC pipe	2004	35 c	c	100%	\$6,895	75	17	8,750	58	58	30,914	25%	75%	1,104	96
900	6" PVC pipe	2004	40 c	c	100%	\$28,328	75	17	36,000	58	58	127,190	15%	85%	2,726	237
7,100	8" PVC pipe	2004	45 c	c	100%	\$251,408	75	17	319,500	58	58	1,128,815	5%	85%	8,064	702
1,350	10" PVC pipe	2004	50 c	c	100%	\$53,114	75	17	67,500	58	58	238,482	15%	85%	5,111	445
3,950	12" PVC pipe	2004	55 c	c	100%	\$170,949	75	17	217,250	58	58	767,559	5%	85%	5,483	477
Fixed assets																
1	Backhoe2012 Case 580 Super, JGN68SNVCC64022	2012	35,000 c	c	33%	\$10,174	20	9	11,550	11	11	14,674	100%	0%	5,830	771
1	Excavator2005 Kabota KX1613-3SS Super	2006	40,000 c	c	33%	\$10,989	20	13	13,200	7	7	15,372	100%	0%	6,663	1,211
1	Service truck2007 Chevrolet 2500HD with service body	2007	25,000 c	c	100%	\$20,522	10	14	25,000	-4	5	27,874	25%	75%	3,155	749
1	Dump truckFord F7700 cab and chassis w/dump conversion	1997	70,000 c	c	33%	\$0	20	24	0	-4	-	0	100%	0%	0	Not Cap.
1	Equipment trailerTrail King, TK120-2000	2014	5,000 c	c	100%	\$4,530	25	7	5,000	18	18	7,398	100%	0%	2,524	254
1	Vacuum truck1992, Vector 2110, Chassis: Navistar 2574 6x4	2008	100,000 f	f	33%	\$27,473	25	13	25,266	12	12	33,000	25%	75%	3,188	403
Subtotal Replacement of Existing Capital Assets																
						\$2,639,211			4,303,494			8,220,634	10%	84%	255,039	36,893
Reserves for Additional Capital Assets																
#REF!	Asset	Year to be Purchased	#REF!	#REF!	% Belonging to Water	Normal Estimate of Life	Years to save	Estimated Current Cost	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required		
Reserves for Additional Capital Assets																
1	Dump truckFord F7700 cab and chassis w/dump conversion	2025	70,000 c	c	33%		20	4	23,100		25%	75%	0	1,563		
					100%						0%	0%	0	0		
					100%						0%	0%	0	0		
Subtotal Reserves for Additional Capital Assets																
								23,100	25,201	25%	75%	0	1,563			
Enter Existing Reserves for Additional Capital Assets																
Total Capital Reserves																
								4,326,594	8,245,835	10%	84%	6%	255,039	38,456		

6.3 Fixed Versus Variable Charges

Fixed vs Variable Expenses				
City of Halsey				
	5-Year Average	% Fixed	\$ Fixed	\$ Variable
OPERATIONS & MAINTENANCE EXPENSE				
Personnel Services	129,438	90%	116,494	12,944
Weed Killer/Spray/Op Mat & Sup	854	100%	854	0
Ground Cover/Oper Matl & Sup	641	100%	641	0
PW Supplies/Oper Mat & Sup	4,272	100%	4,272	0
Postage/Bulk Mail/Op Mat & Sup	1,922	100%	1,922	0
Fuel/Operating Materials & Sup	2,670	80%	2,136	534
Small Tools & Equipment	2,670	100%	2,670	0
Telecommunications	2,136	100%	2,136	0
Northwest Natural Gas	1,709	100%	1,709	0
Pacific Power & Light	26,699	80%	21,359	5,340
Chlorination	1,282	90%	1,153	128
Water Plant/Maintenance-Bldg	2,136	100%	2,136	0
PW Shop/Maintenance-Bldg	2,136	100%	2,136	0
Vehicle/Maint - Equip	534	100%	534	0
Heavy Equip/Maint-Equip	2,136	100%	2,136	0
Fire Extinguisher/Maint-Equip	107	100%	107	0
Water Sys Repair/Maint-Equip	8,544	100%	8,544	0
Copier/Maintenance-Equipment	1,922	100%	1,922	0
Organization Dues/Fees	1,602	100%	1,602	0
Publishing/Public Notices	107	100%	107	0
Education/Training Expense	534	100%	534	0
Clothing/Safety Equipment	320	100%	320	0
Travel/Meeting Expense	534	75%	400	133
Lab Service	3,738	95%	3,551	187
Well/Cross Connection Permit	534	100%	534	0
Backflow Testing	6,942	100%	6,942	0
Planning Engineering Fees (per Hilary)	3,204	100%	3,204	0
Total Refurbishing and Rebuilding Cost	0	100%	0	0
Planning Engineering Fees	0	100%	0	0
Contracts/Professional Service	0	100%	0	0
Total Operation and Maintenance Expenses	209,322		190,056	19,266
GENERAL & ADMINISTRATIVE EXPENSES				
Operating Reserve Funding	0	100%	0	0
Emergency Reserve Funding	0	80%	0	0
Debt Reserve Funding	0	100%	0	0
Replacement of Existing Capital Assets	36,233	100%	36,233	0
Replacement of Funded Project Assets	0	100%	0	0
Reserves for Additional Capital Assets	1,251	100%	1,251	0
Debt Service	57,535	100%	57,535	0
Total General and Administrative Expenses	95,018		95,018	0
Total All Expenses	304,340		285,074	19,266
Fixed-Variable as % of all Expenses			94%	6%

6.4 Rate schedule and ordinances



CITY OF HALSEY
PO Box 10, 100 West Halsey St., Halsey OR 97348

PH: (541) 369-2522
FAX: (541) 369-2521
TTY: (800) 735-2900

MEMO

DATE: July 2020
TO: All Citizens
FROM: Hilary Norton, City Administrator
RE: UTILITY RATES – Effective July 1, 2020

WATER

Residential Use:

0 - 3000 gallons	\$44.00
3001 - 7000 gallons	\$1.25/1000 gallons
7001 - 15000 gallons	\$1.75/1000 gallons
15000+ gallons	\$2.25/1000 gallons

Commercial Use:

Up to 4000 (base) gallons	\$44.00
4001+ gallons	\$2.00/1000 gallons

Stormwater Drainage \$ 1.00

Stormwater Pump Chg – Blue Heron \$ 6.00

BACKFLOW DEVICE CHARGE \$20.00
(Automatic charge to all accounts in October)

SEWER

Residential Use

Sewer Only	\$41.00
0 - 3000 gallons	\$37.00
3001 - 7000 gallons	\$41.00
7001 – 15000 gallons	\$46.00
15001+ gallons	\$51.00

Commercial Use:

1-2 Fixtures	\$37.00	9 Fixtures	\$59.00
3 Fixtures	\$41.00	10 Fixtures	\$61.00
4 Fixtures	\$45.00	11 Fixtures	\$63.00
5 Fixtures	\$49.00	12 Fixtures	\$65.00
6 Fixtures	\$53.00	13 Fixtures	\$67.00
7 Fixtures	\$55.00	14 Fixtures	\$69.00
8 Fixtures	\$57.00	15 Fixtures	\$71.00
		39 Fixtures	\$119.00

- **BILLS WILL BE MAILED ON THE LAST DAY OF THE MONTH**
- **PAYMENT IS DUE ON THE 25TH OF THE FOLLOWING MONTH**

DELINQUENT ACCOUNTS: Apply to both Water & Sewer

- (1) Penalty Charge assessed if payment is not received on or before 5PM on the 5th of the month following the due date.....\$ 5.00 (per service)
- (2) Charge for 24-hour notice (15th of the month).....\$ 15.00
- (3) Turn Off/Turn On Fee (16th of the month).....\$ 25.00

****The City finds it necessary to enforce a strict payment policy on all delinquent accounts****

Meters are read on the 26th of each month. Bills will be mailed on the last day of the month for the PRIOR month's usage. Payment is due on the 25th of the next month.

6.5 Methodology

Rate Setting with Water Meters

