

The following is a history of the Infrastructure Maintenance and Improvement Fund (IMIF), which is the \$8.00 surcharge on your monthly utility bill.

The IMIF was created in 2012 for the purposes of maintaining our existing water and sewer systems. The IMIF funds were to be used in conjunction with the Timber Infrastructure & Improvement Fund (TIIF) to replace, repair, maintain, and upgrade outdated city infrastructure both in and outside city limits. The City conducted two public hearings (May 2, 2012 and May 16, 2012) prior to the implementation of the surcharge. The City exceeded its obligation to the public by holding two meetings for public comment rather than a single public comment meeting as stipulated in state statute (ORS 294.160). The City advertised the public hearing by placing a notice in the newspaper (The Chief), and posting notices at the library and the post office for both meetings. The original proposal was a \$12.00 per month surcharge to all water accounts. After public comment, this amount was reduced to \$8.00 per month.

The IMIF surcharge was passed by the City Council on June 6, 2012 following a notice of the City Council meeting placed in the newspaper (The Chief). The surcharge was implemented on the billing statements printed and mailed at the end of July, 2012. In the fiscal year beginning July 1, 2012 and ending June 30, 2013, the money was collected and was to be used in the following fiscal year.

In the fiscal year beginning July 1, 2013 and ending June 30, 2014, using both IMIF and TIIF funds, the following capital improvements were made to the infrastructure in the City: \$8,560 for storm drainage refurbishment on NE Lillich, NE Conyers, and NE Steele St., \$152,081 to replace the sanitary sewer line on SW Tichenor from 7th St to the PUD substation, and \$10,000 to upgrade water lines and valves on N Nehalem St.

In the fiscal year beginning July 1, 2014 and ending June 30, 2015 using both IMIF and TIIF funds, the following capital improvements were made to the infrastructure in the City: \$12,686 for storm drainage refurbishment, \$10,354 for sidewalk & wheelchair ramp upgrades on N Nehalem, \$9,673 for Spring St drainage improvements at 5th St., \$34,500 to replace the sanitary sewer line from Tichenor St to S Nehalem, \$30,867 for sewer lift station improvements; \$63,000 to complete replacing the water main on Hall Rd., \$11,000 to construct a new water main in Lillich St. between N Nehalem St and Conyers St, and \$29,957 for a sludge thickening system.

In the fiscal year beginning July 1, 2015 and ending June 30, 2016 using both IMIF and TIIF funds and a \$50,000 Small Cities Allotment grant from ODOT, the following capital improvements are budgeted to improve the City's infrastructure: \$90,000 to overlay N Nehalem St, \$15,000 pavement repair to Howard Dr, Bel Air Dr and Bryant St., \$9,000 to improve downtown crosswalks and curb ramps, \$7,000 for demolition of the Beaver Mill House, \$52,000 to continue replacement of sanitary sewer line on Tichenor St., \$9,000 to replace sanitary sewer main near CRFPD, \$56,000 to replace a portion of the raw water feed extension in CMHS driveway, \$6,000 to upgrade and automate the software at the water treatment plant; \$4,000 for inspection and repairs to the water reservoirs; and \$7,000 for pavement repair on Truehaak at 3rd St.

The surcharge passed in June 2012 had a three year sunset clause. The City published a notice in the newspaper (The Chief) for the June 3, 2015 meeting which included a statement that there would be a public hearing to renew the IMIF fee. This meeting notice was also posted at the library and post office. No public testimony was given at the June 3 meeting. The council passed the renewal of the IMIF surcharge with a sunset on collection set for June 30, 2018.