

Thursday, 7:00 P.M.

March 20, 1996

UTILITY RATE REVIEW COMMITTEE  
MINUTES

Wastewater Treatment Plant

Newberg, Oregon

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Members Present:

Brett Veatch  
Paula Fowler  
Myrna Miller  
Karlene Ferrell  
Scott Reinhardt, Chair  
Karl Rolf Buelتمان

Members Absent:

Barry Babin

Staff Present:

Greg Scoles, Community Development Director  
Chuck Liebert, Utility Manager  
Katherine Tri, Finance Director

1. Call to Order

The meeting was called to order at 7:00 pm by Chairperson Reinhardt.

2. Roll Call

Roll call was noted.

3. Approval of Minutes

The minutes of March 6, 1996 were reviewed. Fowler/Miller moved to approve the minutes with the following corrections:

Members present, it should note that Karlene Ferrell and Paula Fowler were present.

The third paragraph in section 4.D. (Review of Rate Structure) should read as follows:

"The committee members like some aspects of the base plus flow, but there was a consensus for the second rate structure."

Prior to considering the next item on the agenda, the committee discussed the

absence of committee member Babin. There was some discussion as to what constituted an excused absence. Ms. Fowler asked if they can remove a member for lack of participation. Chairperson Reinhardt noted the ordinance would require the Council to remove a member. Mr. Scoles indicated that it might be appropriate to contact Mr. Babin and discuss his status on the committee. The committee agreed and asked Mr. Scoles to contact Mr. Babin for a response.

**4. Continued Business:**

**A. Time Line - March through June, 1996**

The committee reviewed the proposed action time line presented by Duane Cole in his memo dated March 11, 1996. The committee agreed with the concept presented in the memo, but wanted to wait and make their recommendation to City Council after the April 17, 1996 meeting where the report on SDC's would be presented.

**B. Review of Rate Scenarios**

Chuck Liebert presented a number of charts which were based on the following assumptions:

1. SDC debt financing.
2. Three and five year projections.
3. Combined operation and replacement fund.
4. Minimum operating fund balance of \$1,000,000.
5. No increase in current user fees.
6. Project to end of debt service.
7. 3% Inflation.
8. 3% Annual revenue increase due to growth.

After considerable discussion, the committee's consensus was that no rate increase would need to be proposed, provided that the SDC contribution to the operating fund would be increased as indicated in the assumptions.

Mr. Liebert stated that the City has hired CH2M Hill to prepare an analysis of the SDC and a preliminary report would be available at the April 17, 1996, meeting. The committee decided to wait until the next meeting before making

a recommendation to the City Council.

### C. Future Public Hearing

The committee indicated that it was unlikely that a public hearing would be required since it did not appear as though a rate increase would be recommended.

The committee also noted that consideration of the water rates should not be scheduled for the next meeting.

### 5. Adjournment

The committee moved to adjourn at 8:25 a.m.

Passed by the Utility Rate Review Committee on this \_\_\_\_ day of \_\_\_\_\_, 1996.

Passed Unanimously.

ATTEST:

\_\_\_\_\_  
Brett Veatch, Secretary

