

Minutes for CRRC Town Hall meeting 01/13/2010 @ 7:00 pm City Newberg Public Safety Building

56 in the audience of which 5 were Councilors

CRRC members present: Matson Haug, David Maben, Tony Rourke, Ernie Amundson Jr., Charles Zickefoose, Mike Gougler and Beth Keyser.

See attached agenda, CRRC and Rate Consultant PowerPoint presentations/handouts, sample utility bill and 3 memos from the public, provided to CRRC members.

Mayor Bob Andrews Moderator

Mayor Andrews opened the Town Hall, introduced everyone, and welcomed everyone for participating.

He turned the meeting over to Matson Haug, CRRC Chairman.

Mat pointed out the CRRC PPT presentation and asked the public to review the handout.

Mat introduced Deborah (Deb) Galardi, Galardi Consulting, LLC presented on the Utility Rate review process to date.

Mat began the public comment period

SPEAKER: Leon Blanchard 314 W 5th St

1. West 5th storm water does not drain properly, it runs across his property. He has seen no improvements, no maintenance; storm water from several streets runs across his property.
2. Lots of unemployed folks, people losing their homes, living under bridges, off churches.
3. "You" look like deep pocket people. Where is your concern for poor folks?
4. He pointed out the soup kitchen apron he was wearing. He sees none of us in the soup line.

SPEAKER: Sandy Cook 309 S. Main

1. Sewer bill has increased 20% recently. Where does that money go?

Mike responded we are behind the curve on repairs.

SPEAKER: Joe?

1. Is all the increase just to fund debt? What about future projects and when they are completed what happens to rates then?

Deb replied the increase addresses current debt and CIP for the next two years, water without taking on added debt and sewer CIP has been extended from five out to eight years to soften the impact. Rate increases will have to continue for a number of years.

SPEAKER: Dan Jensen

1. Sewer bill from '04 to now has gone from \$30/month to \$70/month. Where/when does this stop?
2. Pays over \$400/month just to stay in his home. You are not working for us.

Mat responded when economy was good we tried we tried to establish a sustainable rate structure but they were not adopted.

SPEAKER: Alan Reid 1216 N. Pennington

1. How long will we have these 15%/year increases, for the next five years?

Deb responded the increases are only for each of the next two years.

SPEAKER: Diane Drew (?)

1. What about land for expansion? How much, where, when?

Howard stated that we just purchased ~20 acres off Sandoz Rd for a variety of Public Works projects as well as the Animal Shelter. New sites are needed for a new water plant and reservoir.

SPEAKER: Hank Grum 2121 Prospect Drive

1. Are Fed/State regulations reasonable, can't you influence the government to be more reasonable?
2. What, exactly do the mandates cost?
3. How can we resist mandates?
4. What projects have been set aside?

Howard replied that we can only comment on proposed Fed/State rules and then they take that into consideration and hand down the new rules. We spent millions on meeting sewer overflow prohibition and heat discharge limit to the Willamette mandates. There is no recourse to mandates. Projects in every area have been set aside.

SPEAKER: Denny Sherman

1. Suggest outside audits to ensure we are doing best possible job.
2. What is the downside of doing nothing? What would be impact on infrastructure?
3. How much of the rate money goes toward growth and what could be done to control this?
4. What can a citizen do to minimize utility bill cost?

Deb stated that growth can be stopped; the City of Wilsonville did this a number of years ago when their water supply was insufficient.

Howard said that infrastructure needs to be in place before growth, it cannot lag behind. SDCs were raised several years ago to compensate for the cost of growth but rates are also needed. If you do nothing it only costs more later and there are regulatory issues.

SPEAKER: ?

1. There is another meeting in about two weeks, bring the deferred CIP.
2. The town's population growth is dramatic. My bills are too high!

Mat said that at the 01/27/10 Public Hearing the CRRC will deliberate and arrive at a rate recommendation to be presented to the Council.

SPEAKER: ?

1. The rates are too high; what do they pay for?

Howard discussed the planned CIP.

SPEAKER: Connie VanHorn

1. Want more details about deferred CIPs.
2. We can control growth because we have "vote on annexation". This can be used to stop growth.
3. Many of us are on Social Security. There is constant increase in bills; they have gone up three times what they were.
4. Give us a list of deferred projects.

SPEAKER: Jadene Stensland

1. Are you building reserves?
2. Does the current WTP site have value? Does the Mill want it?
3. How are rates allocated? Need clearer picture at the public hearing.
4. Put CIP on web site and provide for the public hearing.
5. What is % of water use for S.F. residential?

Tony responded we want to allocate build 1% to build reserves in water and sewer, storm is slightly more.

Deb, we would have to do a data search for the S.F % use.

Howard, the water plant is land locked in the SP Newsprint Mill and at this time the mill has not expressed an interest in it; we can negotiate that when we no longer need it.

SPEAKER: George Edmonston (?) lives on Illinois

1. Looks like the city is swimming just ahead of the sharks.
2. Give us a clear picture of the future.
3. We want to see (visually) where our dollars go.
4. Do utility dollars go for other things?

5. When will I see the \$70,000 for Illinois work?

Howard mentioned the Highway 240 pump station project includes the Illinois work and this will be completed this year. Discussed Federal laws on utility funds and the CIP schedule.

SPEAKER: Whitney Montero

1. Are you looking at energy and conservation projects?
2. Suggestions for more "green" development.

Howard said that we have the sawdust drier which uses renewable resource as fuel and we get Energy Trust rebate for this. The Reuse project allows another use for wastewater effluent and in turn reduces demand on potable water. We are also looking into several solar projects.

SPEAKER: Cory Zielsdorf

1. Questions about adding other uses to the treated water that goes to golf course.
2. Suggestion to make more money with this opportunity, more recycled water to be sold.

Howard responded that we are looking at a reuse reservoir so we can have a pressure reuse system similar to the potable system and we can easily double the output of the plant from one to two million gallons per day.

SPEAKER: ?

1. My utility bill is very high, what can I do?

Howard, call me and we can explain your bill and compare to others with your usage. We have conservation ideas and some free water conserving devices.

SPEAKER: Ron Morgan 114 W 3rd.

1. Newberg is a nice place to live, the population has grown dramatically.
2. I notice City staff and they are busy.
3. Utility bill increased from \$70 to \$76 in one month.
4. How long will rates increase?
5. Please study other cities. Get their good ideas.

SPEAKER: Lee Watson

1. Has Dundee tied into our infrastructure?
2. What is our customer base [numerically]?
3. Do we have capacity to generate gas/energy from sewer?
3. What other State and Federal funds can we get?

Howard, Dundee is not tied into Newberg's water/sewer system though it was considered. They are solving their own problems now. Newberg's population is about 23,500. Our solids process does not generate gas that can be converted to energy. The State has a revolving loan fund that we have applied for. There is nothing else that we qualify for.

SPEAKER: Roger Courier

1. Criticism about chlorination plant
2. Criticism about land sales.
3. No one followed up when he arranged discussion with paper plant for land swap.
4. City had failure to swap land with paper plant when we had the chance.
5. You do not realize that we are in a recession. Growth has fallen off.
6. Much criticism about various O&M expenses, too many new trucks, etc.
7. Should out-source services.
8. Mentioned over estimate of development cost.

Mat, the CRRRC pays attention to O&M, there was a ten year period when there were no rate adjustments and the CIP is far above the O&M costs.

SPEAKER: ?

1. Thanked the committee for their work.
2. The 14.4 % increase is combined?

3. Has growth slowed down?

Deb, the 14.4 % is combined and growth has slowed dramatically and demand has dropped along with it.

SPEAKER: Joe Bonaventura? 800 Hilltop dr. (?)

1. What's been deferred and what has been built?

SPEAKER: Lon Wall 625 N Morton

1. CRRC is all volunteers, citizens no different from the audience and they do not get paid for their efforts.
2. City has many unfunded mandates and there are no options.
3. There will still be people that believe any increase is too much and nothing will convince them otherwise.
4. With ten years of no rate adjustments a problem was created.
5. The public should come to city committee meetings, e.g., budget committee, typically no one shows up.

SPEAKER: Alan Reid

1. Have we prebuilt infrastructure (?)

Howard, we only build in anticipation of a specific project.

Mike, commented that City staff are very helpful. If you conserve water, the rates drop and more funding is needed to make up for this drop. He discussed fees, SDCs and future projects. New development pays its share.

SPEAKER: ?

1. Utility bills are going up.
2. Efficiency audits should be performed.

SPEAKER: ?

1. What will growth be at the end of your twenty year planning period?

Howard, double the current 23,500 population.

Janelle explained the sample utility bill that was a handout.

Howard commented on the City water conservation program and information available at City Hall and on the City website.

Mayor pointed out that five Council members were present in the audience and introduced them. He also noted that the City Manager had been there. He thanked everyone and closed the meeting.