

**CITY OF NEWBERG  
CITIZENS' RATE REVIEW COMMITTEE  
WEDNESDAY, FEBRUARY 5, 2014  
7:00 PM MEETING  
NEWBERG PUBLIC SAFETY BUILDING (401 EAST THIRD STREET)**

**I. CALL MEETING TO ORDER**

Chair Tony Rourke called the meeting to order at 7:00 PM.

**II. ROLL CALL**

Members Present:    Tony Rourke, Chair                      Blair Didway, Vice-Chair      Ernie Amundson  
                         Helen Brown                                      Mike Gougler                      Rick Rogers  
                         Charles Zickefoose                      Mayor Bob Andrews, ex-officio (arrived at 7:08 PM)

Staff Present:        Lee Elliott, City Manager Pro Tem                      Janelle Nordyke, Finance Director  
                         Jay Harris, Interim Public Works Director      DawnKaren Bevill, Minutes Recorder

Others Present:      Deb Galardi, Galardi Consulting, LLC

**III. PUBLIC COMMENTS**

No comments were brought forward as there were no audience members present.

**IV. CONTINUED BUSINESS**

1. Five-Year Stormwater Capital Improvement Projects Presentation

Mr. Jay Harris, interim public works director, stated the city strives to update all master plan documents every ten years. The last stormwater master plan was completed in 2001. Last fall, Brown and Caldwell was contracted to complete the new stormwater master plan by June, 2014. The new master plan hydraulic models the existing system to determine system deficiencies and will reflect recent Oregon Department of Environmental Quality (DEQ) changes in stormwater quality and detention control requirements for impervious surfaces. The cost of the master plan update is estimated to be \$150,000.00.

Mr. Harris reviewed the five-year capital improvement projects list, explaining the Highway 99W to Second Street parking lot pipe rehab/replacement involves the existing 8 and 10 inch pipes extending south from Highway 99W under the existing commercial buildings to the Second Street parking lot. The pipes were recently video taped and found to be in poor condition. Because of their small diameter, poor condition, and undesirable location, the existing pipes are poor candidates for a rehab lining project. The proposal is to replace both pipes with a new system that extends west on Highway 99W and then south on Howard Street.

Mr. Harris reported in the design of the Sheridan Street improvements it was found portions of the downstream storm drainage systems on Blaine and School Streets require additional conveyance system improvements. The downstream storm drainage work, estimated to cost \$70,000.00, is proposed to be completed as a separate project from the Sheridan Street road improvement project, which opened for traffic last week.

Mr. Harris added a capital improvement plan, identifying the locations of necessary infrastructure upsizing and the corresponding estimated costs, will be prepared as part of the 2014 stormwater master plan update. The

stormwater system development charges (SDCs) will need to be adjusted per the new capital improvement project list. The current stormwater SDC rate is \$311.00 per equivalent single family home dwelling unit (2,877 square feet per unit). The cost for the consultant study is estimated to be \$15,000.00.

Mr. Harris continued that there is a section of 12-18 inches of existing stormwater piping that crosses under Newberg fire station #20 and under multiple homes. Flooding occurs on 6<sup>th</sup> Street and Blaine Street. Large sections of the existing pipe are also constructed of corrugated metal and is nearing end of life. The \$1,127,000.00 project will decommission the existing stormwater pipes and construct a new 24-inch stormwater mainline along South Blaine and Second Streets. Sections of the existing piping system will also be upsized to convey the existing and future flows.

Mr. Harris concluded that a section of 21-inch existing stormwater piping extends through private property and crosses under multiple structures. In ten year storm events, flooding occurs in existing sections of pipe on 7<sup>th</sup>, 8<sup>th</sup>, and Center Streets. The \$1,206,000.00 project will decommission the existing stormwater pipes and construct a new 24-inch stormwater mainline along Center Street. Sections of the existing piping system will also be upsized to convey the existing and future flows.

## 2. Present Stormwater Rates

Ms. Deb Galardi, Galardi Consulting, LLC, reported on the last two years of revenue. Almost \$1,000,000.00 has been recovered each year from stormwater. On the cost side, there are positive variations from the prior plan, such as the current budget is in line where staff estimated for year 2013-2014. Capital projects came in well below estimates. There is \$809,000.00 in reserves and assuming a 5% increase, rates would generate close to \$500,000.00 to fund the inflation adjusted capital improvement projects. The sales revenue is expected to increase based on the 5% rate increase, as well as some amount of customer growth proven to be on the conservative side. On the expense side, the forecasted operation and maintenance increases include 5% franchise fee and a 0.5 additional staff position. Ending reserves of about 50% would take a 9.5% annual increase and annual capital funding capacity equaling \$300,000.00. Use of all reserves for funding in the current plan would take 5% annual increase and annual capital funding capacity equaling \$100,000.00.

**MOTION:** Gougler/Zickefoose moved to approve a 9% increase to the stormwater monthly bill per year. Motion carried (5 Yes/ 2 No [Amundson, Brown]).

## V. ADJOURNMENT

The next meeting is scheduled for Wednesday, February 12, 2014, at 7:00 PM at the public safety building.

Chair Rourke adjourned the meeting at 8:55 PM.

**Approved by the Citizens' Rate Review Committee on this 2<sup>nd</sup> day of April, 2014.**

Mat Zick 12-3-15  
Citizens' Rate Review Committee Recording Secretary

AA 12-3-15  
Citizens' Rate Review Committee Chair

*Minutes signed on 12/3/15 by current chair & secretary due to going unsigned at time of approval by CRRC.*