

THURSDAY, 7:00 P.M.

May 13, 2004

BUDGET COMMITTEE MINUTES

PUBLIC SAFETY BUILDING

NEWBERG, OREGON

Members Present:

Darlyn Adams	Lon Wall	Sally Dallas
Mike McBride	Donna McCain	Louis Larson
Bob Larson	Douglas Pugsley	Bart Rierson
Mike Boyes	Bob Stewart, Mayor	

Absent: Roger Currier, Robert Soppe and Bob Andrews

Others Present:

Jim Bennett, City Manager	Terry Mahr, Attorney
Leah Griffith, Librarian	Dave Brooks, IT Director
Michael Soderquist, CDD Director	Janelle Nordyke, Ass't Finance Director
Kathy Tri, Finance Director	Kelly Thomas, Fire Department
Barton Brierley, Planning Director	

Absent: Michael Sherman, Fire Chief

1. Call to Order

Chair Sally Dallas called the meeting to order at 7:05 p.m.

2. Roll Call

Roll call was noted by Kathy Tri.
Mike McBride was in attendance at 8:35 p.m.

3. Continued Business

a. Information Technology:

Dave Brooks provided diagrams of the Newberg's website and stated that the total hits for 2003 were over 8 million, and through May 2004 was around 949,000. The handout material also included the average number of weekly hits and that the city had over 11 million hits since 2001. Since then the hits have increased exponentially because more things have been put on the website.

b. Capital Projects:

Dan Danicic provided an overview of the major Capital Projects planned for the near future and stated that the projects encompass about 90% of the CIP Budget. The following describes the project and a summary of comments made:

PROJECT	2004-05	2005-06	2006-07	Total
Mountainview LID: Main Street to Crater Lane	335,000			335,000
Mountainview S-Curve: Aspen St to Springbrook. Springbrook will dead-end at the RR crossing. Aspen Way will dead-end at A-Dec.	50,000	3,200,000		3,250,000
Main St LID: Illinois St to Lynn Drive. Some of the trees will have to be removed.	25,000			25,000
Waste Water System: Composter/Headworks. Why were sidewalks installed by the City? Development Code requirement over a certain size.	600,000	2,104,800		2,704,800
WWTP Facilities: Engineering study for budgeting and planning future system improvements. There has not been a consistent amount of money set aside for this project. Therefore we have to budget it through this process.	50,000	250,000		300,000
WWTP Admin Building: Facility improvements. It is not feasible to prepare the architectural plans in-house because of the expense necessary to train someone and we do so few structural plans. We are not structural engineers.	100,000	200,000		300,000
W Sheridan / Harrison St Sewer: Eliminate the maintenance headache of having to frequently empty it out and re-bore.	250,000			250,000
Water System: Springs Improvement: Improve the quality of the drinking water. If Council believes that the effort to increase the drinking does not work then the City will not improve it. The wells will then be converted to irrigation wells.	420,000	1,540,000	1,540,000	3,500,000

Water System: Parallel River Crossing: This is our entire source of water to Newberg. Placing an underground route across the Willamette River would add an addition route to the City.	130,000	500,000		630,000
Water System: Well #8: Construction of a new well located 100 ft from the river. The outfall is above the bridge. We have a total of 11 wells planned.	150,000	350,000		500,000
Water System: WTP Expansion Phase 2: Facility improvements which include adding 2 more filters to increase plant output from 5.6 to 9.5 Mgd.	1,400,000	2,500,000		3,900,000
Storm System Capacity Improvements: Placeholder funds to be use in response to storm system failures. The Council will re-asses the storm program funding in August 2004. We only have \$10,000 in reserves for repairs.	50,000			50,000
Public Works Storage Building: Need to have a place to store, maintain and repair large vehicles and equipment.	250,000	130,000		500,000

Questions: In reference to WTP Expansion Phase 2:

When would the City look into a new storage tank? The current reservoir is doing well however, Engineering currently was working on the plan.

How long would it take for another phase? The current reservoir would be sufficient when the population reaches 20 – 33,000.

Does this contemplate residential and commercial use? Yes, unless a large commercial user comes in, then it will run out sooner. It was noted that there had been several expansions over the years.

Would it be better to build a new plant or do repairs and upgrades? The cost to build a new plan is estimated at \$1 million per 1 Mgd. The city would have a difficult time coming up with the \$9.5 million versus \$4 million that is estimated for upgrades.

What was the delay with SP Newsprint exchanging land across the road 3-years ago? The City was still in the discussion stage with SP Newsprint.

c. Debt Service Fund (Revised)

It was noted that the City had sold pension bonds this week to fund the unfunded liability, which would give the City an overall savings of \$25,000. It was verified that the costs were being allocated through the payroll system and that the STP debt will be paid off this year.

4. Adjourn:

MOTION: It was moved and seconded to adjourn at 9:00 p.m. Approved unanimous.
Motion carried.

ADOPTED by the Budget Committee this 3 day of May 2005.



Secretary

Next Meeting: Tuesday, May 18, 2004
7:00 PM
City Hall

Agenda Item: CDD, Administration, Finance and Legal Department