

Tuesday, 7 P.M.

June 15, 2004

**CITIZENS RATE REVIEW COMMITTEE
MINUTES**

Public Safety Building

Newberg, Oregon

Members Present:

Blane Hansen
Dan Schutter

Matson Haug
Jeff Ratcliffe

David Maben

Members Absent:

Ernie Amundson

Lou Larson

Lon Wall (chair)

Others Present:

Dan Danicic, City Engineer
Kathy Tri, Finance Director
Debbie Galardi, Consultant

1. Call to Order

The meeting was called to order at 7:00 PM.

2. Roll Call

Roll call was noted by Kathy Tri.

3. Minutes

The minutes of the April 20, 2004 meeting were passed by those present.

4. New Business: Storm Water Rates

Dan Danicic presented the background for storm water rates. He reviewed the history of the storm water rate and reminded the committee that the current fee is to sunset at the end of August. He hoped to have the Committee's recommendation to the August 2nd Council meeting. He reviewed the packet of information including information from the Ad Hoc Citizens Group which had been meeting most of the year reviewing design standards and the credit program.

Debbie Galardi then focused on the overall revenue needs. She indicated that the current rate structure is simple and straightforward. The rates generate about \$203,000 which only covers operations and maintenance costs. Dan Danicic then reviewed the capital improvement program. He explained that the projects for the next couple of years have been pared down to \$1.33 million from \$1.83 million. Exhibit E listed the projects. Projects were reviewed on which would mitigate property damage for both individual properties and roadways, life, health and safety issues, and maintenance headaches. The CIP will be ramped up from \$75,000 per year to \$350,000. Mat Haug asked if systems development charges will cover any of the projects. Dan Danicic answered that systems development charges can cover about 1% of the projects. Most projects are catch up work on the existing system.

Debbie Galardi then reviewed the rate scenarios. She noted that credits had not been figured into the calculation as yet. However, until a significant number of properties join