

Wednesday, 7 P.M.

September 8, 2004

**UTILITY RATE REVIEW COMMITTEE
MINUTES**

Public Safety Building

Newberg, Oregon

Members Present:

Ernie Amundson Blane Hansen Dan Schutter
Jeff Ratcliffe David Maben Lou Larson Lon Wall (chair)

Members Absent: Matson Haug

Others Present: Dan Danicic, City Engineer
Russ Thomas, PW Superintendent
Jadene Stensland, Utility Engineer
Mike Soderquist, CDD Director
Jim Bennett, City Manager
Debbie Galardi, Consultant

1. Call to Order

The meeting was called to order at 7:01 p.m. by Chair Lon Wall.

2. Roll Call

Roll call was noted by Jadene Stensland.

3. Minutes

The minutes of the August 24, 2004 meeting were passed by those present.

4. Continue Reviewing Stormwater Rates

Lou moved to divide the fee to 39% private citizens and 61% business community. The motion was tabled.

Dan Danicic presented the storm water fee, as an even rate, over a five-year period, would be \$3.60 per EDU per month. This rate was compared to the incremental rate increase of \$2.44/EDU per month in 04/05, \$2.98/EDU per month in 04/05, up to \$4.80/EDU per month in 08/09.

Dan Schutter supports the even rate and asked what was the reason behind the incremental increase. Dan Danicic said that staff has a full plate so it would take time to have staff resources up to speed. If an even rate was used, the funds would build the reserve account. Ernie asked if the reserve fund could be used to pay other funds. Jim Bennett stated that money cannot be transferred to the general fund. Only in special circumstances could a loan be created between funds and this is not anticipated. Lon Wall stated that the Budget Committee would not be inclined to allow borrowing between funds. Lou Larson stated the reason for the incremental increase was that it is more palatable to the tax payer and assists with the public's ability to pay.