

City of Newberg

Rate Review Meeting Minutes

January 13th, 2026

Call to Order

Acting Chair Ned Knight called the Rate Review Committee meeting to order on January 13, 2026, at 5:33 PM.

Roll Call

Interim Deputy City Recorder Melissa Morris conducted roll call with the following members present: Derrick Wharff, Inen Buerkle, Mary Meyer, Leisha Adams, Derek Duff, Ned Knight, Roger Kuhlman (virtual), Raquel Peregrino de Brito, and Peggy Kilburg. It was noted that Ron Sinicki would be arriving late. Ron Arrived at 5:39 pm.

Pledge of Allegiance

The Pledge of Allegiance was conducted.

Public Comments

No public comments were received.

Election of Chair and Vice Chair

Committee Member Derek Duff nominated Ned Knight as Chair. The motion was seconded by Peggy Kilburg. The vote was unanimous in favor.

Derrick Wharff-Yes

Inen Buerkle-Yes

Mary Meyer-Yes

Leisha Adams-Yes

Derek Duff-Yes

Ned Knight-Yes

Ron Sinicki-Absent for Vote

Roger Kuhlman-Yes

Raquel Peregrino De Brito-Yes

Chair Ned Knight called for nominations for Vice Chair. Committee Member Derek Wharff nominated Roger Kuhlman. The nomination was seconded by Raquel Peregrino de Brito. The vote was unanimous in favor.

Derrick Wharff-Yes

Inen Buerkle-Yes

Mary Meyer-Yes

Leisha Adams-Yes

Derek Duff-Yes

Ned Knight-Yes

Ron Sinicki-Absent for Vote

Roger Kuhlman-Yes

Raquel Peregrino De Brito-Yes

Reports and Presentations

Wastewater CIP Presentation

City Manager Will Worthey presented the wastewater capital improvement projects. Key points included:

- The city has completed a comprehensive rebuild of the rates model with no "wish list" projects, focusing only on critical near-term projects.
- The city has improved its record of completing projects on time and under budget.
- Major completed project: Programmable Logic Controllers at the wastewater plant (\$1 million, with an \$80,000 overrun).
- Near completion: Inflow and Infiltration (I&I) study and report (\$340,000), which will help direct future repairs.
- Critical upcoming project: Wastewater Treatment Plant expansion with oxidation ditches (\$25-30 million), necessitated by reaching capacity limits according to both Oregon State and an independent Keller study.
- The city has sufficient cash reserves to fund the plant expansion without additional debt due to disciplined financial planning.
- A secondary proposal includes adding \$0.50/month to expedite fixing a surcharging sewer line in the Crestview area. This would allow completion in 3 years rather than 5-6 years.

Wastewater Financial Presentation

Deb Galardi of Galardi Rothstein Group presented the financial analysis:

- The wastewater system is self-supporting through rates and fees.
- The city has maintained steady rate increases (approximately 3.5% since 2019) which has allowed building reserves for major projects.
- Wastewater utility rates nationwide have historically increased at double the rate of inflation due to capital needs and historically underfunded infrastructure.
- Two rate scenarios were presented:
 - 3.5% annual increase (maintaining current approach)
 - 4.1% annual increase (allowing for additional I&I work)
- For a typical residential customer, the difference between scenarios is approximately \$0.50 per month initially.
- The model projects maintaining necessary reserves while funding major capital projects.

Additional Information

Supplementary documents were provided on the CIP process, Eagle Elsner RFP (showing 6-7% annual increases in road repair costs), and the Keller GES Report.

Next Meeting – January 27th

The next meeting was confirmed for January 27, 2026, at 5:30 PM.

Adjournment

Chair Ned Knight adjourned the meeting.

Attested by:

Handwritten signature of Kady Strode in black ink.

Kady Strode, Staff Liaison

Handwritten signature of Ned Knight in black ink.

Ned Knight, Committee Chair