

Rate Review Committee

February 10, 2026

5:30pm

Newberg Public Safety Building 401 E. Third Street
Denise Bacon Community Room

Online: <https://us06web.zoom.us/j/89536547180>

Public Comment Registration:

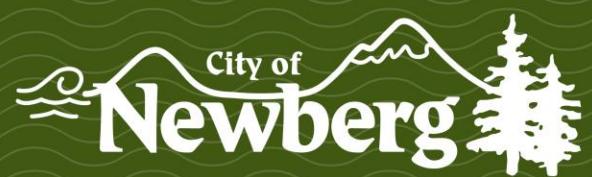
https://www.newbergoregon.gov/government/departments/public_comment_registration.php

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Public Comments**
- 5. Reports and Presentations**
 - a. Stormwater and TUF CIP Presentations**
 - b. Stormwater and TUF Financial Presentations**
- 6. Next Meeting – February 24th**
- 7. Adjournment**

ADA Statement: Contact the City Recorder's Office for physical or language accommodation at least 2 business days before the meeting. Call (503) 537-1283 or email cityrecorder@newbergoregon.gov. For TTY services please dial 711.

Newberg Rates CIP Review

Storm Water & TUF Funded Projects
(Transportation)



Project Title: 800 Block Wynooski Outfall

**Completed expense total for
BY 2024 – 2025 →
\$290,833.73 (\$59,000 under budget)**

SDC eligibility %: Nil

Description & Purpose:

This completed project extended the outfall east of S Wynooski Street further down the slope to reduce erosion. This further extends the 2015 outfall to reduce erosion.



Project Title: West Franklin Storm Water Line

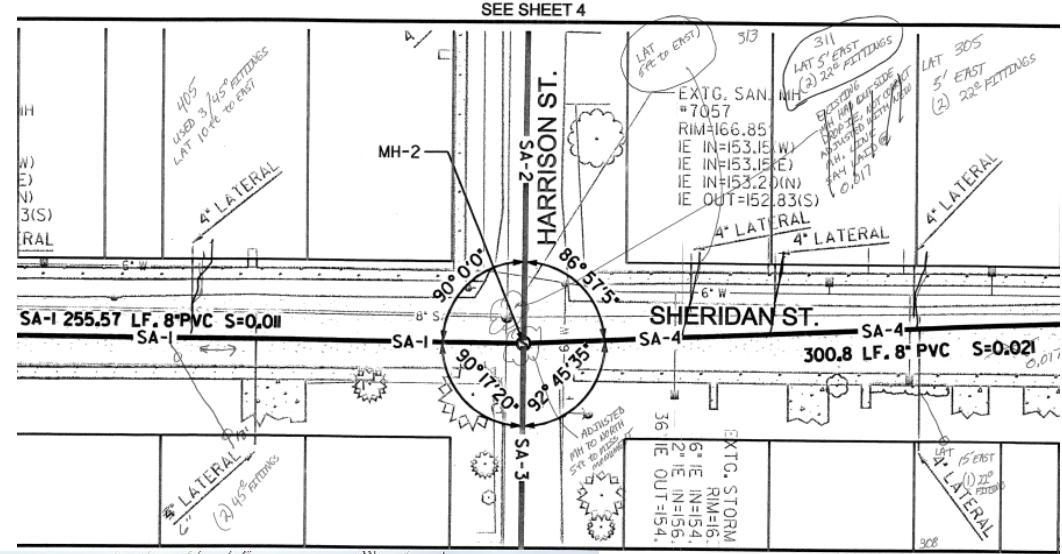
**Completed, Expense total for
BY 25-27 :- \$630,166.50
(\$120,000 under budget)**

SDC eligibility %: Nil

Description & Purpose:

The West Franklin Storm Water Line project in Newberg addressed persistent flooding in the area by constructing a new storm line.

The project involved the installation of approximately 1,300 linear feet of storm sewer pipeline, along with 6 storm sewer manholes and associated catch basins and area drains.



The proof came during the 4" December rain event 2025 when ultra quiet floors was not flooded!

Project Title:

Storm water pipe replacement fund.

Estimated expense total for BY 25-27:

\$300,000

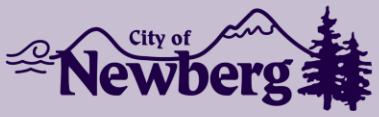
SDC eligibility %: Nil

Description & Purpose:

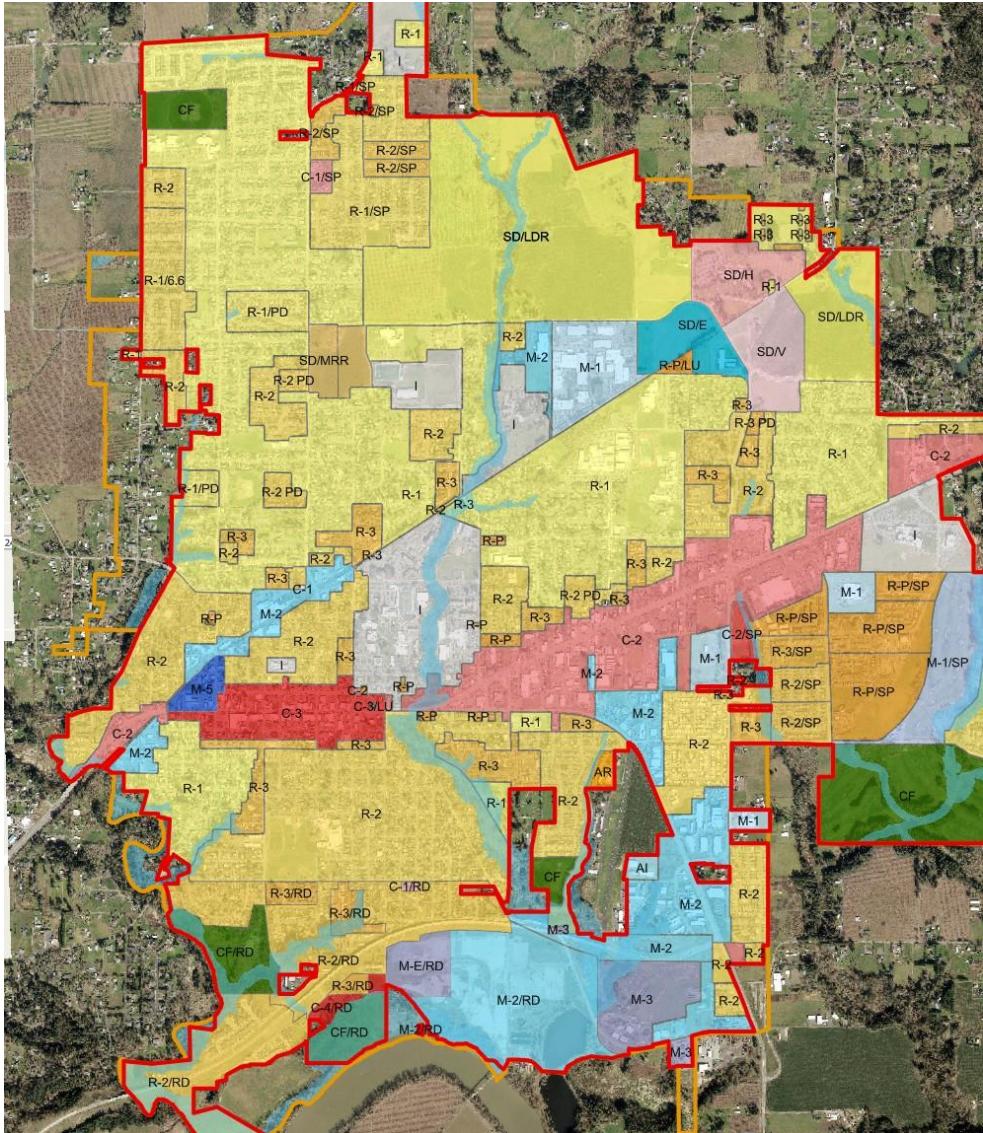
We have not yet had to use this fund, but you never know what you find below grade!

This is a contingency fund to combat unexpected below grade discoveries.





Storm Water Capital Improvement Projects



2024 – 2026

Ongoing & Future Projects

Project Title: N Springbrook Road Storm water line

Estimated expense total for BY 25-27 and BY 27 – 29:

Budget \$850,000

SDC eligibility %: 25%

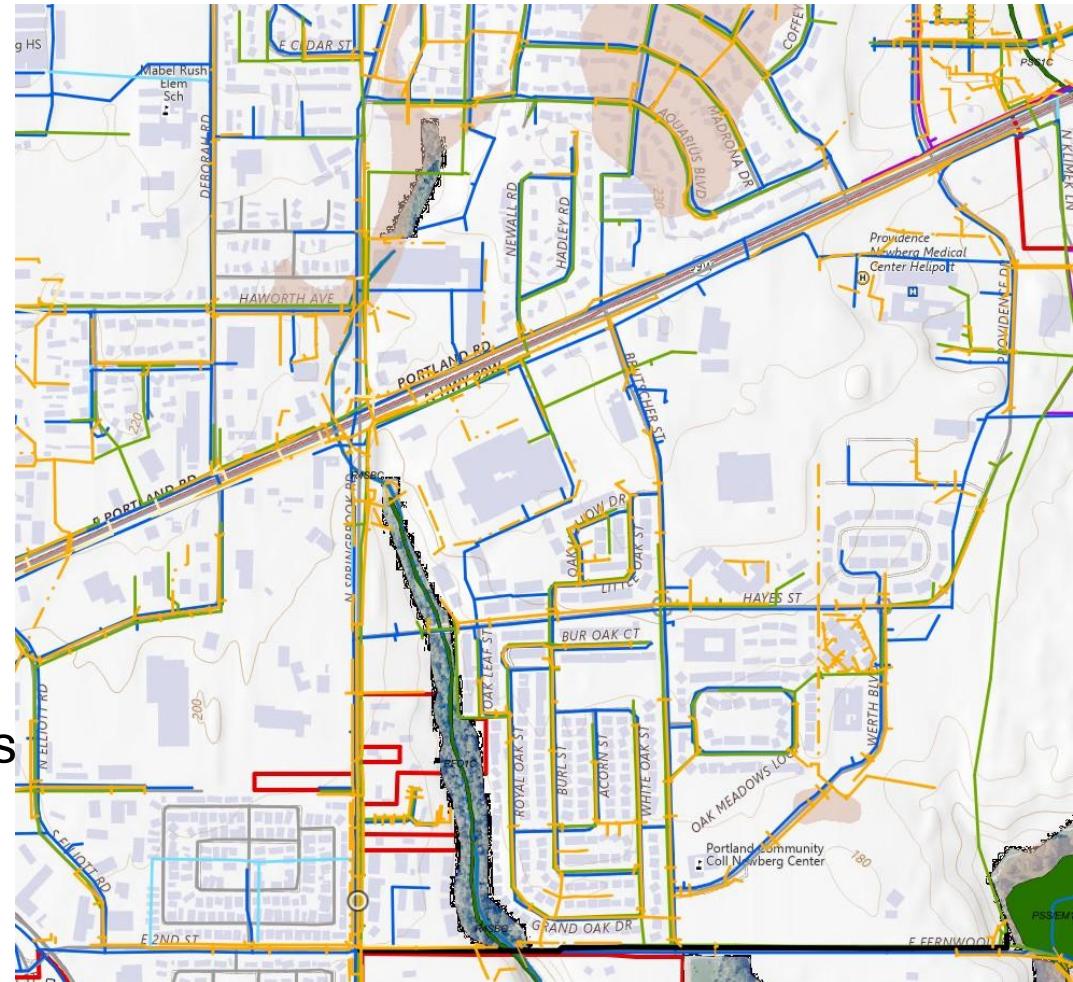
Description & Purpose:

Upgrading stormwater infrastructure on N. Springbrook Road to combat significant surface flooding, replacing small pipes (8"/12") with larger 30" pipes to handle heavy rain.

Project Goal: Eliminate flooding during heavy rain events by upsizing storm pipes.

Scope: Replacing existing 8-inch and 12-inch pipes with 30-inch pipes over about 3,100 linear feet.

Ultimately this will create safety for motorists in the area against flash floods.



Project Title: The Storm Water Master Plan Update (SWMP)

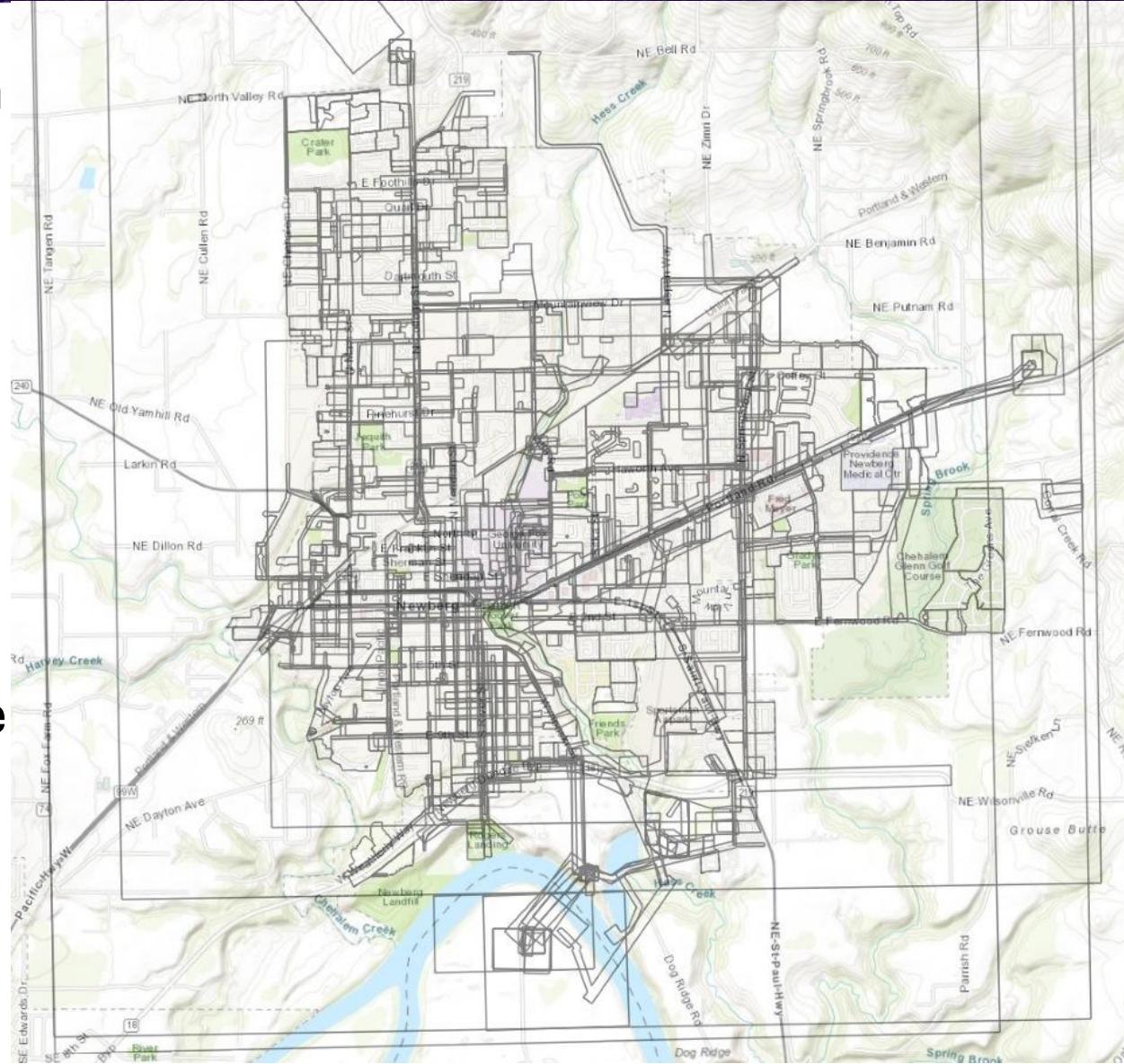
**Estimated expense total for
BY 25-27 \$237,000 still to go to get us to
completion (so far on budget)**

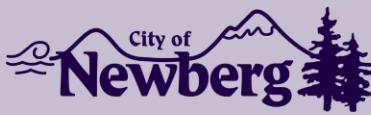
SDC eligibility %: 50%

Description & Purpose:

The SWMP is set by Newberg Municipal code to be updated every 5 years but this SWMP will change that to every 10 years to save funds.

On the next page the benefits are listed.



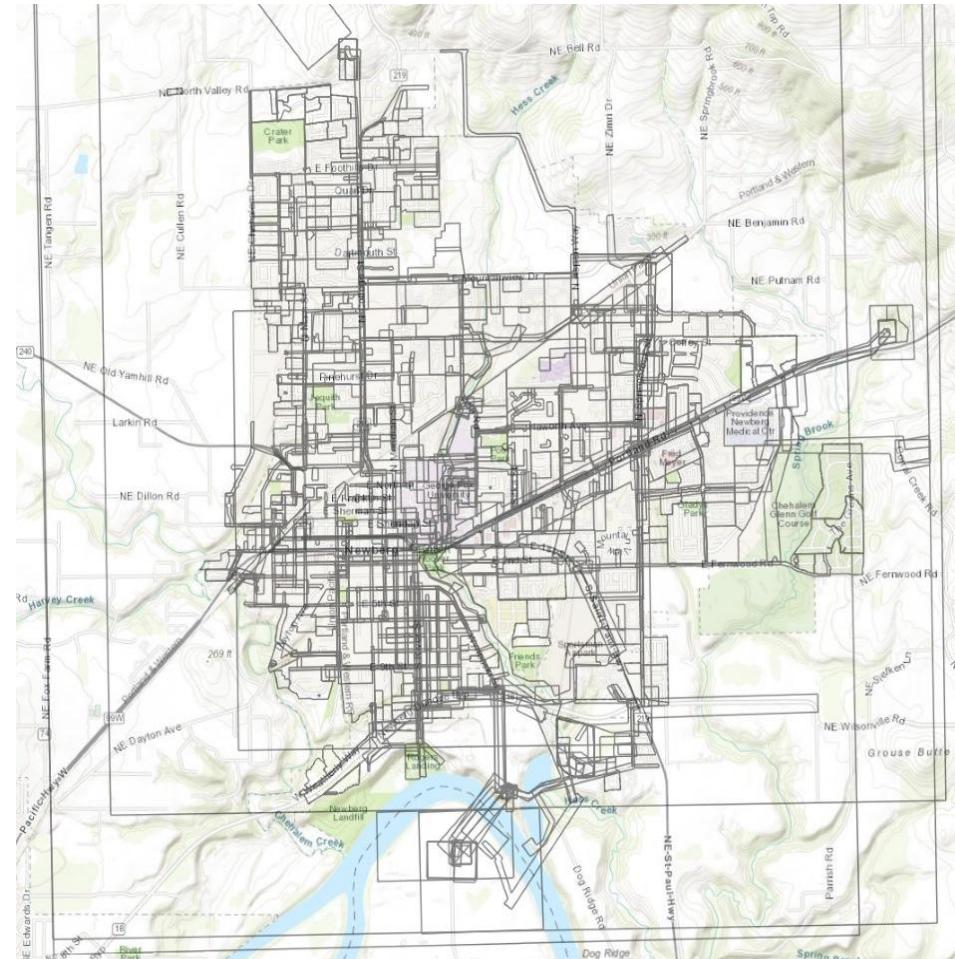


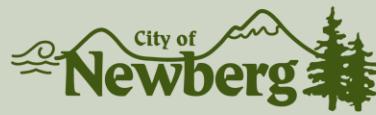
Storm Water Capital Improvement Projects

Project Title: The Storm Water Master Plan Update (SWMP)

The plan will bring us these benefits:

- The SWMP will produce these deliverable products:
- Future maintenance cost estimate report (this will feed into the CIP cycle)
- Provide a final report to council and the community
- Identify current and future problem area for dealing with stormwater and stormwater surge
- Develop alternatives for future CIP tasks to manage stormwater
- Develop project fact sheets for CIPs (including a brief description, project name/identification, project purpose and description, budget breakdown, and graphics)
- Capital improvement table and location figure, in pdf format
- Estimate of SDC eligibility for each capital improvement





Transportation (TUF funded) Capital Improvement Projects

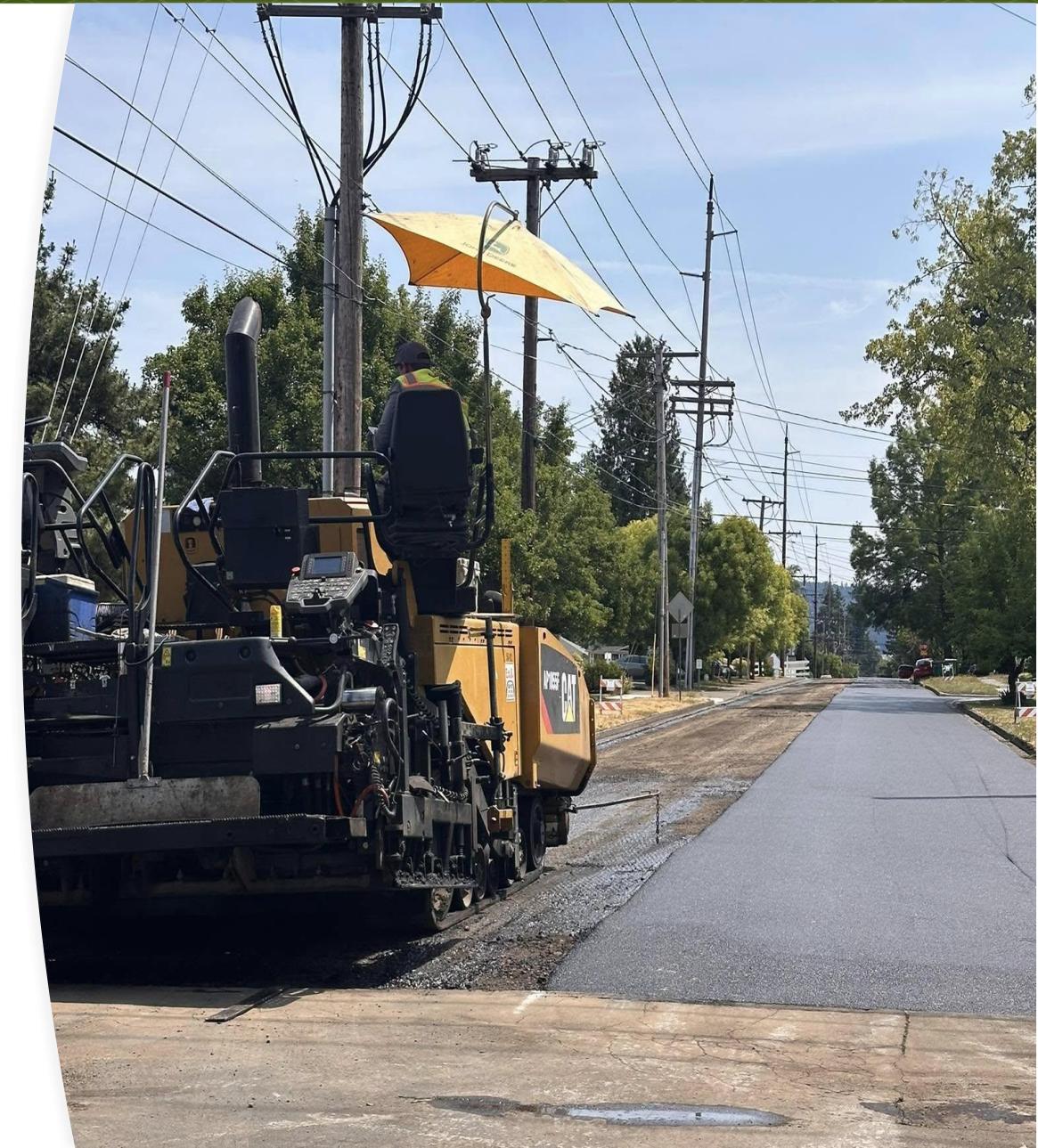
TUF provides 1.3M per year for road and ADA upgrades and repairs

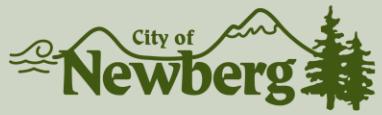
The reality is that I could spend just as much TUF as you could give me because many of our streets are still very poor quality.

Its worth noting that the cost of TUF work has risen by approximately 6 - 7.5% per year for the last two years.

With that said we have been using our TUF funds very carefully and stretching our dollars by using the concrete crew in house workers where we can and doing the leafleting etc with the CM / admin staff to not pay contractors to do it.

See Eagle Elsner Pricing for the 5-year contract.



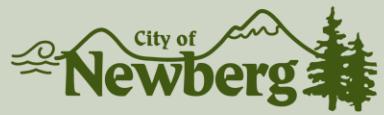


Transportation (TUF funded) Capital Improvement Projects

TUF provides 1.3M per year for road and ADA upgrades and repairs

In 2024 the majority of 2nd street in districts 1 and 3 were slurry sealed. The parking lots for the whole downtown area were also slurry sealed that year.

Other spot locations were ground and inlayed (to include parts of Meridian) and perhaps most significantly a full Lidar scan of the entire city was completed.

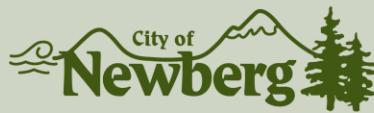


Transportation (TUF funded) Capital Improvement Projects

In 2025 we did even more:

- Mountainview Drive is 100% complete on its crack sealing treatment including the northern portion of Springbrook in the vicinity
- The ADA work (ramps and sidewalk improvements) on S. Center Street were completed
- Grind and inlay repairs on S. Center Street were completed
- Slurry seal and Cape seals on S. Howard Street, S. School Street and several blocks of E 3rd Street were accomplished

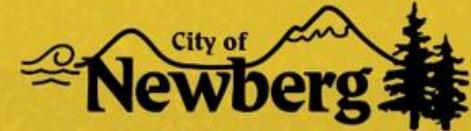




Transportation (TUF funded) Capital Improvement Projects

In 2025 we did even more:

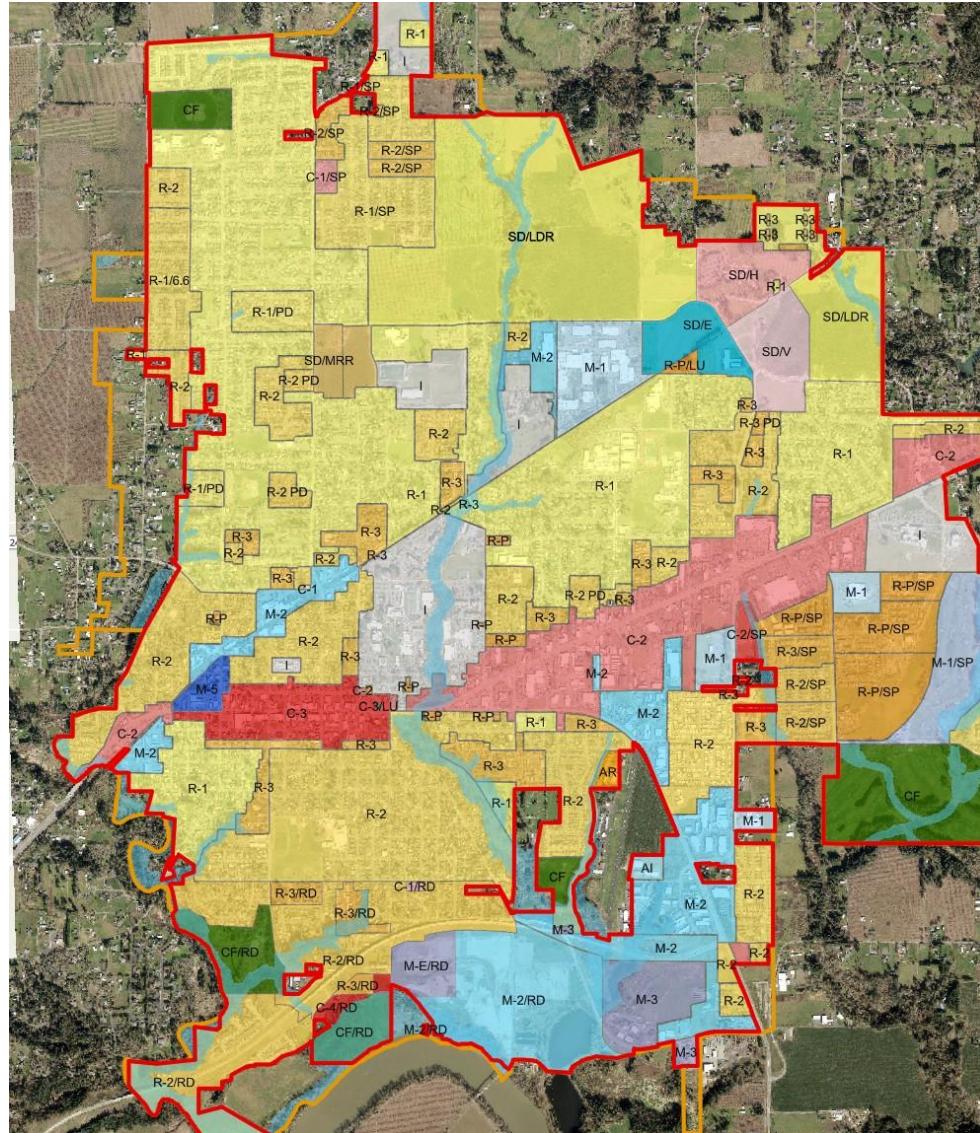
- Fulton Street was re-surfaced and re-built to include new Themo plastic markings. This included some full depth reconstruction sections
- Fulton was repaired via the drag box method by our hardworking maintenance team
- At the end of the summer the library ADA was also improved with TUF funds and many sidewalk sections downtown on 1st street were replaced or improved
- Meadow Lane has also been resurfaced ending this summer's grind and inlay task



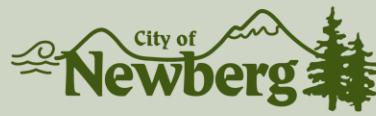
#SAFETYFIRST

ROAD WORK AHEAD

*Updates on the latest road construction
projects in Newberg, OR*



2026 - 2028 Future Projects

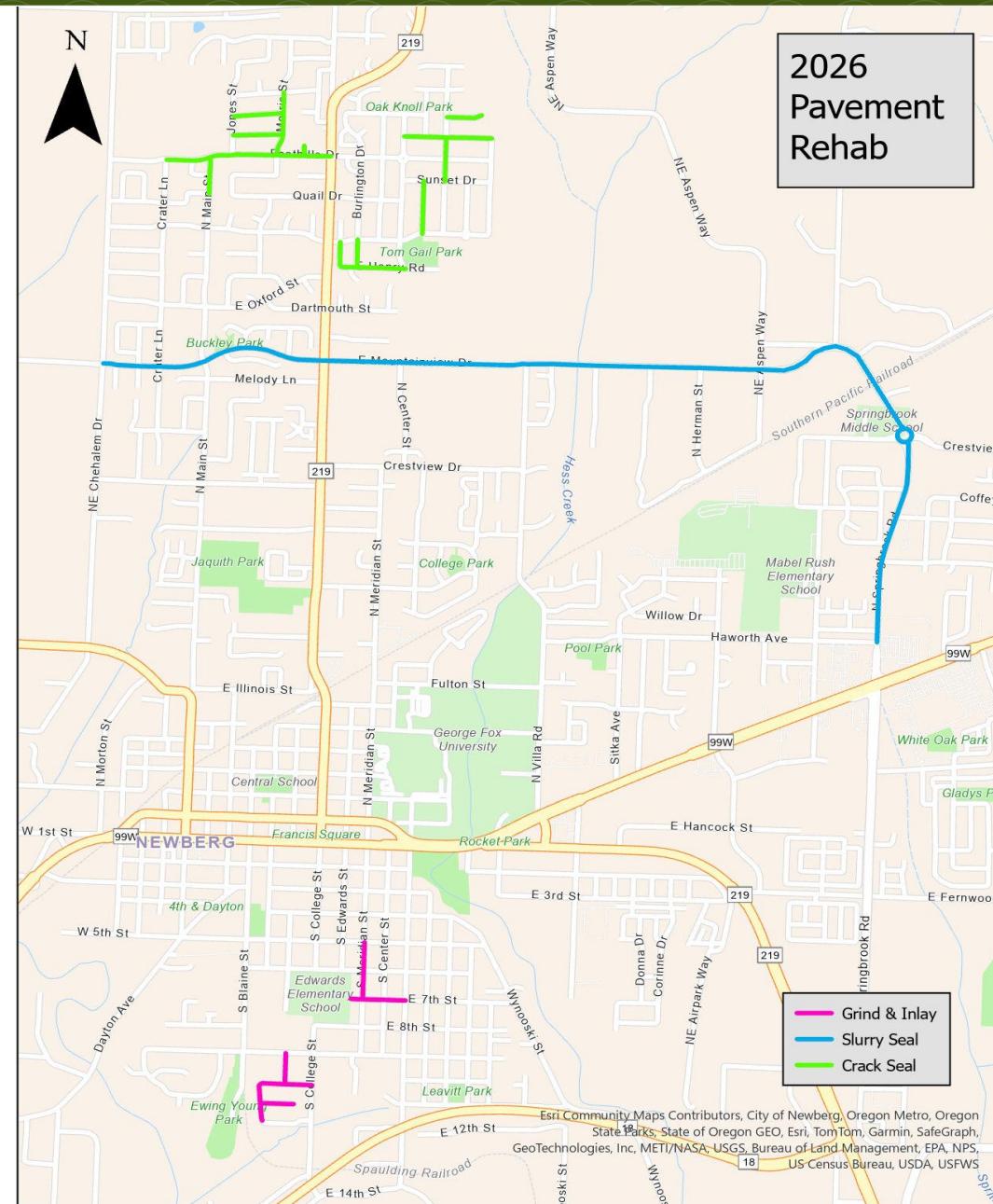


Transportation (TUF funded) Capital Improvement Projects

2026 TUF Targets

- Crack Sealing neighborhoods in the north side of town off hwy 219
- Slurry Seal E Mountainview and along N Springbrook rd
- Grind and Inlay work along South Meridian St and E 7th St.
... as well as farther south, along the neighborhoods near Ewing Young Park

PACER data – We are also in the process of adding and confirming the new LiDAR data to our GIS model. By the time you read this there will have been a legislative change to recognize PACER in future TUF planning. This involves thousands of Street “objects”.





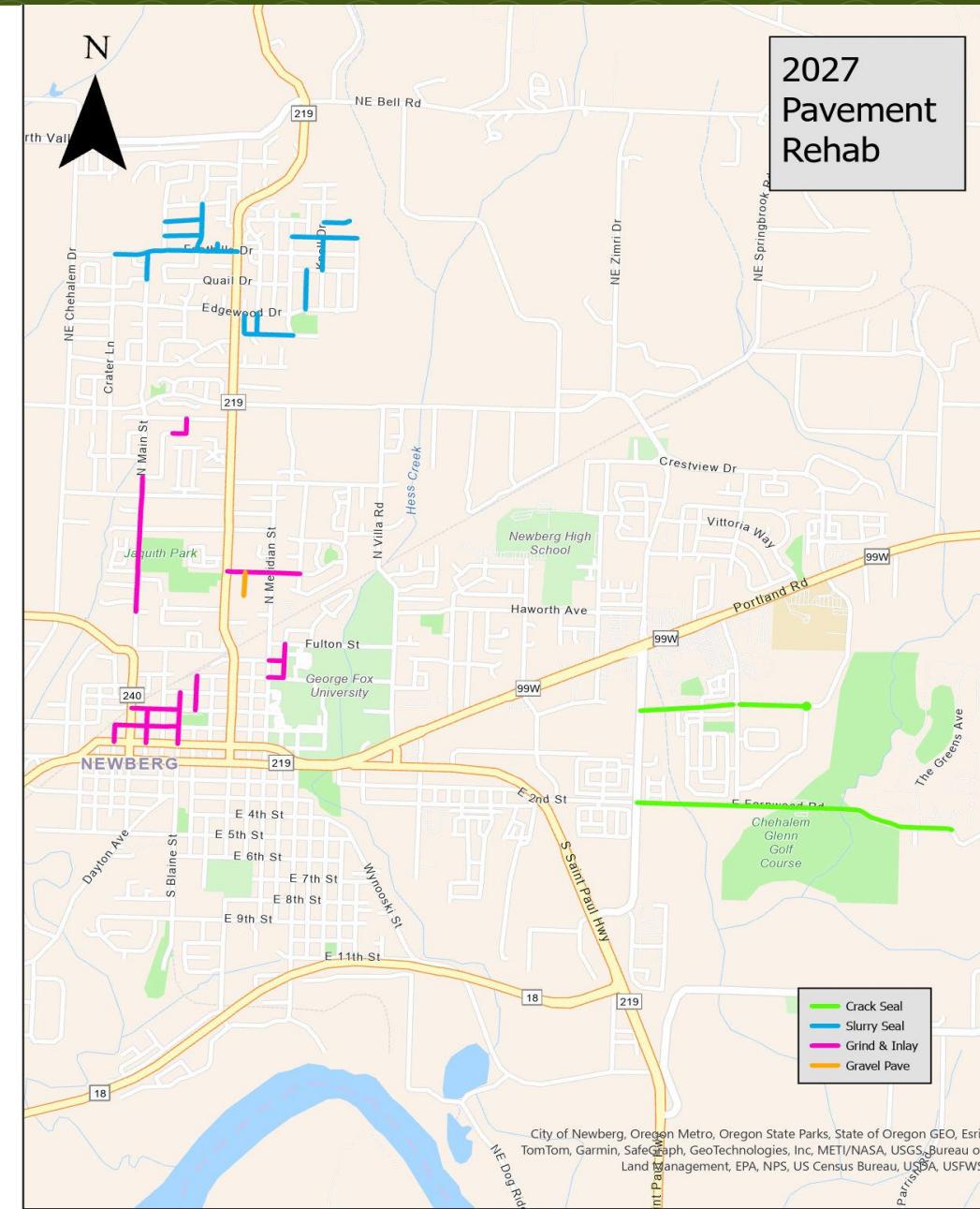
Transportation (TUF funded) Capital Improvement Projects

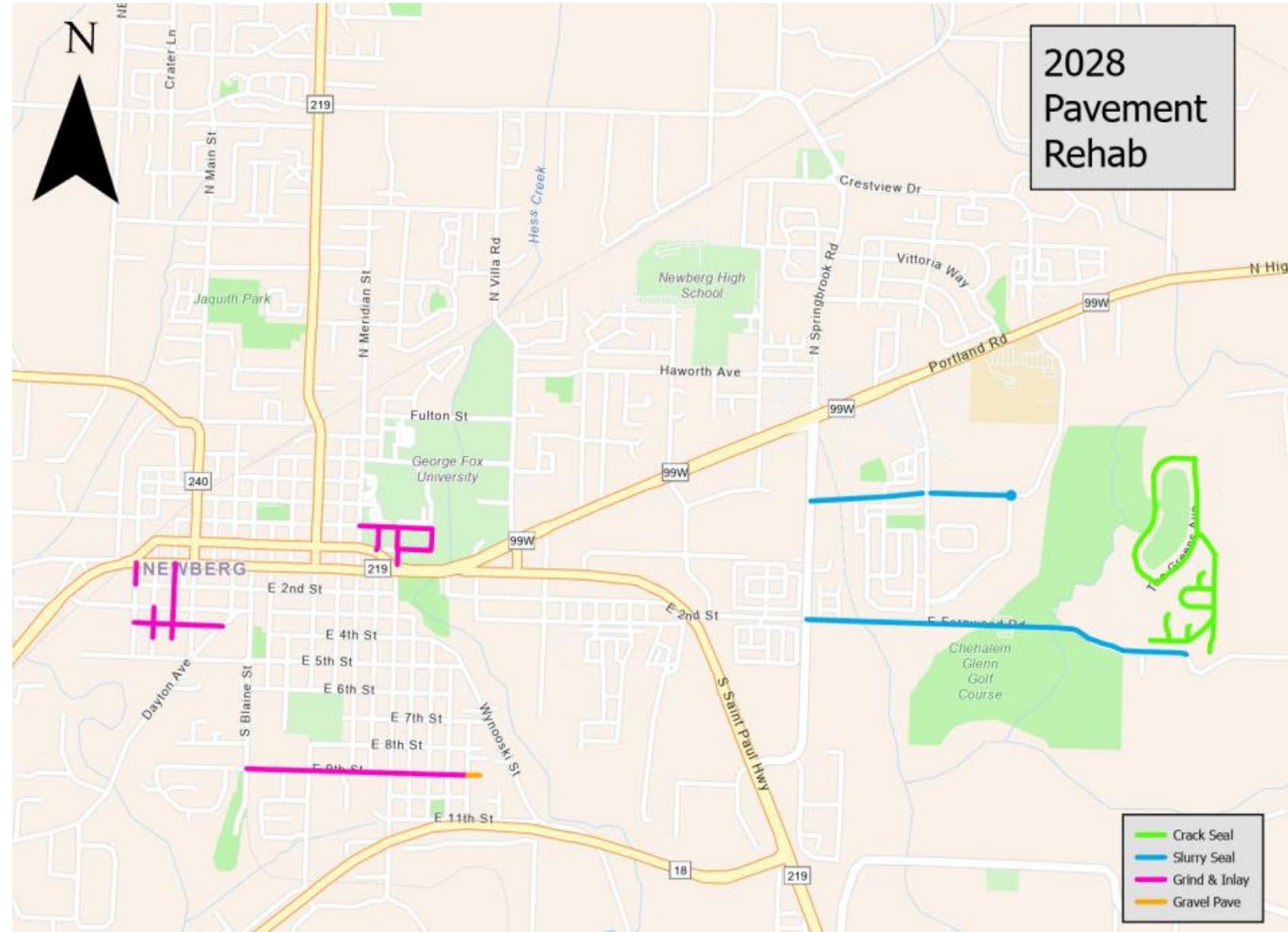
2027 TUF Targets

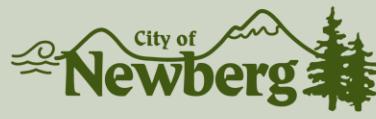
- Crack Sealing neighborhoods in the South-East of town along E Fernwood and Hayes St
- Slurry Seal farther North in Neighborhoods surrounding Foothills Dr, Near Tom Gail Park and Oak Knoll Tot Lot
- Grind and Inlay work off N Main St near Jaquith Park, crossing Meridian along Sierra Vista Dr and near George Fox University, along Vermillion and E North St. More work will be done west near Hwy 240 off S Grant, E Sheridan, E Sherman and surrounding roads.

Note that we are also moving forward with the River Street project, but it is a NURA (Urban Redevelopment Area) not a city project.

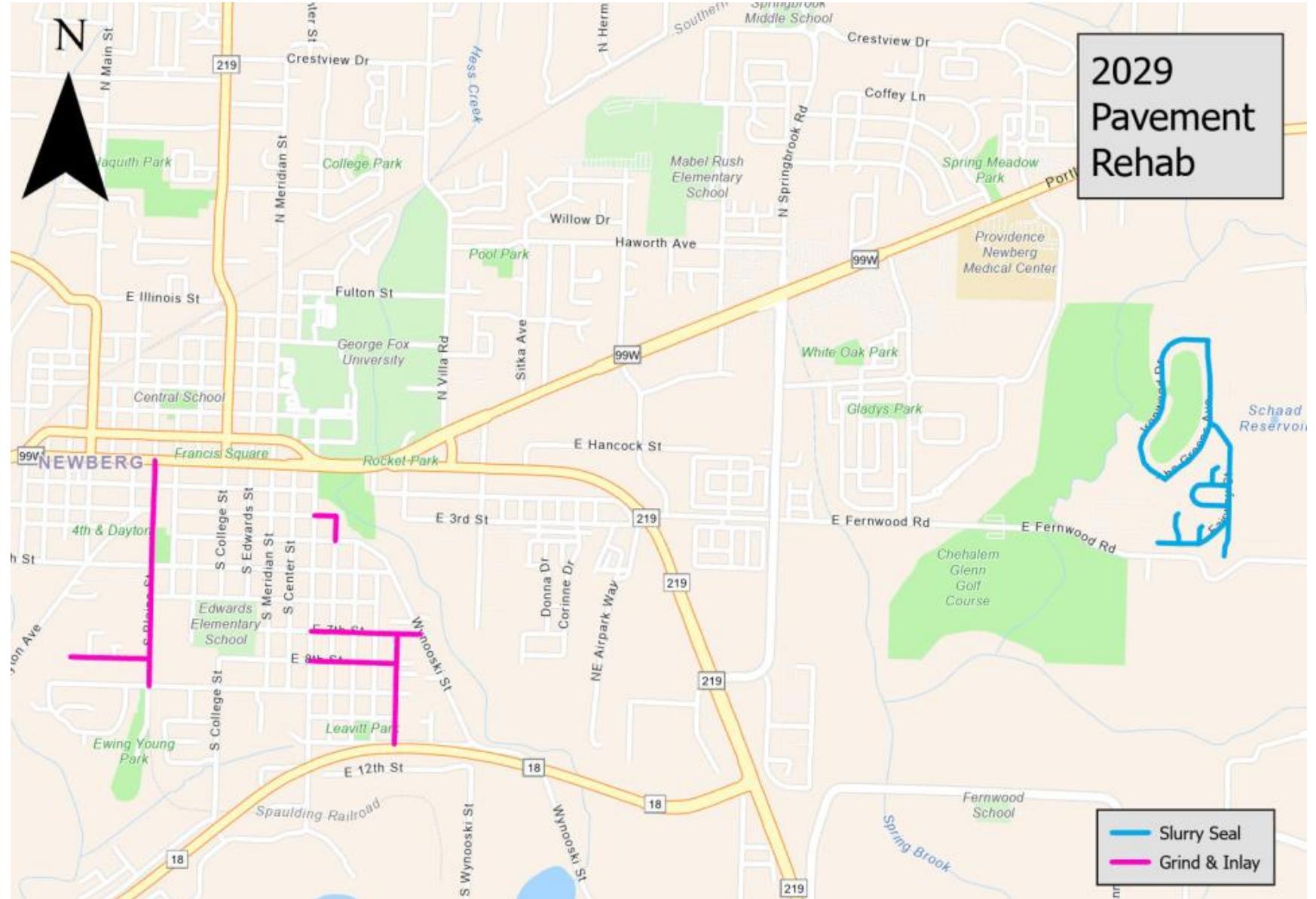
I am working with the COG to try to develop a better solution to the Grind and inlay fiscal problem.







2029
Pavement
Rehab

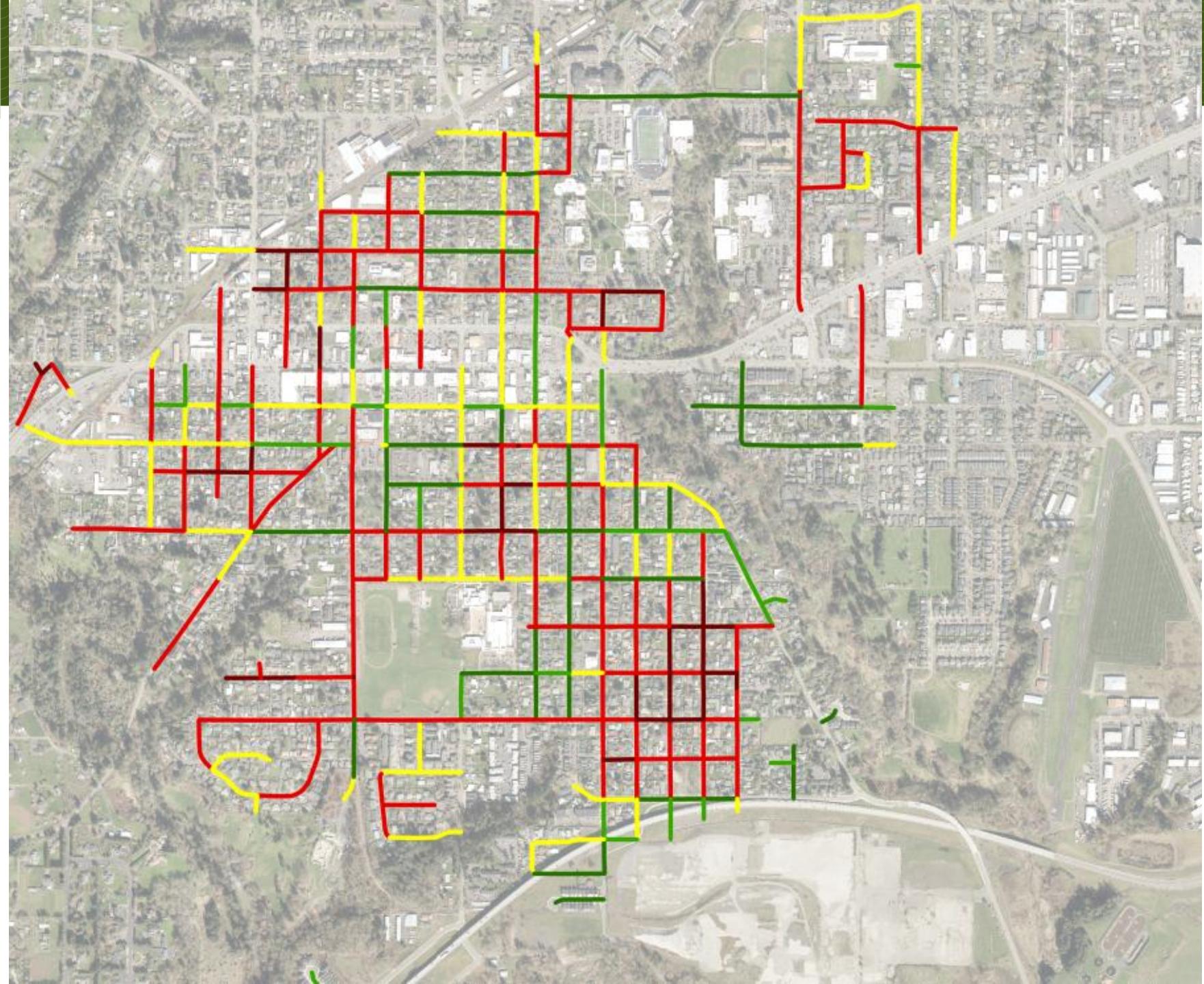


Legend

Pavement
Condition (2025)

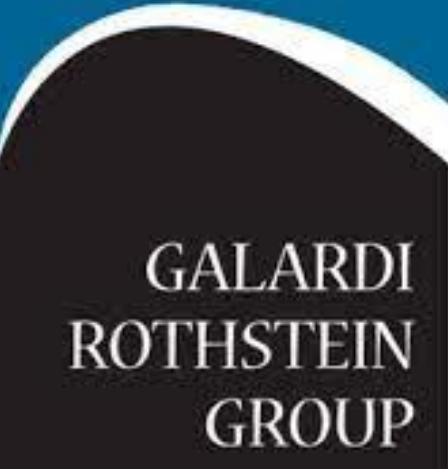
PASER

- Failed
- Poor
- Fair
- Good
- Excellent



So that's the end of our exploration of our
Storm Water and TUF funded projects
both past and future.

Questions?



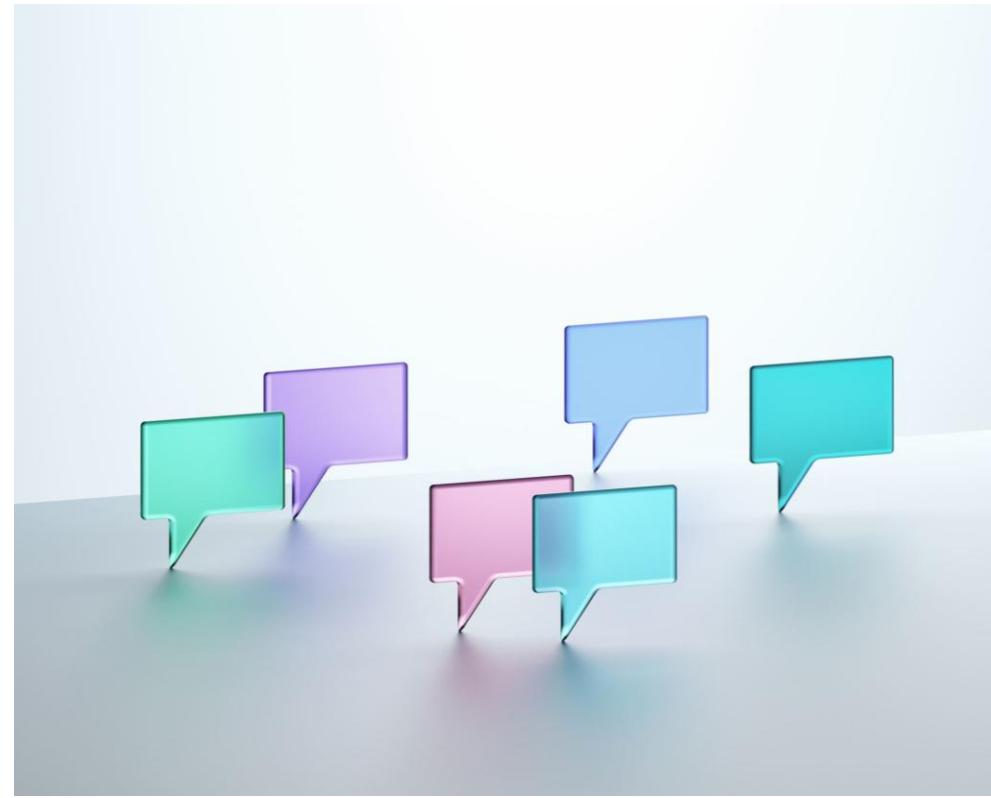
GALARDI
ROTHSTEIN
GROUP

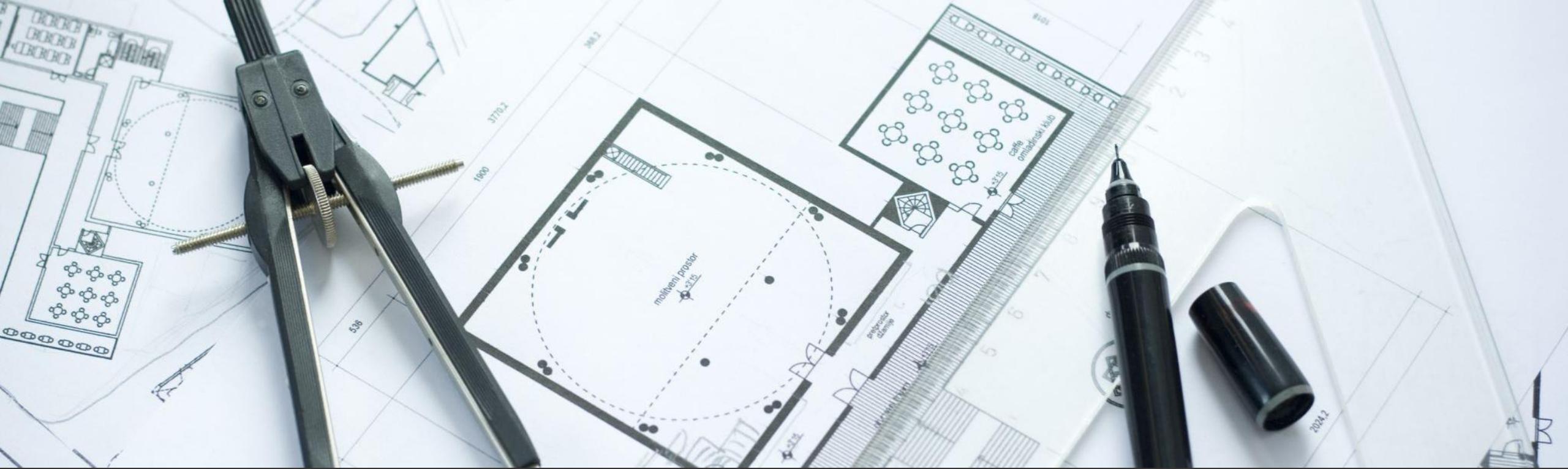
2026 Rate Review

- Meeting #3: February 10, 2026



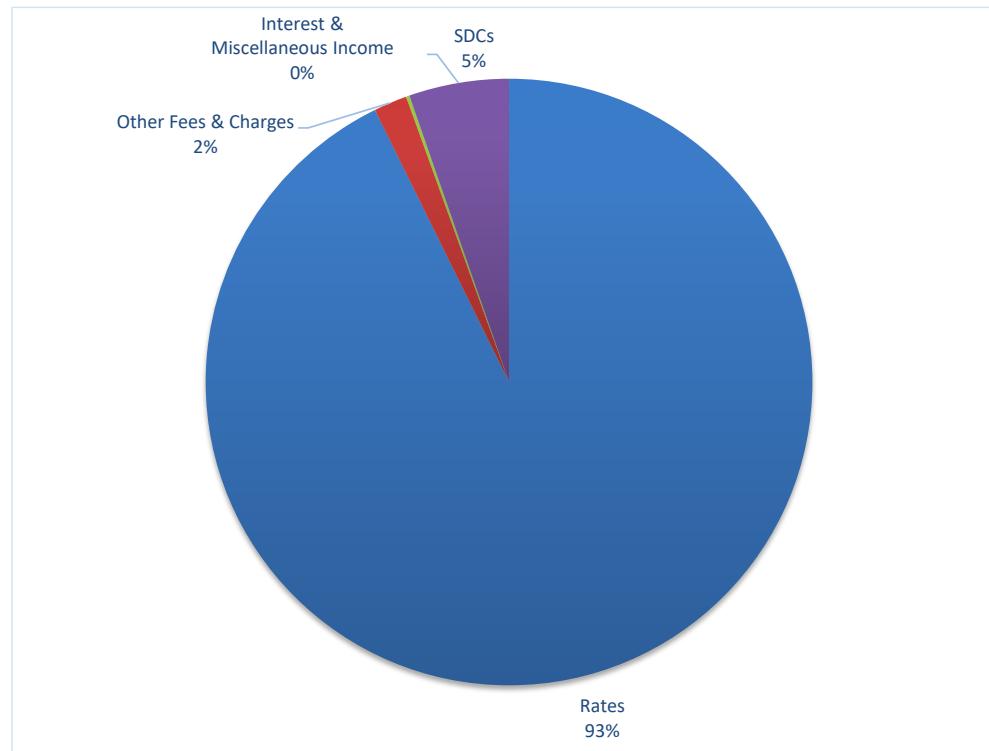
- Stormwater Rates
- Transportation Utility Fee





Stormwater History and Financial Plan

Rates are primary ongoing funding source



- System development charge revenues restricted to capital for growth
- Other fees & charges
 - Development review & inspection (\$150K)

Stormwater Rate Increase History

New utility, so increases needed to cover operating costs

Jan 1, 2013 – 17.50%

Continued increases to full O&M cost recovery and addressing inflation

Jan 1, 2014 – 17.50%

Jan 1, 2015 – 9.00%

Jan 1, 2016 – 9.00%

Jan 1, 2017 – 9.00%

Jan 1, 2018 – 9.00%

Jan 1, 2019 – 9.00%

Jan 1, 2020 – 9.00%

Interim needed to address planned capital improvements and reserves

Jan 1, 2021 – 7.50%

Jan 1, 2022 – 7.50%

Jan 1, 2023 – 7.50%

Jan 1, 2024 – 7.50%

Keep pace with inflation and targeted capital improvements

Jan 1, 2025 – 6.50%

Jan 1, 2026 – 6.50%

5-Year Capital Plan

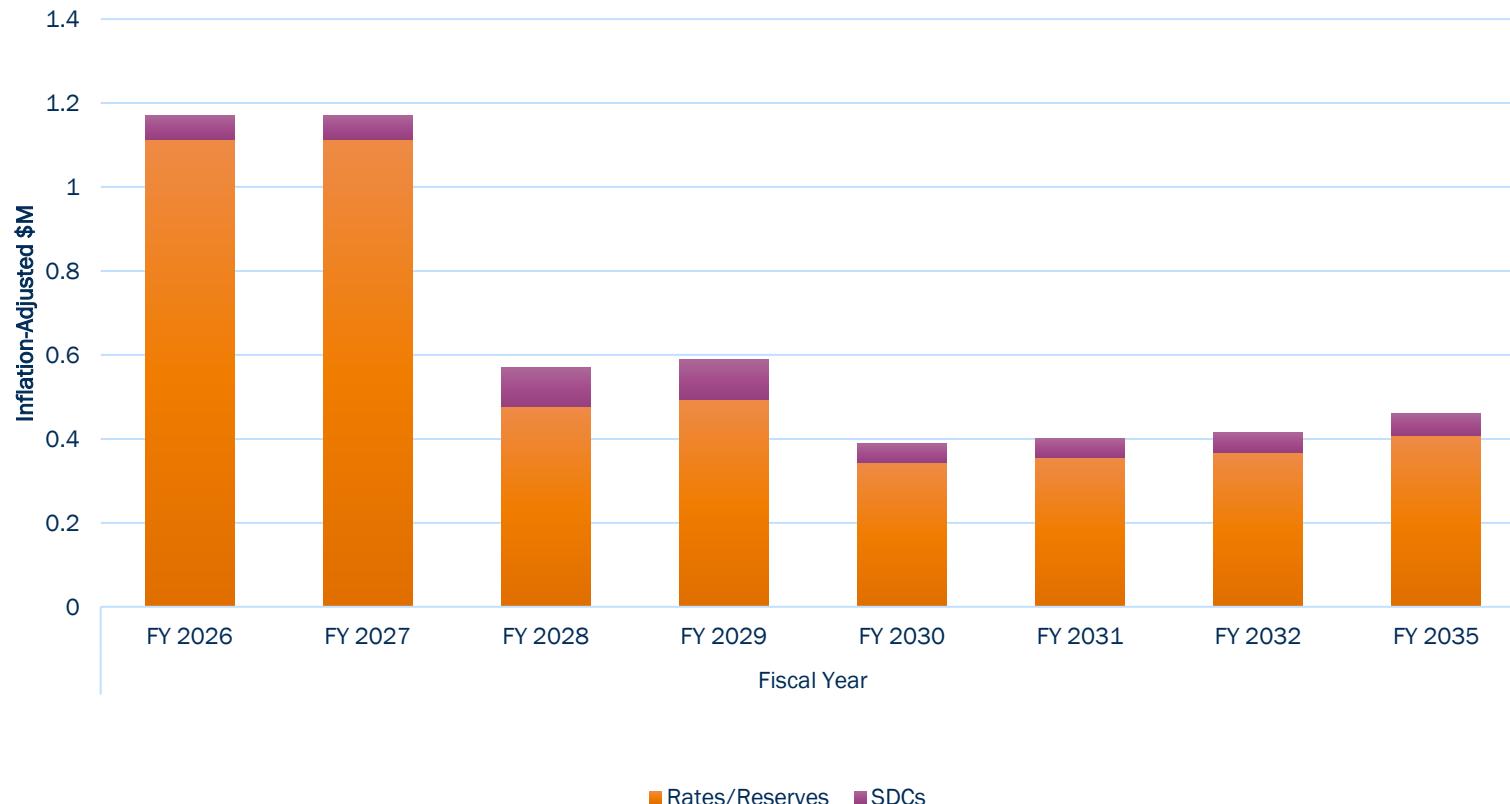
- Some larger projects initially; followed by routine investments

	Inflated TOTAL	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
CIP Expenditure	\$6,040,909	\$ 1,170,345	\$ 1,170,345	\$ 550,000	\$ 550,000	\$ 350,000	\$ 350,000
<u>Project Name</u>							
Pavement Fixes/ Annual Pipe Replacement Program (SWMP)	\$1,705,274	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
PW Maint Facility Improvements	\$190,690	95,345	95,345				
N Springbrook Road Storm	\$871,245	225,000	225,000	200,000	200,000		
Master Plan	\$350,000	175,000	175,000				
Contingency Projects	\$1,873,699			200,000	200,000	200,000	200,000
OR240/Railroad Tracks/Franklin St (W Franklin)		525,000	525,000				

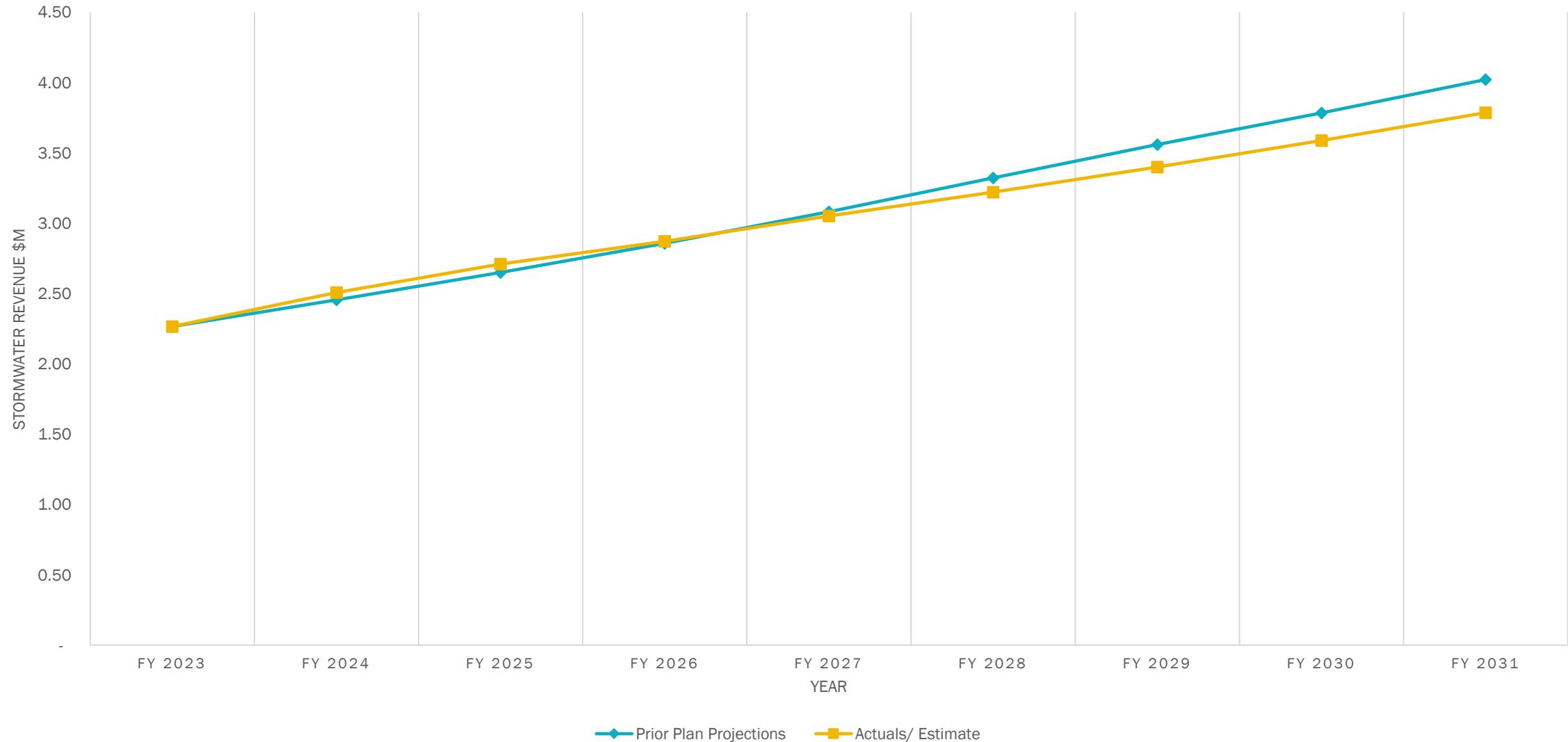
FY2032-FY2035 annual expenses = \$350K

10-Year Capital Funding

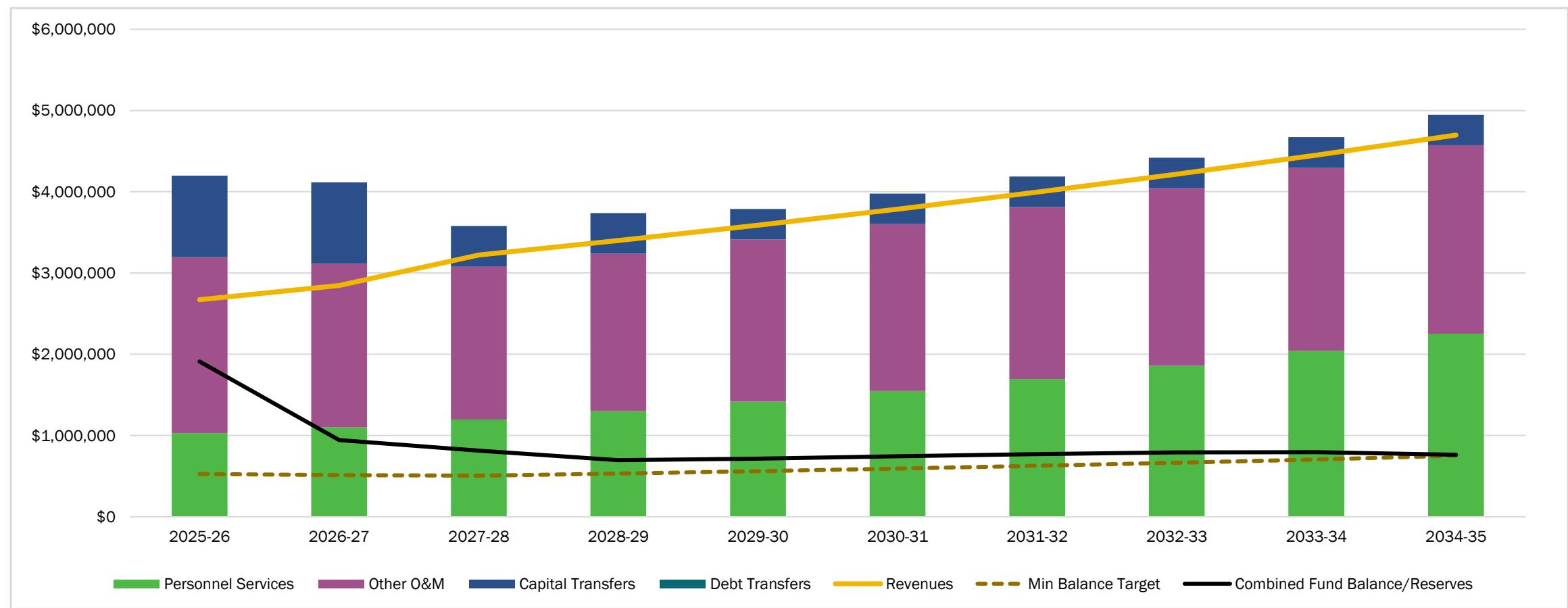
No borrowing anticipated



Projected vs Actual Revenue

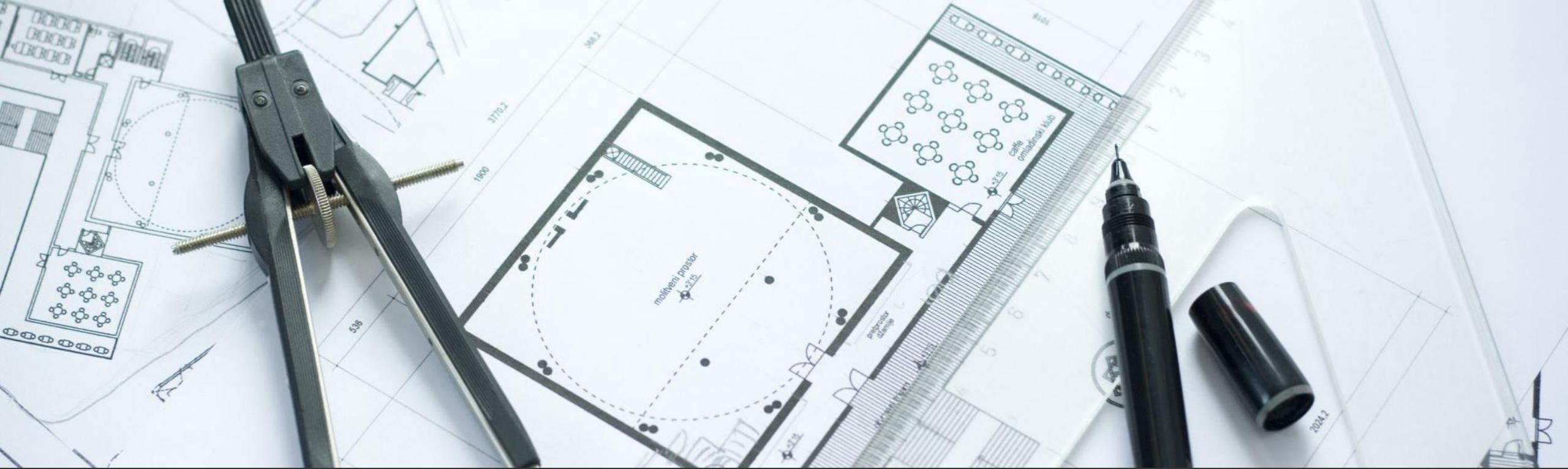


**Revenue forecast assumes 4.5% rate increase per year
(down from 6.5%)**



Current and Projected Stormwater Rates

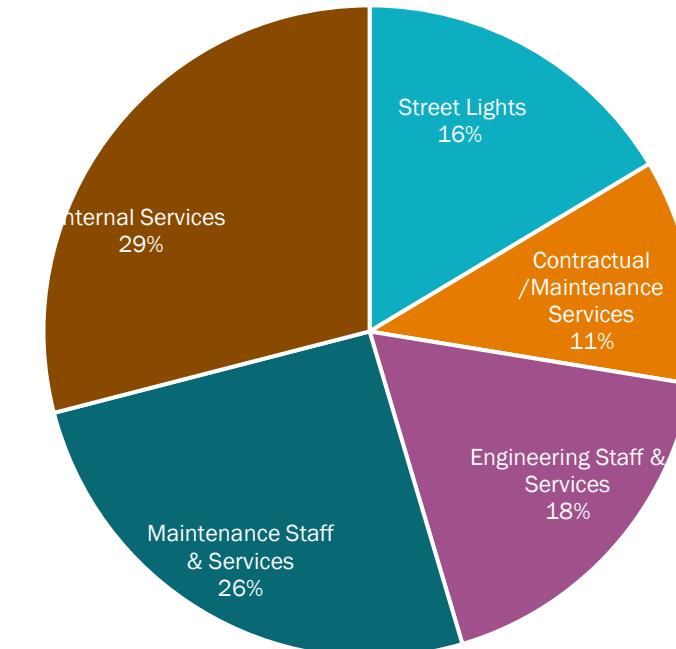
Customer Class	January 2026	January 2027	January 2028
Service Charge (\$/Month)			
Single Family Residential	\$19.06	\$19.92	\$20.81
Nonresidential (\$/EDU)	\$19.06	\$19.92	\$20.81
Rate Change			
\$	\$1.17	\$0.86	\$0.90
%	6.5%	4.50%	4.50%
EDU = 2,877 sq. ft. impervious area			



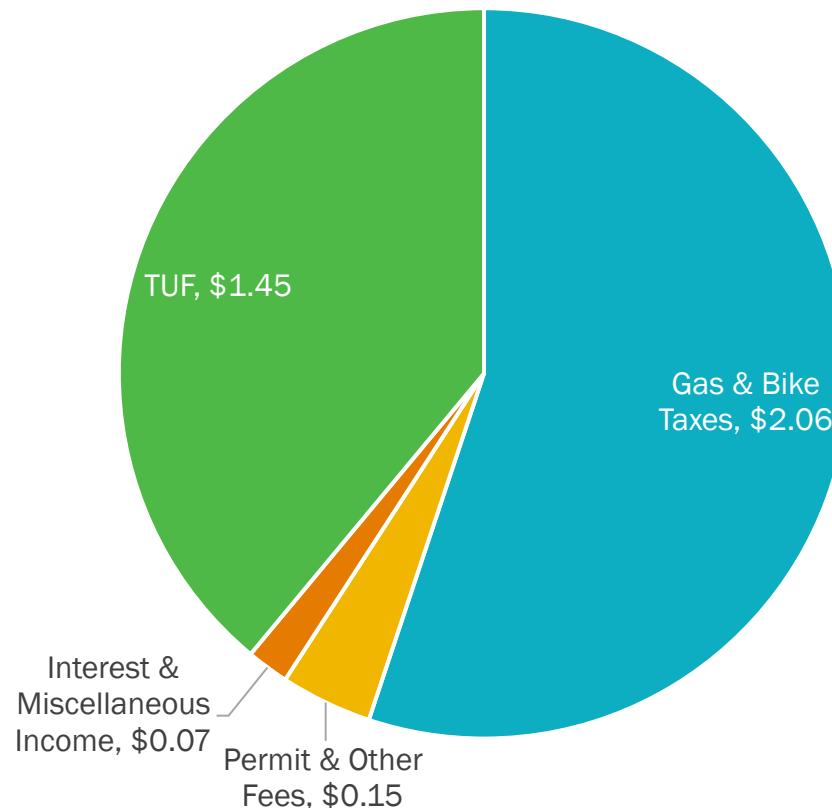
Transportation Utility Fee

Rates are primary ongoing funding source

- Gas tax revenues
 - Flat in recent years (declining per capita)
 - Projected to decrease in future years
- Other capital & operation and maintenance needs (excluding preservation) exceed projected revenues from gas taxes.



TUF dedicated to pavement maintenance & preservation



City Code Chapter 3.45.080



Cost of service adjustment – a change in the amount of revenue required to maintain the transportation pavement facilities.



Inflationary Index Adjustment as measured by the ENR CCI for Seattle.

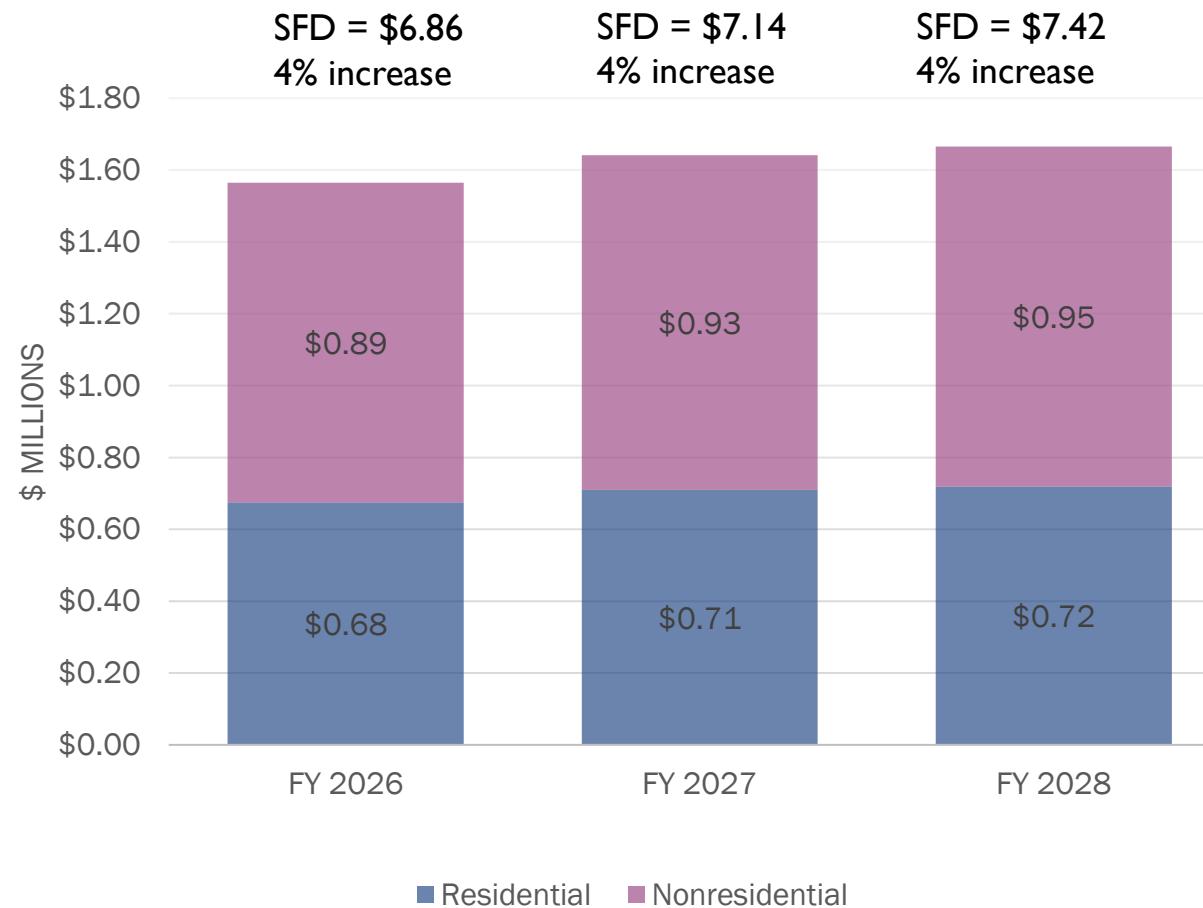


Other adjustments for changes in road conditions or other revenue source.

TUF Rates vs. Inflation

DATE	TUF RATE (SF RESIDENTIAL)	TUF RATE % CHANGE FROM PRIOR YEAR	CUMULATIVE RATE CHANGE	CUMULATIVE INFLATION
2017	\$4.99	0%	0%	0%
2018	\$4.99	0%	0%	7%
2019	\$4.99	0%	0%	13%
2020	\$4.99	0%	0%	19%
2021	\$5.09	2%	2%	26%
2022	\$5.19	2%	4%	42%
2023	\$5.40	4%	8%	43%
2024	\$5.62	4%	13%	46%
2025	\$6.60	17.5%	32%	42%
2026	\$6.86	4%	38%	47%
<i>Catch-up Rate needed to get same purchasing power as Sept 2017:</i>				
2027	\$7.56	10.1%		
2028	\$7.85	4%		

Recommended Single-Family Monthly Rates & Revenue

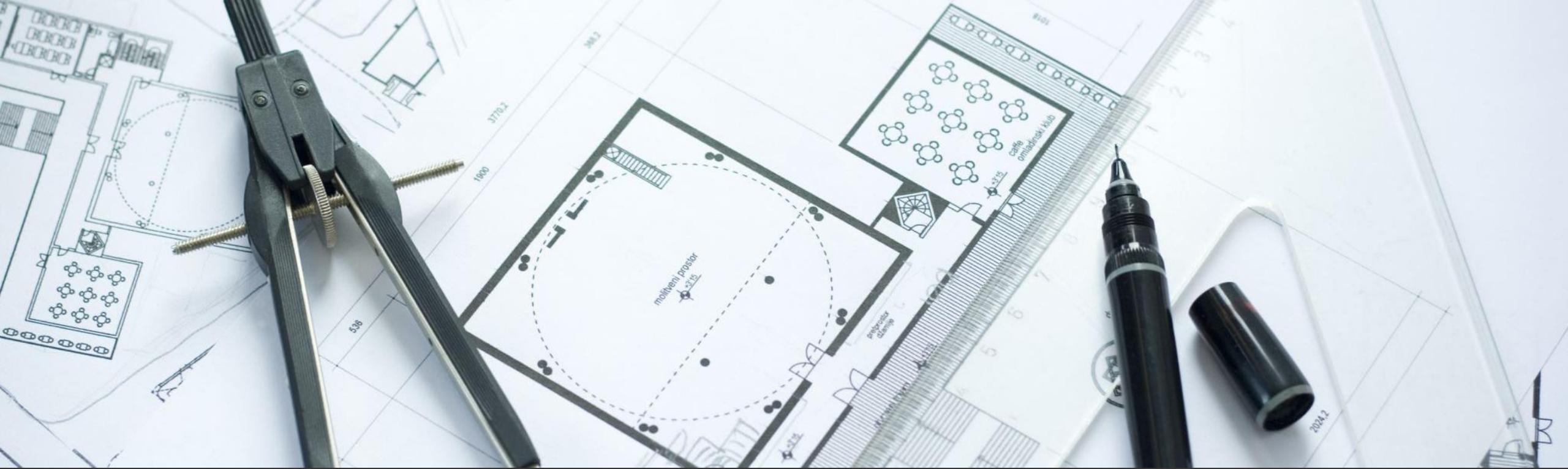


SFD = Single family dwelling

Other Housing and Standard Non-Residential Rates

Description	Current	Proposed	Proposed	Units Measured
	Jan 2026	Jan 2027	Jan 2028	
		4.0%	4.0%	-
Class 1 Industrial, Warehouse	\$ 5.12	\$ 5.32	\$ 5.53	KSF
Class 2 Office	20.16	20.97	21.80	KSF
Class 3 Medical, Retail	29.36	30.53	31.75	KSF
Class 4 Supermarket, Bank	46.01	47.85	49.77	KSF
Class 5 Fast Food, Convenience, Coffee	133.61	138.95	144.51	KSF
Multi-Family	4.63	4.82	5.01	DU
Mobile Home	3.59	3.73	3.88	DU
Senior Adult Housing Attached	2.81	2.92	3.04	DU
Congregate Care	1.54	1.60	1.67	DU

KSF = 1,000 SQ FT, DU=Dwelling Unit



Combined Utility Bill

Typical Residential Monthly Bill

Overall Increase						1-Jan	1-Jan
2027	2028	System	Units	Current	2027	2028	
5.0%	5.0%	Water	7.0	\$60.22	\$63.24	\$66.40	
4.1%	4.1%	Sewer	5.0	\$88.36	\$91.98	\$95.75	
4.5%	4.5%	Storm	1	\$19.06	\$19.92	\$20.81	
4.0%	4.0%	TUF	1	\$6.86	\$7.14	\$7.42	
		Public Safety		\$4.58	\$4.72	\$4.86	
		Communications Officer		\$2.78	--	--	
		Total		\$181.87	\$186.99	\$195.25	
		<i>Difference \$</i>			\$5.12	\$8.26	
		<i>Difference %</i>			2.8%	4.4%	



- Town Hall
 - February 24, 2026



Questions