

**CITIZENS' RATE REVIEW COMMITTEE AGENDA  
THURSDAY, OCTOBER 15, 2015**

**6:00 P.M. MEETING**

**PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

**Mission Statement**

*The City of Newberg serves its citizens, promotes safety, and maintains a healthy community.*

**Vision Statement**

*Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity.*

**I. CALL MEETING TO ORDER**

**II. ROLL CALL**

**III. COMMITTEE BUSINESS**

1. Election of Chair, Vice Chair, and Secretary
2. Review of the Newberg Municipal Code regarding Committee (Pages 3-6)
3. Public Comment Procedure (Page 7)
4. Membership Roster and Terms (Page 8)
5. Meeting Schedule (Page 9)
6. Roberts Rules Of Order (Pages 10-12)
7. Committee Ethics (Pages 13-21)

**IV. PUBLIC COMMENTS**

(30 minutes maximum, which may be extended at the Chair's discretion, with an opportunity to speak for no more than 5 minutes per speaker allowed)

**V. CONSENT CALENDAR**

None

**VI. NEW BUSINESS**

1. Review/Recap Financial Information
  - A. Utility Bill Overview
  - B. FY 2015-16 Budget Overview (Pages 22-29)
  - C. Utility Debt Overview

**Agenda continued on next page**

2. Capital Improvement Projects plan basics

**VII. ADJOURNMENT**

Next Meeting: October 22, 2015 at 6:00 pm at the Public Safety Building.

*ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please call (503) 554-7793.*

**The Committee accepts comments on agenda items during the meeting. Fill out a form identifying the item you wish to speak on prior to the agenda item beginning and turn it into the Secretary. The Chair reserves the right to change the order of the items on this agenda.**

**2.15.120 Established.**

There is established a citizens' rate review committee ("**committee**") for the City of Newberg, Oregon. [Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.70.]

**2.15.130 Powers and duties.**

The committee shall consider the rates for the city wastewater and water systems, the amount of the stormwater maintenance fee, and other rates and/or fees, at the request of and as assigned by the city council. The committee shall hold public hearings, make recommendations to the city council regarding the establishment of the rates and fees, reconsider rates and fees that are proposed to be established by the city council, when referred to them for reconsideration, and make other recommendations concerning the operation, maintenance and construction of the wastewater and water systems, stormwater system, and other systems of the city. Such recommendations shall be accompanied by statements of facts as a basis for such recommendation. The committee, once assigned the responsibility for reviewing the rates and fees, may structure the review process as necessary to offer a recommendation to the city council. The committee shall further have the powers and duties which may hereinafter be assigned to it by the city council. [Ord. 2733 Att. A, 2-7-11; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.71.]

**2.15.140 Membership.**

The committee shall consist of eight members. Seven members shall be residents of the city, one of whom may be a water customer outside of the city and who would be eligible to vote only on water rate issues. The eighth member shall be the mayor, who shall serve as an ex officio nonvoting member. [Ord. 2685, 1-7-08; Ord. 2627, 12-5-05; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.72.]

**2.15.150 Terms of office and appointment.**

Members of the committee shall be appointed by the mayor with the consent of the city council for a term of three years, commencing July 1st to coincide with the city's fiscal year. The appointment of some members shall be, other than specified terms, in order to establish an approximately equal expiration of terms each fiscal year. The term of each member shall continue after expiration until such time as their successors are appointed. Committee members may be reappointed to serve a full three-year term or additional three-year terms without limit. To facilitate the transition from a calendar year term to a fiscal year term, the member terms of office in existence on December 30, 2013, shall each be extended six additional months. [Ord. 2767 § 1(A), 12-2-13; Ord. 2690 § 2(C), 2-4-08; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.73.]

**2.15.160 Application and qualifications.**

A. The city shall give public notice of any vacancy of the committee and accept such applications for vacancies.

B. The application for membership on the committee shall state the principal occupation of the applicant, the principal residence of the applicant and give other information and qualifications as the city may deem necessary.

C. All members shall have their principal place of residency inside the city limits at the time of their appointment and during the term that they serve on the committee.

D. No member except the mayor shall be an employee, family members of employees, official or family member of officials of the city. [Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.74.]

**2.15.170 Vacancies and removal.**

A. Any vacancy on the committee shall be filled by appointment of the mayor with the consent of the city council for the unexpired term of the predecessor in the position.

B. A member of the committee may be removed by the city council after hearing for misconduct or nonperformance of duty.

C. A member who is absent from two consecutive meetings without an excuse as approved by the committee is rebuttably presumed to be in nonperformance of duty and the city council shall declare the position vacant unless finding otherwise following the hearing. [Ord. 2690 § 2(C), 2-4-08; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.75.]

**2.15.180 Presiding members.**

At the committee's first meeting of the new fiscal year, the committee shall elect a chair, vice chair and secretary to serve one-year terms. The mayor may serve as chair of the committee. [Ord. 2767 § 1(B), 12-2-13; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.76.]

**2.15.190 Meetings.**

A. A majority of the voting members of the committee shall constitute a quorum. The committee shall meet first as requested by the city council, with subsequent meetings scheduled by the committee. The chair shall have the authority to set the day and time of the meetings; provided, that the council has requested that the rate and/or fee review process proceed. The chair shall have the authority to cancel meetings of the committee. Meetings of the committee shall be open to the public and subject to the Open Meetings Law. Meetings other than the regularly scheduled meetings may be announced at a prior meeting and thereby made a part of the meeting records.

B. The chairman, upon the chairman's own motion, may, or at the request of three members of the committee, shall, by giving notice to the members of the committee, call a special meeting of the committee for a time not earlier than 24 hours after the notice is given. Notice of a special meeting shall be posted at City Hall and, to the extent feasible, provided to interested persons and the local newspaper at least 24 hours prior to the meeting. [Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.77.]

**2.15.200 Authority.**

Once convened, the committee shall have the authority to establish a process for reviewing the water rates, wastewater rates, stormwater maintenance fees, and other fees as assigned by the city council. The process for establishing the rates and fees shall be just and equitable, and set by an administrative process which includes the following:

A. Rates shall be imposed upon all users of the water and wastewater systems, both inside and outside the city, and shall be just and equitable charges for service, maintenance, operation, debt service and reconstruction of the water and/or wastewater system.

B. Fees shall be imposed upon all users of the stormwater system, both in and outside the city, and shall be just and equitable charges for service, maintenance, operation, debt service, and reconstruction of the stormwater system. This review process may be undertaken with either the water rates, wastewater rates, or stormwater maintenance fees, or both the water and wastewater rates together, or all or both rates and fees together.

C. All costs for maintenance, operation, debt service, and reconstruction of the water system and/or wastewater system and/or stormwater system shall be identified by the city staff. These costs shall be reported to, reviewed, changed, and approved by the budget committee of the city during the annual budget process, as required by state statute.

D. The city council shall, as part of the annual budget process, adopt a budget for the maintenance, operation, debt service, and reconstruction of the water system and/or wastewater system and/or stormwater system.

E. Should the budget which the city council adopts require a change in the rates and/or fees levied and imposed upon all users of the water system and/or wastewater system and/or stormwater system, the city council shall, by motion at a duly noticed regular city council meeting, instruct the committee to develop and identify the rates and/or fees according to a cost-to-serve analysis. The cost-to-serve analysis shall provide a proposal for charges for service for the customer service groups which use the water system and/or wastewater system and/or stormwater system.

F. The committee, after due deliberation and consideration, shall set a date for a public hearing to receive input on the proposed rates and/or fees. The public hearing shall be held prior to a final recommendation to the city council on the rates and/or fees. The existing rates and/or fees and the new rates and/or fees shall be published in a newspaper and posted in three public places as part of the notice for the public hearing with the committee. The hearing shall consist of a presentation and explanation of the rates and/or fees by the city manager or designee, and an opportunity for users or representatives of users to address the rates and/or fees or other items of concern with relation to the water system and/or wastewater system and/or stormwater system. A written record of the hearing shall be made and kept for review by the city council.

G. Based on the input from the hearing, its understanding of the needs of the water system and/or wastewater system and/or stormwater system, and any other information it decides to consider, the committee shall recommend the water rates and/or wastewater rates and/or stormwater maintenance fees to be adopted by the city council.

H. The city manager, or a designee, shall compile the written and/or video record for the city council to consider as part of the committee's recommendation.

I. Notice of the rates and/or fees that are recommended by the committee shall be published in the newspaper and posted in three public places within the city.

J. The city council shall hold a public hearing within 30 days after receiving the committee's recommendation. The public hearing shall provide an opportunity to comment on the recommended water rates and/or wastewater rates and/or stormwater maintenance fees. The city council shall consider the record of the public hearing held by the committee and may open the matter for additional public input on the proposed rates and/or fees. The city council shall hear presentations and explanations of the rates and/or fees by the city manager, or a designee, as part of the public hearing. The city council may set rates and/or fees which are either equal to or less than those recommended by the committee. The city council may adjust the rates and/or fees, but if they are higher than those recommended by the committee, the city council must send the proposed rates and/or fees to the committee for reconsideration and hearing.

K. If the rates and/or fees are sent back to the committee for reconsideration, the city council shall review the recommendation after the public hearing by the committee.

L. The city council shall then, by resolution, set the water rates, wastewater rates and/or

stormwater maintenance fees at an amount that assures the financial self-sufficiency of the systems.

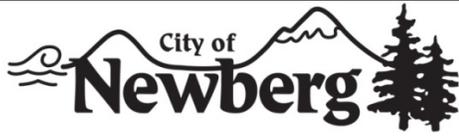
M. Special Provision Allowing Increases Above a Certain Percent per Year in the Rates and/or Fees Set by the City Council to Be Subject to the State Referendum Process. The city council by resolution will set the rate and/or fees as provided for in this section. The rates and/or fees are set by the city council through exercising administrative authority by approval of a resolution. The exercise of administrative authority is not subject to the state referendum process since it is not municipal legislation. However, the city council grants the right to the electorate of the city to refer the resolution that approves any increase in rates and/or fees to the voters of the city for approval subject to the provisions set out below. This right of referral granted to the electorate will use the state referendum process including all the rules, regulations, and laws that apply to that process. Such resolution that adopts the approved increase in rates and/or fees will not take effect for at least 30 days from date of passage. This right of referral is subject to the following conditions:

1. Any annual increase in the rates and/or fees that does not exceed a percentage equal to the Consumer Price Index (CPI) plus three percent annually will not be subject to the referendum process.
2. Any portion of an annual increase which is greater than the percentage designated in subsection (M)(1) of this section will be subject to the right of the electors to refer the approval of that portion of the increase to the voters for approval through the state referendum process as set out above.
3. The CPI designated in subsection (M)(1) of this section is the annual CPI for all urban consumers in the Portland-Salem, OR-WA metropolitan area. The metropolitan area covered in this release is comprised of Clackamas, Columbia, Marion, Multnomah, Polk, Washington, and Yamhill Counties in the State of Oregon and Clark County in the State of Washington. The annual CPI is released on or around February 17th of the following year (approximately one and a half months after calendar year-end).
4. The resolution approving the increase in rates and/or fees will designate which portion of an increase if any is subject to the referral process as set out above. [Ord. 2752 § 1, 5-7-12; Ord. 2585, 7-21-03; Ord. 2418, 10-2-95. Code 2001 § 32.78.]

#### **2.15.210 Appointments of boards, commissions, and committees.**

- A. Appointments of members to boards, commissions, and committees are made by the mayor with the consent of the city council pursuant to the city Charter, Section 9, titled "Mayor."
- B. The qualifications, terms, and other conditions of appointment shall be as specified in the code or the resolution or document establishing the board, commission, or committee.
- C. The appointment process is established by resolution. [Ord. 2690 § 1, 2-4-08. Code 2001 § 32.80.]

### **Article IV. Planning Commission**



Meeting Date: \_\_\_\_\_

## PUBLIC COMMENT/TESTIMONY SIGN-UP

Thank you for attending this public meeting – we value and appreciate your input. Please fill out this form so that we may better serve you and record your participation.

### INSTRUCTIONS:

1. Complete all of the information on this form and present it to the recorder prior to the start of the call of agenda item.
2. If you wish to testify on multiple agenda items, please fill out a separate form for each item.
3. Tips and guidelines for submitting oral/written comments are provided on the "How To Testify" brochure.
4. Please state your name prior to speaking (you do not need to state your address).

### PUBLIC COMMENT:

If you wish to comment on an item that is **NOT** specifically on the meeting agenda: Please check the box  and indicate the subject you wish to speak about:

Subject: \_\_\_\_\_

### PUBLIC TESTIMONY:

If you wish to testify/comment on an item that is specifically listed on the meeting agenda: Please identify the subject you wish to speak about by completing the following:

- Ordinance No. \_\_\_\_\_     
  Order No. \_\_\_\_\_     
  Subject: \_\_\_\_\_  
 Resolution No. \_\_\_\_\_     
  Agenda Item No. \_\_\_\_\_

If this is a **PUBLIC HEARING**, please check one of the following:

- PROPONENT (For)                       OPPONENT (Against)  
 WRITTEN COMMENT                       UNDECIDED  
 (Attach written comments on separate sheet of paper)

**Note:** There are time limits for oral comments and testimony.

**By filling out this form, you may be entitled to written notification of any decision.**

Please PRINT legibly:

Name \_\_\_\_\_ Phone Number \_\_\_\_\_  
*(required)* *(optional)*

Representing *(if speaking on behalf of a third party)* \_\_\_\_\_  
*(optional)*

Mailing Address *(including Zip Code)* \_\_\_\_\_  
*(optional)*

Email Address \_\_\_\_\_  
*(optional)*

Please do not release my contact information in a public records request

District	Name & Address	Occupation	Term Appointments	
	Nick Morace	Mechanic	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	9/21/15 6/30/18
	Holly Bradford	HIM Coordinator/Coder Home Health	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	9/21/15 6/30/18
6	Blair Didway	Landscape Architecture	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	12/5/11 9/21/15 6/30/18
2	Sarah Grider	Communications Student Marylhurst University	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	1/1/15 (appointed 11/18/14) 6/30/17
1	Bill Rourke	Retired Clinical Microbiologist	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	1/1/15 (appointed 11/18/14) 6/30/16
1	Marilynn Van Grunsven	Owner, Luckee Dutch Bakery	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	1/1/15 (appointed 11/18/14) 6/30/17
	Rick Rogers	Non-Profit Management	<b>Appointed:</b> <b>Re-Appointed:</b> <b>Term Expires:</b>	12/3/12 9/21/15 (relocated from County to inside City limits) 6/30/16

Authorizing Documents: Code Section 2.15.120 – 2.15.210 and Ordinances 2003-2585: 95-2418

Mayor Andrews, Ex-Officio : [bob.andrews@newbergoregon.gov](mailto:bob.andrews@newbergoregon.gov) (503) 537-1276

Staff Representatives

- City Manager Pro Tem – Steve Rhodes : [steve.rhodes@newbergoregon.gov](mailto:steve.rhodes@newbergoregon.gov) (503) 537-1201
- Public Works Director – Jay Harris : [jay.harris@newbergoregon.gov](mailto:jay.harris@newbergoregon.gov) (503) 537-1211
- City Engineer – Kaaren Hofmann : [kaaren.hofmann@newbergoregon.gov](mailto:kaaren.hofmann@newbergoregon.gov) (503) 537-1223
- Matt Zook – Finance Director : [matt.zook@newbergoregon.gov](mailto:matt.zook@newbergoregon.gov) (503) 537-1216
- Caleb Lippard – Assistant Finance Director : [caleb.lippard@newbergoregon.gov](mailto:caleb.lippard@newbergoregon.gov) (503) 537-1242

Citizens' Rate Review Committee  
Meeting Schedule  
Public Safety Building Training Room  
(401 E. Third St)  
6:00 to 8:00 p.m.

These Topics may be subject to revision, based on Council agendas

<i>DATE</i>	<i>TOPIC</i>
October 15, 2015 (Thurs)	Introduction
October 22, 2015 (Thurs)	Present Stormwater Rates
November 5, 2015 (Thurs)	Conclude Stormwater Rates
November 19, 2015 (Thurs)	Present Wastewater Rates
December 3, 2015 (Thurs)	Conclude Wastewater Rates
December 17, 2015 (Thurs)	Present Water Rates
January 7, 2016 (Thurs)	Conclude Water Rates / Final Wrap-Up / Town Hall Preparation
January 21, 2016 (Thurs)	Additional Meeting (if needed)
February 4, 2016 (Thurs)	Town Hall/Public Hearing at PSB
February 18, 2016 (Thurs)	Follow-up on TH / Rate Recommendation

## RobertsRules.org | Robert's Rules of Order - Summary Version

### For Fair and Orderly Meetings & Conventions

Provides common rules and procedures for deliberation and debate in order to place the whole membership on the same footing and speaking the same language. The conduct of ALL business is controlled by the general will of the whole membership - the right of the deliberate majority to decide. Complementary is the right of at least a strong minority to require the majority to be deliberate - to act according to its considered judgment AFTER a full and fair "working through" of the issues involved. Robert's Rules provides for constructive and democratic meetings, to help, not hinder, the business of the assembly. Under no circumstances should "undue strictness" be allowed to intimidate members or limit full participation.

The fundamental right of deliberative assemblies require all questions to be thoroughly discussed before taking action!

The assembly rules - they have the final say on everything!  
Silence means consent!

- Obtain the floor (the right to speak) by being the first to stand when the person speaking has finished; state Mr./Madam Chairman. Raising your hand means nothing, and standing while another has the floor is out of order! Must be recognized by the Chair before speaking!
- Debate can not begin until the Chair has stated the motion or resolution and asked "are you ready for the question?" If no one rises, the chair calls for the vote!
- Before the motion is stated by the Chair (the question) members may suggest modification of the motion; the mover can modify as he pleases, or even withdraw the motion without consent of the seconder; if mover modifies, the seconder can withdraw the second.
- The "immediately pending question" is the last question stated by the Chair! Motion/Resolution - Amendment - Motion to Postpone
- The member moving the "immediately pending question" is entitled to preference to the floor!
- No member can speak twice to the same issue until everyone else wishing to speak has spoken to it once!
- All remarks must be directed to the Chair. Remarks must be courteous in language and deportment - avoid all personalities, never allude to others by name or to motives!
- The agenda and all committee reports are merely recommendations! When presented to the assembly and the question is stated, debate begins and changes occur!

# The Rules

- **Point of Privilege:** Pertains to noise, personal comfort, etc. - may interrupt only if necessary!
- **Parliamentary Inquiry:** Inquire as to the correct motion - to accomplish a desired result, or raise a point of order
- **Point of Information:** Generally applies to information desired from the speaker: "I should like to ask the (speaker) a question."
- **Orders of the Day (Agenda):** A call to adhere to the agenda (a deviation from the agenda requires Suspending the Rules)
- **Point of Order:** Infraction of the rules, or improper decorum in speaking. Must be raised immediately after the error is made
- **Main Motion:** Brings new business (the next item on the agenda) before the assembly
- **Divide the Question:** Divides a motion into two or more separate motions (must be able to stand on their own)
- **Consider by Paragraph:** Adoption of paper is held until all paragraphs are debated and amended and entire paper is satisfactory; after all paragraphs are considered, the entire paper is then open to amendment, and paragraphs may be further amended. Any Preamble can not be considered until debate on the body of the paper has ceased.
- **Amend:** Inserting or striking out words or paragraphs, or substituting whole paragraphs or resolutions
- **Withdraw/Modify Motion:** Applies only after question is stated; mover can accept an amendment without obtaining the floor
- **Commit /Refer/Recommit to Committee:** State the committee to receive the question or resolution; if no committee exists include size of committee desired and method of selecting the members (election or appointment).
- **Extend Debate:** Applies only to the immediately pending question; extends until a certain time or for a certain period of time
- **Limit Debate:** Closing debate at a certain time, or limiting to a certain period of time
- **Postpone to a Certain Time:** State the time the motion or agenda item will be resumed
- **Object to Consideration:** Objection must be stated before discussion or another motion is stated
- **Lay on the Table:** Temporarily suspends further consideration/action on pending question; may be made after motion to close debate has carried or is pending
- **Take from the Table:** Resumes consideration of item previously "laid on the table" - state the motion to take from the table
- **Reconsider:** Can be made only by one on the prevailing side who has changed position or view
- **Postpone Indefinitely:** Kills the question/resolution for this session - exception: the motion to reconsider can be made this session
- **Previous Question:** Closes debate if successful - may be moved to "Close Debate" if preferred

- **Informal Consideration:** Move that the assembly go into "**Committee of the Whole**" - informal debate as if in committee; this committee may limit number or length of speeches or close debate by other means by a 2/3 vote. All votes, however, are formal.
- **Appeal Decision of the Chair:** Appeal for the assembly to decide - must be made before other business is resumed; NOT debatable if relates to decorum, violation of rules or order of business
- **Suspend the Rules:** Allows a violation of the assembly's own rules (except Constitution); the object of the suspension must be specified

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# GOVERNMENT ETHICS

## Excerpt from the Web Page for Oregon Ethics Commission And Public Officials Guide (2011)

[http://www.oregon.gov/OGEC/docs/Public Official Guide/2010-10 PO Guide October Final Adopted.pdf](http://www.oregon.gov/OGEC/docs/Public_Official_Guide/2010-10_PO_Guide_October_Final_Adopted.pdf)

*You are a Public Official when you are*

*volunteering for the City of Newberg.*



### For questions, please contact:

**Terrence D. Mahr, City Attorney**  
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City of Newberg  
414 East 1st Street  
PO Box 970  
Newberg, OR 97132  
**(503) 537-1248** (503) 537-5013 Fax  
[terry.mahr@newbergoregon.gov](mailto:terry.mahr@newbergoregon.gov)  
<http://newbergoregon.gov/>

# **OREGON GOVERNMENT ETHICS**

## **EXCERPT FROM THE WEB PAGE OF THE OREGON ETHICS COMMISSION PRESENTED MARCH 29, 2011**

### **HISTORY:**

During the Watergate scandal of the early seventies, Americans were confronted with deceit and misuse of power by elected officials. Citizens across the nation began calling for accountability from their governments. In response, Oregon was one of the first states to create laws designed to open government to greater public scrutiny.

In 1974, more than 70 percent of the voters approved a statewide ballot measure to create the Oregon Government Ethics Commission. The ballot measure also established a set of laws (ORS Chapter 244) requiring financial disclosure by certain officials and creating a process to deal with the inevitable question of conflict of interest. The drafters of the original laws recognized that "conflict of interest" is, indeed, inevitable in any government that relies on citizen lawmakers.

The Oregon Legislature changed the agency's name to Government Standards and Practices Commission (GSPC) in 1993. The Oregon Legislature during the legislative session of 2007 changed the agency's name back to Oregon Government Ethics Commission. The OGEC has seven volunteer members. Four members are appointed by the Governor upon recommendation by the Democratic and Republican leaders of the Oregon House and Senate. The Governor selects three members directly. All members must be confirmed by the Senate. No more than four of the members may be from the same political party. The law allows members to serve only one four-year term.

The OGEC is administered by an executive director selected by the commissioners. The commission also employs two full-time investigators, a trainer and an executive assistant who are appointed by the executive director.

The manner in which the OGEC reviews alleged violations of law is prescribed in detail in ORS 244.260. While it is subject to strict statutory requirements, the OGEC process is not intended to be rigid or intimidating.

OGEC staffers are available for informal questions and discussions about statutes, administrative rules and the commission's process. Public officials are encouraged to meet with OGEC staff at any time.

The OGEC members and staff consider that they are doing their job most successfully if they can help public officials avoid conduct that violates the relevant statutes. They encourage people to inquire into any point of the statutes prior to taking any action that may violate Oregon Government Ethic law, Lobbying Regulation law or the Executive Session provisions of Public Meetings law.

### **Oregon Government Ethics law** (ORS Chapter 244):

- Prohibits use of public office for financial gain
- Requires public disclosure of financial conflicts of interest
- Requires designated elected and appointed officials to file annual disclosures of sources of economic interest (**Not required of Traffic Safety Commissioners**)
- Limits gifts that an official may receive per calendar year
- Applies to all elected and appointed officials, employees and volunteers at all levels of state and local government in all three branches

**Excerpts from:**

## **A GUIDE FOR PUBLIC OFFICIALS**

Adopted October 2010

[http://www.oregon.gov/OGEC/docs/Public Official Guide/2010-10 PO Guide October Final Adopted.pdf](http://www.oregon.gov/OGEC/docs/Public%20Official%20Guide/2010-10%20PO%20Guide%20October%20Final%20Adopted.pdf)

Oregon Government Ethics Commission  
3218 Pringle Rd. SE, Suite 220  
Salem, OR 97302-1544  
Telephone: 503-378-5105  
Fax: 503-373-1456  
Web address: [www.oregon.gov/ogec](http://www.oregon.gov/ogec)

### **PUBLIC OFFICIAL: AN OVERVIEW**

The provisions in Oregon Government Ethics law restrict some choices, decisions or actions of a public official. The restrictions placed on public officials are different than those placed on private citizens because service in a public office is a public trust and the provisions in ORS Chapter 244 were enacted to provide one safeguard for that trust.

Public officials must know that they are held personally responsible for complying with the provisions in Oregon Government Ethics law. This means that each public official must make a personal judgment in deciding such matters as the use of official position for financial gain, what gifts are appropriate to accept, or when to disclose the nature of conflicts of interest. If a public official fails to comply with the operative statutes, a violation cannot be dismissed by placing the blame on the public official's government employer or the governing body represented by the public official.

Since compliance is the personal responsibility of each public official, public officials need to familiarize themselves with the wide variety of resources that offer information or training on the provisions in Oregon Government Ethics law. First, there are the statutes in ORS Chapter 244 and the Oregon Administrative Rules (OAR) in Chapter 199. Second, the Commission website, [www.oregon.gov/ogec](http://www.oregon.gov/ogec), offers information, training and links to this guide, ORS Chapter 244 and OAR Chapter 199. Many government agencies offer training or the agency may request it from the Commission's trainers. There are a number of membership organizations, such as The League of Oregon Cities, Association of Oregon Counties, Oregon School Boards Association and Oregon Special Districts Association that provide training to public officials from their government members. It is imperative for government agencies or organizations that employ or represent public officials to ensure their public officials receive training in Oregon Government Ethics law. Those that fail to

provide this training do a disservice to the public officials who they employ or who represent them.

One provision, which is the cornerstone of Oregon Government Ethics law, prohibits public officials from using or attempting to use their official positions or offices to obtain a financial benefit for themselves, relatives or businesses they are associated with through opportunities that would not otherwise be available but for the position or office held. Public officials are allowed to receive salary and reimbursed expenses from their own government agencies. Under specific conditions public officials may also accept gifts. This guide will discuss those provisions.

Another provision that frequently applies to public officials when engaged in official actions of their official positions or offices is the requirement to disclose the nature of conflicts of interest. This guide will discuss the definition of a conflict of interest and describe the methods a public official must follow when met with a conflict of interest.

There is a requirement for some public officials who are elected to offices or hold other select positions to file an Annual Verified Statement of Economic Interest form. This guide will discuss that filing requirement. (Remember not required for Traffic Safety commissioners)

It is important for both public officials and members of the general public served by public officials to know that the provisions in Oregon Government Ethics law apply to the actions and conduct of individual public officials and not the actions of state and local governing bodies or government agencies. Each individual public official is personally responsible for complying with provisions in ORS Chapter 244. The statutes and rules discussed or illustrated in this guide do not and cannot address every set of circumstances a public official may encounter. When a public official is anticipating an official action or participation in an official event they must make a personal judgment as to the propriety of the action or the participation. The Commission staff is available to discuss the issues and offer guidance in making such judgments.

Oregon Government Ethics law addresses a wide range of actions, situations or events which a public official may encounter while serving a state or local government. This guide provides a discussion of the provisions that apply to circumstances that most public officials may encounter.

## A PUBLIC OFFICIAL

### **Are you a public official?**

"Public official" is defined in ORS 244.020(14) as any person who, when an alleged violation of ORS Chapter 244 occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services.

There are approximately 200,000 public officials in Oregon. You are a public official if you are:

Elected or appointed to an office or position with a state, county or city government.

Elected or appointed to an office or position with a special district.

An employee of a state, county or city agency or special district.

An unpaid volunteer for a state, county or city agency or special district.

Anyone serving the State of Oregon or any of its political subdivisions, such as the State Accident Insurance Fund or the Oregon Health & Science University.

**If I am a volunteer, does that make me a public official?**

If the position for which you have volunteered serves the State of Oregon or any of its political subdivisions or any other public body, "irrespective of whether" you are "compensated" you are a public official. It is difficult to determine how many public officials are volunteers, but the number may approach 50,000. Volunteers may be elected, appointed or selected by the government agency or public body to hold a position or office or to provide services.

Among the public officials who volunteer, there are elected or appointed members of governing bodies of state boards or commissions, city councils, planning commissions, fire districts, school districts and many others. There are also many who apply and are selected to perform duties for a government agency, board or commission without compensation, such as fire fighters, reserve law enforcement officers and parks or recreation staff members.

**How are relatives of public officials affected by Oregon Government Ethics law?**

Public officials must always comply with state law when participating in official actions that could result in personal financial benefits and also when participating in official actions that could result in financial benefits for a relative. Public officials should also know there may be limits and restrictions on gifts their relatives may accept when offered.

There are provisions in ORS Chapter 244 that restrict or prohibit a public official from using or attempting to use official actions of the position held to benefit a relative; or may limit the value of financial benefits accepted by a relative of the public official or may require the public official to disclose the nature of a conflict of interest when a relative may receive a financial benefit. These provisions are discussed more comprehensively in the use of position or office section starting on page 9, the gifts section starting on page 26 and the conflicts of interest section starting on page 21.

**Who is a relative?**

Public officials need to know how Oregon Government Ethics law defines who a "relative" is. In everyday conversation the use of "relative" is applied to a broader spectrum of individuals with "family ties" than those defined as relatives in ORS 244.020(15). When a provision in ORS Chapter 244 refers to "relative" it means one of the following:

- . **Spouse** of a public official or candidate
- . **Children** of a public official or candidate
- . **Children of the spouse** of a public official or candidate
- . **Siblings** of a public official or candidate
- . **Siblings of the spouse** of a public official or candidate
- . **Spouse of siblings** of a public official or candidate
- . **Spouse of siblings of the spouse** of a public official or candidate
- . **Parents** of the of public official or candidate
- . **Parents of the spouse** of a public official or candidate
- . **Person** for whom the public official or candidate has a **legal support obligation**
- . **Person benefiting from a public official** when benefits are from the public official's public employment
- . **Person who provides benefits to a public official** or candidate when benefits are from the person's employment

For purposes of "relatives" defined by the last two bulleted items, examples of benefits may include, but not be limited to, elements of an official compensation package including benefits such as insurance, tuition or retirement allotments.

## CONFLICTS OF INTEREST

### **How does a public official know when they are met with a conflict of interest and, if met with one, what must they do?**

Oregon Government Ethics law identifies and defines two types of conflicts of interest. An **actual conflict of interest** is defined in ORS 244.020(1) and a **potential conflict of interest** is defined in ORS 244.020(12). In brief, a public official is met with a conflict of interest when participating in official action which could or would result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either is associated.

**The difference between an actual conflict of interest and a potential conflict of interest is determined by the words "would" and "could."** A public official is met with an **actual** conflict of interest when the public official participates in action that **would** affect the financial interest of the official, the official's relative or a business with which the official or a relative of the official is associated. A public official is met with a **potential** conflict of interest when the public official participates in action that **could** affect the financial interest of the official, a relative of that official or a business with which the official or the relative of that official is associated. The following hypothetical circumstances are offered to illustrate the difference between actual and potential conflicts of interest:

A city councilor is employed by a building supply business from which the city public works director purchases building materials. City payments on invoices must be submitted to the city council and approved by a vote. The city councilor, who is employed by the building supply business, while participating in a meeting, would be met with an **actual conflict of interest** when the request to pay the invoice from the business that employs the councilor is presented to the city council for official action.

A member of a fire district board of directors owns a sheetrock contracting business. The fire district is planning to remodel a fire station in the district. To reduce cost, the

district will manage the project and solicit bids from contractors for specified work, such as the sheetrock that needs to be installed. The member on the board of directors, who is the contractor, while participating in a meeting of the board of directors, would be met with a **potential conflict of interest** when the members discuss or act on the invitation for bids on the sheetrock installation.

**What if I am met with a conflict of interest?**

A public official must announce or disclose the nature of a conflict of interest. The way the disclosure is made depends on the position held. The following public officials must use the methods described below:

**Elected Officials or Appointed Members of Boards and Commissions:**

Except for members of the Legislative Assembly, these public officials must publicly announce the nature of the conflict of interest before participating in any official action on the issue giving rise to the conflict of interest. [ORS 244.120(2)(a) and ORS 244.120(2)(b)]

Potential Conflict of Interest: Following the public announcement, the public official may participate in official action on the issue that gave rise to the conflict of interest.

Actual Conflict of Interest: Following the public announcement, the public official must refrain from further participation in official action on the issue that gave rise to the conflict of interest. [ORS 244.120(2)(b)(A)]

If a public official is met with an actual conflict of interest and the public official's vote is necessary to meet the minimum number of votes required for official action, the public official may vote. The public official must make the required announcement and refrain from any discussion, but may participate in the vote required for official action by the governing body. [ORS 244.120(2)(b)(B)] These circumstances do not often occur. This provision does not apply in situations where there are insufficient votes because of a member's absence when the governing body is convened. Rather, it applies in circumstances when all members of the governing body are present and the number of members who must refrain due to actual conflicts of interest make it impossible for the governing body to take official action.

**The following circumstances may exempt a public official from the requirement to make a public announcement or give a written notice describing the nature of a conflict of interest:** If the conflict of interest arises from a membership or interest held in a particular business, industry, occupation or other class and that membership is a prerequisite for holding the public official position. [ORS 244.020(12)(a)] For example, if a member of a state board is required by law to be employed in a specific occupation, such as an accountant or a doctor, then the official actions taken by the board member that affect all accountants or doctors to the same degree would be exempt from the conflict of interest disclosure requirements and participation restrictions.

If the financial impact of the official action would impact the public official, relative or business of the public official to the same degree as other members of an identifiable group or "class". The Commission has the authority to identify a group or class and determine the minimum size of that "class." [ORS 244.020(12)(b) and ORS 244.290(3)(a)] For example, if

a county commissioner votes to approve a contract to improve or maintain a county road that leads to the property the commissioner owns, but the improvements would also benefit many other property owners to the same degree, the commissioner would be exempt from the conflict of interest disclosure requirements and participation restrictions. The number of persons affected to the same degree as the public official will help to determine whether this exception applies.

If the conflict of interest arises from an unpaid position as officer or membership in a nonprofit corporation that is tax-exempt under 501(c) of the Internal Revenue Code. [ORS 244.020(12)(c)] For example, a city councilor is also an unpaid board member or member at the local YMCA. The decision, as a city councilor, to award a grant to that YMCA would be exempt from the conflict of interest disclosure requirements and participation restrictions.

**How is the public announcement of the nature of a conflict of interest recorded?**

The public body that is served by the public official will record the disclosure of the nature of the conflict of interest in the official records (minutes, audio/video recording) of the public body. [ORS 244.130(1)]

**Is a public official required to make an announcement of the nature of a conflict of interest each time the issue giving rise to the conflict of interest is discussed or acted upon?**

The announcement needs to be made on each occasion when the public official is met with the conflict of interest. Each time a public official is met with a conflict of interest the nature must be disclosed. For example, an elected member of the city council would have to make the public announcement one time when met with the conflict of interest, but only one time in each meeting of the city council. If the matter giving rise to the conflict of interest is raised at another meeting, the disclosure must be made again at that meeting. Another example would involve an employee in a city planning department who would have to give a separate written notice before each occasion they encounter a matter that gives rise to a conflict of interest. [ORS 244.120(3)]

**If a public official failed to announce the nature of a conflict of interest and participated in official action, is the official action voided?**

No. Any official action that is taken may not be voided by any court solely by reason of the failure of the public official to disclose an actual or potential conflict of interest [ORS 244.130(2)]. However, the public official faces the potential of personal liability for the violation.

**BUDGET NARRATIVE**  
**FISCAL YEAR 2015-2016**

FY14 FY15 FY16

**PROGRAM: PW – WASTEWATER**

**STAFF LEVEL FTE: 16.96 18.21 17.86**

**Department Description**

The Public Works Department is responsible for planning, building, operating and maintaining the City's public infrastructure. The wastewater system consists of collection, piping, pump stations, wastewater treatment plant, composter, and a recycled water reuse system which re-distributes filtered treated wastewater for irrigation and industrial uses.

**Budget Comments**

Funding for the wastewater program is provided through wastewater utility rates and system development charges.

To maintain compliance with the City's National Pollutant Discharge Elimination System Permit (NPDES) and any potential future regulations the department has been in the process of a \$36 million upgrade of the treatment plant. In this fiscal year, the components of the upgrade include additional sawdust bays and a hypochlorite system.

Inflow and infiltration (I&I) of surface water and ground water into the City wastewater collection systems during large rainfall events is causing overflows in the wastewater system at manholes and pump stations. Yearly I&I reductions projects are planned to be completed for the next 5+ years to reduce the volume of surface water and groundwater flowing into the wastewater system, which will in turn reduce operating costs at the wastewater treatment plant, reduce maintenance costs in the system pump stations and pipes, and minimize the potential for DEQ fines on overflow events. Although the costs to repair the aging wastewater collection system will be significant, it can no longer be postponed.

The capital improvement program consists of several other projects: the Dayton Avenue pump station, Maintenance Yard Improvements and the Second Street Lot Wastewater replacement. There is a small amount to cover any wastewater impacts as a part of the Newberg-Dundee bypass project.

**Significant Changes**

As a part of the budget process, the reserve funds are being transferred back into the individual operating funds. This accounts for the 44% increase in the revenues. The projected revenues for the Wastewater

SDC fund is significantly lower than this year's actuals because these revenues are hard to predict and based strictly on development.

The wastewater rates increased 5.75% on January 1, 2015 and the Wastewater SDC fees increased 2.3% on April 1, 2015.

The debt service in this fund increased due to starting to pay back the DEQ loans for the Treatment Plant upgrades.

## PUBLIC WORKS - WASTEWATER SUMMARY

ACTUAL 2012-13	ACTUAL 2013-14	ADOPTED 2014-15	FTE	DESCRIPTION	FTE	PROPOSED 2015-16	APPROVED 2015-16	ADOPTED 2015-16	% CHANGE
<b>WASTEWATER FUND</b>									
<u>ADMINISTRATION</u>									
22,489	48,686	42,568	0.33	Total Personnel Services	-	-	-	-	-100.00%
969,347	1,156,992	1,008,830		Total Materials and Services		-	-	-	-100.00%
<u>991,836</u>	<u>1,205,678</u>	<u>1,051,398</u>		<b>TOTAL ADMINISTRATION</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-100.00%</u>
<u>ENGINEERING SERVICES</u>									
154,181	217,178	240,199	2.13	Total Personnel Services	1.86	212,380	212,380	212,380	-11.58%
16,230	15,263	33,295		Total Materials and Services		1,159,334	1,159,334	1,159,334	3382.01%
9,664	-	14,800		Total Capital Outlay		-	-	-	-100.00%
<u>180,075</u>	<u>232,441</u>	<u>288,294</u>		<b>TOTAL ENGINEERING SERVICES</b>		<u>1,371,714</u>	<u>1,371,714</u>	<u>1,371,714</u>	<u>375.80%</u>
<u>PLANT OPERATIONS</u>									
771,190	801,179	911,775	9.88	Total Personnel Services	10.00	987,995	987,995	987,995	8.36%
781,886	769,870	949,050		Total Materials and Services		1,073,450	1,073,450	1,073,450	13.11%
174,098	272,059	275,000		Total Capital Outlay		35,000	35,000	35,000	-87.27%
<u>1,727,174</u>	<u>1,843,108</u>	<u>2,135,825</u>		<b>TOTAL PLANT OPERATIONS</b>		<u>2,096,445</u>	<u>2,096,445</u>	<u>2,096,445</u>	<u>-1.84%</u>
<u>MAINTENANCE</u>									
403,188	525,433	582,975	5.88	Total Personnel Services	6.00	598,562	598,562	598,562	2.67%
180,509	211,393	457,375		Total Materials and Services		563,259	563,259	563,259	23.15%
<u>583,697</u>	<u>736,826</u>	<u>1,040,350</u>		<b>TOTAL MAINTENANCE</b>		<u>1,161,821</u>	<u>1,161,821</u>	<u>1,161,821</u>	<u>11.68%</u>
<u>3,482,782</u>	<u>4,018,053</u>	<u>4,515,867</u>	<u>18.21</u>	<b>TOTAL PUBLIC WORKS - WASTEWATER</b>	<u>17.86</u>	<u>4,629,980</u>	<u>4,629,980</u>	<u>4,629,980</u>	<u>2.53%</u>
729,408	961,326	1,484,012		TOTAL DEBT SERVICE		2,162,182	2,162,182	2,162,182	45.70%
63,708	4,698,795	1,000,000		TOTAL TRANSFERS		1,627,500	1,627,500	1,627,500	62.75%
-	-	4,219,290		TOTAL CONTINGENCY		4,186,330	4,186,330	4,186,330	-0.78%
<u>4,275,898</u>	<u>9,678,174</u>	<u>11,219,169</u>	<u>18.21</u>	<b>TOTAL WASTEWATER FUND</b>	<u>17.86</u>	<u>12,605,992</u>	<u>12,605,992</u>	<u>12,605,992</u>	<u>12.36%</u>

## WASTEWATER CIP RESERVE FUND

-	620,593	1,468,500		TOTAL TRANSFERS		5,193,602	5,193,602	5,193,602	253.67%
<u>-</u>	<u>620,593</u>	<u>1,468,500</u>		<b>TOTAL WASTEWATER CIP RESERVE</b>		<u>5,193,602</u>	<u>5,193,602</u>	<u>5,193,602</u>	<u>253.67%</u>

**PUBLIC WORKS - WASTEWATER SUMMARY (cont'd)**

ACTUAL 2012-13	ACTUAL 2013-14	ADOPTED 2014-15	FTE	DESCRIPTION	PROPOSED 2015-16	APPROVED 2015-16	ADOPTED 2015-16	% CHANGE
<b>WASTEWATER FINANCED CIP FUND</b>								
4,955,820	9,447,632	21,088,728		TOTAL WASTEWATER CAPITAL PROJECTS	-	-	-	-100.00%
<b>4,955,820</b>	<b>9,447,632</b>	<b>21,088,728</b>		<b>TOTAL WASTEWATER FINANCED CIP's</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.00%</b>
<b>WASTEWATER SYSTEM DEVELOPMENT FUND</b>								
-	-	1,966		TOTAL PUBLIC WORKS	-	-	-	-100.00%
284,294	281,294	283,279		TOTAL DEBT SERVICE	281,236	281,236	281,236	-0.72%
31	114,510	1,396,500		TOTAL TRANSFERS	458,125	458,125	458,125	-67.19%
-	-	2,231,442		TOTAL CONTINGENCY	2,810,940	2,810,940	2,810,940	25.97%
<b>284,325</b>	<b>395,804</b>	<b>3,913,187</b>		<b>TOTAL WASTEWATER SDC's</b>	<b>3,550,301</b>	<b>3,550,301</b>	<b>3,550,301</b>	<b>-9.27%</b>
<b>9,516,043</b>	<b>20,142,203</b>	<b>37,689,584</b>	<b>18.21</b>	<b>TOTAL PW - WASTEWATER</b>	<b>21,349,895</b>	<b>21,349,895</b>	<b>21,349,895</b>	<b>-43.35%</b>

**BUDGET NARRATIVE  
FISCAL YEAR 2015-2016**

**FY14 FY15 FY16**

**PROGRAM: PUBLIC WORKS – WATER**

**STAFF LEVEL FTE: 12.96 13.21 13.61**

**Department Description**

The Public Works Department is responsible for planning, building, operating and maintaining the City's public infrastructure. The water system consists of the five operating wells, an 8 million gallon per day water treatment plant, three storage reservoirs, and 110 miles of distribution network. The system is continually upgraded to meet the needs of the City as it grows, as well as maintenance activities and improvements necessary to remain in compliance with changes in State and Federal regulations.

**Budget Comments**

Funding for the water program is provided through water rates and system development charges. The capital improvement program consists of several projects: seismic improvements to the reservoirs; construction of Well #9; Second Street Parking Lot waterline replacement; South Springbrook waterline replacement (in conjunction with the Newberg-Dundee bypass project); and improvements to the Maintenance Yard.

The Master Plan Update is used to plan for improvements to the overall City water system and will be updated in this fiscal year.

**Significant Changes**

As a part of the budget process, the reserve funds are being transferred back into the individual operating funds. This accounts for the 72% increase in the revenues.

The water rates increased 7.0% on January 1, 2015 and the Water SDC fees increased 2.3% on April 1, 2015.

**PUBLIC WORKS - WATER SUMMARY**

ACTUAL 2012-13	ACTUAL 2013-14	ADOPTED 2014-15	FTE	DESCRIPTION	FTE	PROPOSED 2015-16	APPROVED 2015-16	ADOPTED 2015-16	% CHANGE
<b>WATER FUND</b>									
<u>ADMINISTRATION</u>									
22,488	48,686	42,568	0.33	Total Personnel Services	-	-	-	-	-100.00%
824,716	1,019,297	863,407		Total Materials and Services		-	-	-	-100.00%
<u>847,204</u>	<u>1,067,983</u>	<u>905,975</u>		<b>TOTAL ADMINISTRATION</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-100.00%</u>
<u>ENGINEERING SERVICES</u>									
152,556	177,836	194,085	1.88	Total Personnel Services	2.36	246,180	246,180	246,180	26.84%
13,969	17,321	36,745		Total Materials and Services		918,689	918,689	918,689	2400.17%
1,254	-	14,800		Total Capital Outlay		25,400	25,400	25,400	71.62%
<u>167,779</u>	<u>195,157</u>	<u>245,630</u>		<b>TOTAL ENGINEERING SERVICES</b>		<u>1,190,269</u>	<u>1,190,269</u>	<u>1,190,269</u>	<u>384.58%</u>
<u>PLANT OPERATIONS</u>									
519,993	497,658	507,651	4.88	Total Personnel Services	5.00	520,124	520,124	520,124	2.46%
429,537	417,540	509,900		Total Materials and Services		577,700	577,700	577,700	13.30%
85,311	-	70,000		Total Capital Outlay		70,000	70,000	70,000	0.00%
<u>1,034,841</u>	<u>915,198</u>	<u>1,087,551</u>		<b>TOTAL PLANT OPERATIONS</b>		<u>1,167,824</u>	<u>1,167,824</u>	<u>1,167,824</u>	<u>7.38%</u>
<u>MAINTENANCE</u>									
469,219	506,169	582,276	6.13	Total Personnel Services	6.25	600,239	600,239	600,239	3.09%
188,137	205,809	254,220		Total Materials and Services		412,750	412,750	412,750	62.36%
<u>657,356</u>	<u>711,978</u>	<u>836,496</u>		<b>TOTAL MAINTENANCE</b>		<u>1,012,989</u>	<u>1,012,989</u>	<u>1,012,989</u>	<u>21.10%</u>
<u>2,707,180</u>	<u>2,890,316</u>	<u>3,075,652</u>	<u>13.21</u>	<b>TOTAL PUBLIC WORKS - WATER</b>	<u>13.61</u>	<u>3,371,082</u>	<u>3,371,082</u>	<u>3,371,082</u>	<u>9.61%</u>
<u>414,148</u>	<u>412,632</u>	<u>409,082</u>		<b>TOTAL DEBT SERVICE</b>		<u>411,641</u>	<u>411,641</u>	<u>411,641</u>	<u>0.63%</u>
<u>841,302</u>	<u>3,140,444</u>	<u>1,443,852</u>		<b>TOTAL TRANSFERS</b>		<u>4,516,231</u>	<u>4,516,231</u>	<u>4,516,231</u>	<u>212.79%</u>
<u>-</u>	<u>-</u>	<u>2,692,575</u>		<b>TOTAL CONTINGENCY</b>		<u>2,481,842</u>	<u>2,481,842</u>	<u>2,481,842</u>	<u>-7.83%</u>
<b>3,962,630</b>	<b>6,443,392</b>	<b>7,621,161</b>	<b>13.21</b>	<b>TOTAL WATER FUND</b>	<b>13.61</b>	<b>10,780,796</b>	<b>10,780,796</b>	<b>10,780,796</b>	<b>41.46%</b>
<b>WATER CIP RESERVE FUND</b>									
-	496,719	707,500		<b>TOTAL TRANSFERS</b>		5,018,630	5,018,630	5,018,630	609.35%
<b>-</b>	<b>496,719</b>	<b>707,500</b>		<b>TOTAL WATER CIP RESERVE FUND</b>		<b>5,018,630</b>	<b>5,018,630</b>	<b>5,018,630</b>	<b>609.35%</b>
<b>WATER SYSTEM DEVELOPMENT FUND</b>									
-	-	84,064		<b>TOTAL PUBLIC WORKS</b>		-	-	-	-100.00%
844,719	844,775	843,852		<b>TOTAL DEBT SERVICE</b>		843,731	843,731	843,731	-0.01%
260,622	847,373	1,037,500		<b>TOTAL TRANSFERS</b>		3,125	3,125	3,125	-99.70%
-	-	3,238		<b>TOTAL CONTINGENCY</b>		80,720	80,720	80,720	2392.91%
<b>1,105,341</b>	<b>1,692,148</b>	<b>1,968,654</b>		<b>TOTAL WATER SDC's</b>		<b>927,576</b>	<b>927,576</b>	<b>927,576</b>	<b>-52.88%</b>
<u>5,067,971</u>	<u>8,632,259</u>	<u>10,297,315</u>	<u>13.21</u>	<b>TOTAL PUBLIC WORKS - WATER</b>	<u>13.61</u>	<u>16,727,002</u>	<u>16,727,002</u>	<u>16,727,002</u>	<u>62.44%</u>

**BUDGET NARRATIVE  
FISCAL YEAR 2015-2016**

**FY14 FY15 FY16**

**PROGRAM: PW – STORMWATER**

**STAFF LEVEL FTE: 5.38 6.04 6.66**

**Department Description**

The Public Works Department is responsible for planning, building, operating and maintaining the City's public infrastructure. The Stormwater Program provides for the planning, design, construction and maintenance of the City's public storm drainage system. The stormwater runoff collection system consists of detention basins, water quality facilities, catch basins, manholes, ditches, and pipes that convey flows to the natural drainage channels and streams. Additionally, the Oregon Department of Environmental Quality issued a permit that required the City to develop and implement a plan that addresses stormwater quality and environmental issues. This plan is called the Stormwater Total Maximum Daily Load (TMDL) Plan.

There are 84 miles of stormwater lines and ditches that are maintained to limit flooding and improve water quality in local streams. The required stormwater and Erosion and Sediment Control design manuals, which set forth the standards for all new development to follow in the future, were adopted last year.

**Budget Comments**

The 2014 Drainage Master Plan Update is used to plan for improvements to the overall City storm drainage system. Funding for the stormwater program is provided through stormwater utility rates and system development charges. The capital improvement program consists of several projects: Blaine Street Improvements (including 2<sup>nd</sup> Street Parking Lot Storm Drainage); Villa Road Culvert (in association with the Villa Road Improvements Project); and Maintenance Yard Improvements.

**Significant Changes**

As a part of the budget process, the reserve funds are being transferred back into the individual operating funds. This accounts for the 87% increase in the revenues.

The stormwater rates increased 9% on January 1, 2015 and the Stormwater SDC fees increased 2.3% on April 1, 2015.

## PUBLIC WORKS - STORMWATER SUMMARY

ACTUAL 2012-13	ACTUAL 2013-14	ADOPTED 2014-15	FTE	DESCRIPTION	FTE	PROPOSED 2015-16	APPROVED 2015-16	ADOPTED 2015-16	% CHANGE
<b>STORMWATER FUND</b>									
<i>ADMINISTRATION</i>									
22,141	73,462	31,154	0.24	Total Personnel Services	-	-	-	-	-100.00%
596	191,206	228,035		Total Materials and Services		-	-	-	-100.00%
<u>22,737</u>	<u>264,668</u>	<u>259,189</u>		<i>TOTAL ADMINISTRATION</i>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-100.00%</u>
<i>ENGINEERING SERVICES</i>									
197,101	216,717	182,706	1.78	Total Personnel Services	2.51	264,041	264,041	264,041	44.52%
28,181	37,220	45,795		Total Materials and Services		290,431	290,431	290,431	534.20%
1,254	-	14,400		Total Capital Outlay		25,400	25,400	25,400	76.39%
<u>226,536</u>	<u>253,937</u>	<u>242,901</u>		<i>TOTAL ENGINEERING SERVICES</i>		<u>579,873</u>	<u>579,873</u>	<u>579,873</u>	<u>138.73%</u>
<i>MAINTENANCE</i>									
302,537	263,431	358,023	4.03	Total Personnel Services	4.15	374,146	374,146	374,146	4.50%
218,015	83,362	126,000		Total Materials and Services		143,500	143,500	143,500	13.89%
<u>520,552</u>	<u>346,793</u>	<u>484,023</u>		<i>TOTAL MAINTENANCE</i>		<u>517,646</u>	<u>517,646</u>	<u>517,646</u>	<u>6.95%</u>
<u>769,825</u>	<u>865,398</u>	<u>986,113</u>	<u>6.04</u>	<i>TOTAL PUBLIC WORKS - STORMWATER</i>	<u>6.66</u>	<u>1,097,519</u>	<u>1,097,519</u>	<u>1,097,519</u>	<u>11.30%</u>
-	809,000	87,500		TOTAL TRANSFERS		582,500	582,500	582,500	565.71%
-	-	260,257		TOTAL CONTINGENCY		581,889	581,889	581,889	123.58%
<u>769,825</u>	<u>1,674,398</u>	<u>1,333,870</u>	<u>6.04</u>	<b>TOTAL STORMWATER FUND</b>	<u>6.66</u>	<u>2,261,908</u>	<u>2,261,908</u>	<u>2,261,908</u>	<u>69.57%</u>

## STORMWATER CIP RESERVE FUND

-	-	217,500		TOTAL TRANSFERS		814,722	814,722	814,722	274.58%
<u>-</u>	<u>-</u>	<u>217,500</u>		<b>TOTAL STORMWATER CIP RESERVE</b>		<u>814,722</u>	<u>814,722</u>	<u>814,722</u>	<u>274.58%</u>

## STORMWATER SYSTEM DEVELOPMENT FUND

44,640	228,026	102,500		TOTAL TRANSFERS		3,125	3,125	3,125	-96.95%
-	-	131,222		TOTAL CONTINGENCY		139,114	139,114	139,114	6.01%
<u>44,640</u>	<u>228,026</u>	<u>233,722</u>		<b>TOTAL STORMWATER SDC's</b>		<u>142,239</u>	<u>142,239</u>	<u>142,239</u>	<u>-39.14%</u>
<u>814,465</u>	<u>1,902,424</u>	<u>1,785,092</u>	<u>6.04</u>	<b>TOTAL PW - STORMWATER</b>	<u>6.66</u>	<u>3,218,869</u>	<u>3,218,869</u>	<u>3,218,869</u>	<u>80.32%</u>