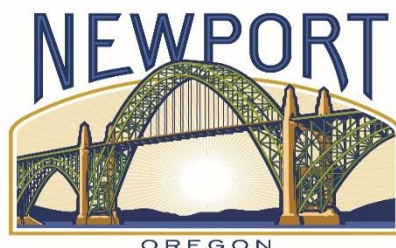


EXAMPLE



Customer Name
Street Name
City, State Zip Code

Dear Property Owner,

Beginning with the July 31, 2019 utility billing, you will see a change in the fees on your statement. We will be phasing out the Infrastructure and Storm Drain fees, and replacing them with the Stormwater Fee. This is the result of a 2017 utility rate study and the City Council's adoption of Resolution No. 3803, described in Attachment A to this letter.

The new Stormwater Fee will take effect on July 1 and will be applied to developed property, except for public streets, roads, and alleys. It is based upon an Equivalent Service Unit (ESU), which is equal to 2,700 square feet, and the square footage of your property's impervious surface area (ISA). The ISA has been compiled from City maps and tax lot data, and includes surfaces such as buildings and parking lots.

As an example, if the ISA of your property is 40,500 square feet, then the monthly fee is calculated as follows:

ESU factor = 40,500 square feet (ISA) divided by 2,700 square feet (ESU) = 15

Monthly fee = 15 (ESU factor) times \$8.50 = \$127.50

The Stormwater Fee will be phased in over the next three years, while the Infrastructure Fee will be phased out. Using the above example, the Stormwater Fee will be \$42.50 per month for the first year, \$85.00 per month for the second year, and \$127.50 for the third year.

The calculated ISA for your location is 7469.21 per square foot for the property tax account number R500817 and the calculated ESU is 3. You can go to our City website, go to the Finance tab and go into the link for Utility Billing. A file with this data can be found which will contain all non-residential properties in the City. Then you can search the database using your property tax number and scrolling to the column labeled "Tax Lot #" for the assigned ISA.

We invite your questions and comments. Please complete the attached "Review and Comment" form and return it to the City of Newport's Finance Department by June 24, 2019. The Finance Department will review and reply to your comments no later than July 1 via email or phone. Please make sure your email address is complete and accurate on the attached form.

Should you not agree with the outcome of the review, you will have ten days after receiving your decision to file an appeal with the City Manager. The City Manager's decision shall be subject to review by the City Council upon filing an appeal within fifteen days of the notice of decision (NMC 5.20.080)

Thank you.

Sincerely,

Michael A. Murzynsky
City Finance Director

Phase One – Review and Comment

Return this form to:

City of Newport Finance Department

169 SW Coast Highway

Newport Oregon, 97356

Re: Comments and review of Impervious Surface Area and related Equivalent Service Units.

I have the following comments on your calculation of the Impervious Surface Area (ISA) related to location noted below. My comments are:

The ISA I come up with my property is _____ and it is derived as follows:

Contact information:

Person to contact: _____

Phone number: _____

Email address: _____

Attachment A – Utility Rate Study:

In 2017, the City authorized the FCS Group to conduct a utility rate study for the City of Newport. On February 5, 2018, the consultant presented its findings to the City Council. At a following work session, City Council directed staff to pursue the recommendations outlined by the consultants by informing utility customers of these recommendations, and collecting comments from them to help refine the plan.

To share this information with utility customers, an April 6 communication was sent to all water and sewer customers, which outlined a summary of our utility systems, as well as recommendations for restructuring the utility rates. A public information session was held on Thursday, April 19, 2018, at 6:00 P.M., at City Hall, to review the recommendations with utility customers. Approximately 20 citizens attended this session. We shared comments made by the public at that session with City Council at a work session held on May 7, 2018. Public hearings were held on May 21, 2018 and June 4, 2018. A following work session was held on July 16, 2018, and on August 6, 2018. In addition, this was discussed at meetings on September 4 and September 17, 2018.

At the October 15, 2018 City Council meeting, the Council adopted Resolution No. 3803, setting the effective dates of December 1, 2018 for water and sewer rates increase and July 1, 2019 for the new Storm Water fee. The resolution also established and set the water, wastewater, infrastructure fees, and storm water utility rates for the 2018/2019, 2019/2020, and 2020/2021 fiscal years. The motion carried unanimously in a voice vote.