

RESOLUTION NO. 492

A RESOLUTION ESTABLISHING SEWER SYSTEM DEVELOPMENT CHARGES BASED ON A WATER-METER-SIZE METHODOLOGY, AND EXTRA STRENGTH FEES

WHEREAS, Oregon Revised Statute 223.304 requires that the City adopt a resolution that establishes the methodology for determining the amount of system development charges; and

WHEREAS, the Canby city council has determined that there is a need for sewer system development charges in order to provide capital for sewer improvements to increase the capacity of the Wastewater Treatment Plant; and

WHEREAS, City Ordinance No. 868, which was enacted and became effective September 18, 1991, expressly provides in Section 24, that the City Council, by Resolution, shall establish appropriate system development charges for connection to the municipal sewer system; and

WHEREAS, all future collection of system development charges for connection to the City of Canby sanitary sewer system shall be deposited to the "Sewer Reserve Fund"; and

WHEREAS, the meter-size method is based on the fact that sewerage systems are designed to meet peak demands and that the water meter size is a good indicator of peak demand; and

WHEREAS, the meter-size method is more equitable than the E.R.U.(Equivalent Residential Unit) method; and

WHEREAS, the meter-size method will send a clear market signal to developers that water conservation is important; and

WHEREAS, the City Council has determined that the rates hereinafter specified and hereby established are just, reasonable and necessary, now therefore it is hereby

RESOLVED by the Canby City Council as follows:

The system development charge (SDC) is based on the cost of projected capital improvements needed to increase the capacity of the sanitary sewer system.

The basis for the improvement cost estimates is the City of Canby Wastewater Treatment Facilities Plan, May 1991, by Brown and Caldwell and the City of Canby Sewer Utility Financial Forecast and Rate Analysis, by Raymond J. Bartlett.

	Total Costs	Attributable To New Development
Phase Improvements		
Field Costs	180,000	180,000
Site Improvements	100,000	100,000
Headworks	250,000	250,000
Influent Pumping Station	350,000	168,936
Secondary Clarifier	250,000	135,149
Aerobic Digester	220,000	220,000
Facultative Sludge Lagoon	442,000	213,342
Odor Control	250,000	120,668
Plant Piping	200,000	133,986
Electrical/instrumentation	290,000	194,280
Sub Total	2,562,000	1,716,360
Contingency, Eng, Admin.	1,022,000	684,668
Financing Costs	111,750	74,865
TOTAL	3,695,750	2,475,892
Current ADW Flow (Gallons)	780,000	
Expected ADW Flow (Gallons)	1,616,000	
New Capacity		836,000
Improvement Fee		
Per Gallon of ADW Flow		\$2.96
Per Cubic Foot		22.15
Improvement Fee per ERU (3/4" Meter)		\$1,360

NOTE: ERU based on 800 cubic feet/month, 30 days/month, and a peaking factor of 2.3 (see page 3-11 of Facilities Plan, 1991)

The improvement fee per ADW flow equals the cost of construction and financing that is attributable to new development divided by the increase in capacity (i.e., $\$2.96 = \$2,475,892 / 836,000$ gallons per day).

Since the City uses cubic feet of water consumption as it's unit of flow, we converted the improvement fee per gallon of ADW flow to a fee per cubic foot of ADW flow. At 7.4806 gallons per cubic foot, the fee per cubic foot is \$22.15.

The cubic foot measure is based on ADW flow, but the plant is designed to handle PWWAF, which is 2.3 times ADW flow. Therefore, the improvement fee per ERU (\$1,360) equals the average flow per ERU per day (26.667 cubic feet/day = 800 cubic feet per month/30 days) multiplied by the peaking factor (2.3) multiplied by the cost per cubic foot (\$22.15).

This fee per ERU is the maximum improvement fee the City can assess new developments. It can assess any amount up to the maximum amount, or not assess it. Currently, the SDC is \$1,200 per ERU.

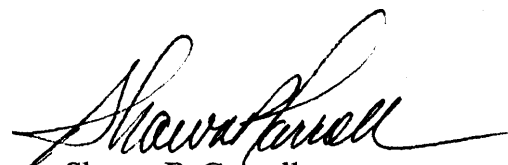
Improvement fees based on water meter size in place of ERU's are indicated below. The maximum justifiable improvement fee based on present estimates is \$1,360 per 3/4 inch meter.

Improvement Fee Based on Size of Water Meter			
Meter Size	Equivalent 3/4 " Meter	Improvement Fee Based on:	Maximum
		Existing	
3/4"	1.0	\$1,200	\$1,360
1"	2.2	2,626	2,976
1 1/2"	4.2	4,989	5,654
2"	6.4	7,646	8,665
3"	11.4	13,714	15,543
4"	18.2	21,797	24,703

Extra strength charges may be assessed based on TSS, BOD, oil and grease limits determined by WWTP lab for typical single family residence.

BE IT FURTHER RESOLVED that the Canby City Council hereby classifies the charges imposed herein as not being subject to the limitations imposed by Section 11(b), Article XI of the Oregon Constitution and that the City Recorder is hereby directed to publish notice in accordance with Section 26(8) of Chapter 459 of Oregon Laws, 1991.

ADOPTED by the Canby City Council on the 6th day of November, 1991.



Shawn P. Carroll,

Mayor

ATTEST:



Marilyn K. Perrett, City Recorder