



AGENDA

CANBY CITY COUNCIL MEETING

June 21, 2017

7:30 PM

Council Chambers

222 NE 2nd Avenue, 1st Floor

Mayor Brian Hodson

Council President Tim Dale

Councilor Tracie Heidt

Councilor Traci Hensley

Councilor Greg Parker

Councilor Tyler Smith

Councilor Sarah Spoon

CITY COUNCIL MEETING – 7:30 PM

1. CALL TO ORDER

- A. Invocation
- B. Pledge of Allegiance
- C. Fill the Boot Proclamation

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2. COMMUNICATIONS

3. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

(This is an opportunity for audience members to address the City Council on items not on the agenda. Each person will be given 3 minutes to speak. You are first required to fill out a testimony/comment card prior to speaking and hand it to the City Recorder. These forms are available by the sign-in podium. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. For Agenda items, please fill out a testimony/comment card and give to the City Recorder noting which item you wish to speak on.)

4. MAYOR'S BUSINESS

5. COUNCILOR COMMENTS & LIAISON REPORTS

6. CONSENT AGENDA

(This section allows the City Council to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may be discussed if it is pulled from the consent agenda to New Business.)

- A. Approval of Minutes of the June 7, 2017 City Council Regular Meeting
- B. Appointment to Bike and Pedestrian Committee

Pg. 2

7. PUBLIC HEARINGS

- A. State Revenue Sharing Funds Pg. 7
- B. 2017-2018 FY Budget as Approved by Budget Committee Pg. 9
- C. Amending Methodologies and Fees for Sanitary Sewer and Stormwater SDCs Pg. 13

8. RESOLUTIONS & ORDINANCES

- A. Res. 1264, Adopting Supplemental Budget for the 2016-2017 FY Pg. 3
- B. Res. 1265, Verifying City Has Met Requirements to Receive State-Shared Revenue Money Pg. 5
- C. Res. 1266, Declaring City's Election to Receive State Revenue for the 2017-2018 FY Pg. 7
- D. Res. 1267, Adopting Budget, Making Appropriations and Imposing and Categorizing Tax for the 2017-2018 FY Pg. 9
- E. Res. 1268, Updating the Methodology and Fees for the Sanitary and Stormwater System Development Charges Pg. 13
- F. Res. 1269, Amending the Cable Television Franchise Agreement Between the City of Canby and Canby Telephone Association dba DirectLink Pg. 42
- G. Res. 1270, Amending the Cable Television Franchise Agreement Between the City of Canby and WaveDivision VII, LLC dba Wave Pg. 46
- H. Ord. 1461, Authorizing Contract with Eagle-Elsner, Inc. in the Amount of \$886,688.00 with Authorization to Expand the Scope to an Amount Not to Exceed \$950,000.00 for Construction of the 2017 Street Resurfacing Program; and Declaring an Emergency (**2nd Reading**) Pg. 49

9. NEW BUSINESS

- A. Cancellation of July 5, 2017 City Council Meeting

10. CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS

11. CITIZEN INPUT

12. ACTION REVIEW

13. EXECUTIVE SESSION: ORS 192.660(2)(h) Litigation

14. ADJOURN

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Kim Scheafer at 503.266.0733. A copy of this Agenda can be found on the City's web page at www.canbyoregon.gov. City Council and Planning Commission Meetings are broadcast live and can be viewed on CTV Channel 5. For a schedule of the playback times, please call 503.263.6287.



Office of the Mayor

Proclamation

Canby Fire District #62 "Fill-the-Boot" Day

WHEREAS, Canby Fire District #62 has been working with the Muscular Dystrophy Association in their fight against neuromuscular disease; and

WHEREAS, "Fill-the-Boot" is an opportunity for Oregon firefighters to ask community members to drop donations into their fire boots to help local families served by MDA in the state. This year marks the 63rd anniversary of the partnership between firefighters and MDA in the fight against muscle wasting diseases; and

WHEREAS, Canby Fire District #62 has spent many hours collecting money on the streets for this campaign; and

WHEREAS, firefighters, locally and nationally, are the largest contributors to the MDA. Canby Firefighters collected \$10,241.00 in 2016 to help in the fight against the 43 different types of neuromuscular diseases.

NOW, THEREFORE, I, Brian Hodson, by virtue of the authority vested in me as Mayor of the City of Canby, do hereby proclaim Saturday, July 29, 2017 as:

Canby Fire District #62 "Fill-the-Boot" Day for the City of Canby

Given unto my hand this 21st day of June 2017.



Brian Hodson
Mayor



**CITY OF CANBY
COMMITTEE, BOARD, &
COUNCIL APPOINTMENT APPLICATION**

Date: June 5, 2017 Position Applying For: Bike and Pedestrian Committee

Name: Russell Heinemann Occupation: Self Employed

Home Address: _____

Employer: Self Employed Position: Sales

Daytime Phone: _____ Evening Phone: same

E-Mail Address: _____

What are your community interests (committees, organizations, special activities)? _____

I am not involved at this time in any committees or organizations

What are your major interests or concerns in the City's programs? Bicycle paths, sidewalks

Reason for your interest in this position: Was asked to apply by Mindy at Canby Wine and Brew event

Experience and educational background: US Army 1969-72, State Employment 1974-80, Business owner 1982-92,

Independent salesman 1992-present. BA Washington State University 1968

List any other City or County positions on which you serve or have served: _____

Referred by (if applicable): Mindy Monecucco

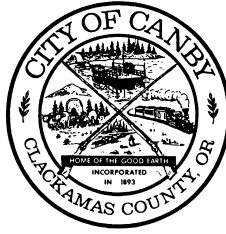
Please return to:

*City of Canby - Attn: City Recorder
PO Box 930, 222 NE 2nd Avenue, Canby, OR 97013
Phone: 503.266.0733 Fax: 503.266.7961 Email: scheaferk@canbyoregon.gov*

Note: Information on this form may be available to anyone upon a Public Records Request and may be viewable on the City's web page. 5/2017

Date Received: 6.5.2017 Date Appointed: _____ Term Expires: _____

Date Resigned: _____ Destruction Date: _____



MEMORANDUM

DATE: JUNE 21, 2017
TO: HONORABLE MAYOR HODSON AND CANBY CITY COUNCIL
FROM: JULIE BLUMS, FINANCE DIRECTOR
THROUGH: RICK ROBINSON, CITY ADMINISTRATOR
RE: FY 16-17 SUPPLEMENTAL BUDGET RESOLUTION NO. 1264

ISSUE: Adoption of a Supplemental Budget Resolution for the 2016-2017 fiscal year.

SYNOPSIS: A change in accounting process requires Street SDC Reimbursement fees to be transferred from the Street Fund into the SDC Fund. This transfer was not budgeted when the budget was adopted. Not all of the appropriated capital outlay funds in the street fund will be expended therefore the funds can be transferred to the transfer out appropriation, leaving a net zero change to the Street Fund as a whole.

The Planning department has seen a large increase in development activity that was not anticipated when the budget was prepared. Additional work on traffic studies are required to provide service to the developers. There is additional fee revenue to offset the additional expenditures resulting in a net zero change to the General Fund Planning department as a whole.

To maintain compliance with local budget law a supplemental budget needs to be adopted to allow the transfer of funds from the Street to SDC Fund and the use of additional revenues in the Planning Department.

RECOMMENDATION: Staff recommends that Council adopt Resolution No. 1264

RECOMMENDED

MOTION: ***“I move to adopt Resolution 1264, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE 2016-2017 FISCAL YEAR”.***

ATTACHED: Resolution No. 1264

RESOLUTION NO. 1264

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE 2016-2017 FISCAL YEAR.

WHEREAS, the City of Canby budget for the 2016-2017 fiscal year was adopted by the City Council at a regular meeting thereof on Wednesday, June 15, 2016; and

WHEREAS, the City of Canby has since received unanticipated revenues and a supplemental budget is required in order to expend those revenues; and

NOW THEREFORE, BE IT RESOLVED by the Canby City Council as follows:

Section 1. Appropriations for the 2016-17 budget year are increased in the following amounts.

| | Current Appropriation | Change | Revised Appropriation |
|-------------------------------|----------------------------------|---------------|----------------------------------|
| Street Fund | | | |
| Street Capital Outlay | 2,270,642 | (27,044) | 2,243,598 |
| Street Transfers Out | 114,081 | 27,044 | 141,125 |
| General Fund | | | |
| Planning Revenue | 74,810 | 15,000 | 89,810 |
| Planning Materials & Services | 236,757 | 15,000 | 251,757 |

This resolution shall take effect on June 21, 2017.

ADOPTED by the Canby City Council at a regular meeting thereof on June 21, 2017.

Brian Hodson, Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

M E M O R A N D U M

DATE: June 21, 2017
TO: Honorable Mayor Hodson and City Council
FROM: Julie Blums, Finance Director
CC: Rick Robinson, City Administrator
RE: **A RESOLUTION VERIFYING THAT THE CITY OF CANBY HAS MET THE REQUIREMENTS TO RECEIVE STATE-SHARED REVENUE MONEY.**

Issue: Annual verification that the City has met the requirements to receive revenues from intergovernmental taxes.

Background: ORS 221.760 Prerequisites for cities in counties over 100,000 population to receive revenues from cigarette, gas and liquor taxes. (1) The officer responsible for disbursing funds to cities shall disburse such funds in the case of a city located within a county having more than 100,000 inhabitants, according to the most recent federal decennial census, only if the officer reasonably is satisfied that the city meets the requirements or if the city provides four or more of the following municipal services; (a) Police protection, (b) Fire protection, (c) Street construction, maintenance and lighting, (d) Sanitary sewers, (e) Storm sewers, (f) Planning, zoning and subdivision control, or (g) One or more utility services.

Recommendation: That council adopts Resolution 1265, verifying that the city has met the requirements to receive state-shared revenue money.

Fiscal Impact: The city estimates amounts to be received are \$19,200 for cigarette taxes, \$274,600 for liquor taxes, and \$922,300 for gas taxes.

Recommended Motion: ***“I move to adopt Resolution 1265, A RESOLUTION VERIFYING THAT THE CITY OF CANBY HAS MET THE REQUIREMENTS TO RECEIVE STATE-SHARED REVENUE MONEY.”***

Attached: Resolution No. 1265

RESOLUTION NO. 1265

**A RESOLUTION VERIFYING THAT THE CITY OF CANBY HAS MET THE
REQUIREMENTS TO RECEIVE STATE-SHARED REVENUE MONEY.**

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820, and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

1. Police protection
2. Fire protection
3. Street construction, maintenance, and lighting
4. Sanitary sewer
5. Storm sewers
6. Planning, zoning, and subdivision control
7. One or more utility services and:

WHEREAS, City officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760,

NOW, THEREFORE, BE IT RESOLVED, that the City of Canby, Clackamas County, Oregon hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

1. Police protection
2. Street construction, maintenance and lighting
3. Sanitary sewers
4. Storm sewers
5. Planning, zoning and subdivision control

This Resolution shall take effect on June 21, 2017.

ADOPTED this 21st day of June 2017 by the Canby City Council.

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

M E M O R A N D U M

DATE: June 21, 2017
TO: Honorable Mayor Hodson and City Council
FROM: Julie Blums, Finance Director
CC: Rick Robinson, City Administrator
RE: **A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2017-2018.**

Issue: A resolution declaring the City's election to receive state revenues for fiscal year 2017-2018.

Background: State Revenue Sharing Law, ORS 221.770, requires cities to annually pass an ordinance or resolution requesting state revenue sharing money. The law mandates public hearings be held by the city, both before the budget committee to discuss possible uses of the funds and before the city council on the proposed uses of the funds in relation to the entire budget. Certification of these hearings are required. This has to be done and filed with the Oregon Department of Administrative Services prior to July 31.

Recommendation: That council adopt Resolution 1266 declaring the city's election to receive state revenue for fiscal year 2017-2018.

Fiscal Impact: The amount estimated by the city to receive is approximately \$163,500.

Recommended Motion: ***"I move to adopt Resolution 1266, A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2017-2018."***

Attached: Resolution No. 1266.

RESOLUTION NO. 1266

A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2017-2018.

WHEREAS, a public hearing for the use of state revenue sharing funds was held before the Budget Committee on May 11, 2017 and before City Council on June 21, 2017;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Canby as follows:

Section 1 Pursuant to ORS 221.770, the City of Canby hereby elects to receive state revenues for fiscal year 2017-2018.

This Resolution shall be effective on June 21, 2017.

ADOPTED this 21st day of June 2017 by the Canby City Council.

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

M E M O R A N D U M

DATE: June 21, 2017
TO: Honorable Mayor Hodson and City Council
FROM: Julie Blums, Finance Director
CC: Rick Robinson, City Administrator
RE: A RESOLUTION ADOPTING THE BUDGET, MAKING
APPROPRIATIONS, AND IMPOSING AND CATEGORIZING
TAXES FOR THE 2017-2018 FISCAL YEAR.

Issue: Oregon budget law requires adoption of an annual budget by June 30 of each year. ORS 294.453 requires the City to hold a public hearing, and ORS 294.458 requires the City to submit tax certification documents to the County Assessor by July 15th.

ORS 294.456 allows the governing body to amend the budget estimates as long as property tax revenue or rates to be certified is not increased and expenditures in a fund are not increased more than \$5,000 or 10% whichever is greater.

Background: The City of Canby passed a Tax Base of \$1,250,000 on November 6, 1990. The City passed a local option levy of \$0.49 per \$1,000 of assessed property value on November 08, 2016 to fund Swim Center operations. The City levies the taxes provided for in the adopted budget at the permanent rate of 3.4886 per \$1,000 of assessed property value. These taxes are hereby levied upon all taxable property within the district as of July 1, 2017. The allocation and categorization are subject to the limits of section 11, Article X1 of the Oregon Constitution.

Recommendation: We recommend City Council adopt Resolution No. 1267

Recommended
Motion:

**“I move to adopt Resolution 1267, A RESOLUTION
ADOPTING THE BUDGET, MAKING APPROPRIATIONS,
AND IMPOSING AND CATEGORIZING TAX FOR THE
2017-2018 FISCAL YEAR**

Attached: Resolution No. 1267

RESOLUTION NO. 1267

A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAX FOR THE 2017-2018 FISCAL YEAR

WHEREAS, a public hearing for the 2017-2018 City Budget as approved by the Budget Committee was duly and regularly advertised and held on June 21, 2017; and

WHEREAS, the City Council of Canby proposes to levy the taxes provided for in the adopted budget at the permanent rate of 3.4886 per \$1,000 and a local option levy of 0.49 per \$1,000 of assessed property value and that these taxes be levied upon all taxable property within the district as of July 1, 2017; and

WHEREAS, the following allocation and categorization subject to the limits of section.11, Article XI of the Oregon Constitution make up the above aggregate levy; now therefore:

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed and categorized for the tax year 2017-2018 upon the assessed value of all taxable property within the district:

General Government Limitation

- (1) At the rate of \$3.4886 per \$1,000 of assessed value for permanent rate tax;
- (2) At the rate of \$0.4900 per \$1,000 of assessed value for local option tax; and
- (3) In the amount of \$ 0 for debt service for general obligation bonds;

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED that the City Council of the City of Canby hereby adopts the budget for fiscal year 2017-18 in the total of \$24,617,879. This budget is now on file at City Hall, 222 NE 2nd Ave., Canby, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2017, and for the purposes shown below are hereby appropriated:

General Fund

| | |
|----------------------|---------------------|
| Administration | \$ 1,180,757 |
| Court | 433,764 |
| Planning | 235,504 |
| Parks | 590,733 |
| Building | 33,988 |
| Police | 5,250,313 |
| Cemetery | 170,001 |
| Finance | 481,256 |
| Economic Dev. | 537,787 |
| Not Allocated | |
| Personnel Services | 75,000 |
| Materials & Services | 55,168 |
| Transfers | 115,203 |
| Contingency | 500,000 |
| Total | \$ 9,659,474 |

Swim Levy Fund

| | |
|---------------|-------------------|
| Swim | \$ 786,207 |
| Transfers Out | 90,952 |
| Contingency | 82,066 |
| Total | \$ 959,225 |

Forfeiture Fund

| | |
|------------|-----------|
| Forfeiture | \$ 31,449 |
|------------|-----------|

Facilities Fund

| | |
|--------------|-------------------|
| Facilities | \$ 314,583 |
| Contingency | 24,805 |
| Total | \$ 339,388 |

Library Fund

| | |
|---------------|---------------------|
| Library | \$ 917,837 |
| Transfers Out | 133,431 |
| Contingency | 38,608 |
| Total | \$ 1,089,876 |

Fleet Fund

| | |
|--------------|-------------------|
| Fleet | \$ 714,253 |
| Contingency | 71,134 |
| Total | \$ 785,387 |

Streets Fund

| | |
|---------------|---------------------|
| Streets | \$ 2,734,676 |
| Transfers Out | 122,383 |
| Contingency | 109,306 |
| Total | \$ 2,966,365 |

Tech Services Fund

| | |
|---------------|-------------------|
| Tech Services | \$ 332,862 |
| Contingency | 29,977 |
| Total | \$ 362,839 |

Transit Fund

| | |
|---------------|---------------------|
| Transit | \$ 1,929,382 |
| Transfers Out | 175,876 |
| Contingency | 196,526 |
| Total | \$ 2,301,784 |

Sewer Fund

| | |
|----------------------|---------------------|
| WWTP | \$ 1,977,932 |
| Collections | 1,993,595 |
| Stormwater | 401,185 |
| Not Allocated | |
| Personnel Services | 49,985 |
| Materials & Services | 322,260 |
| Debt Service | 300,900 |
| Transfers Out | 428,738 |
| Contingency | 227,497 |
| Total | \$ 5,702,092 |

SDC Fund

| | |
|---------------|------------|
| Transfers Out | \$ 420,000 |
|---------------|------------|

The above resolution statements were approved and declared adopted on this 21st day of June 2017.

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder



City of Canby

PO Box 930 Phone: 503.266.4021
222 NE 2nd Ave Fax: 503.266.7961
Canby, OR 97013 www.canbyoregon.gov

M E M O R A N D U M

TO: *Honorable Mayor Hodson and City Council*
FROM: *Rick Robinson, City Administrator*
DATE: *June 21, 2017*

Oregon Revised Statutes 223.297 through 223.314 provide the statutory basis for application of System Development Charges. These statutes are intended to provide a uniform framework for development of equitable funding to support orderly growth.

This update of the Sanitary Sewer and Stormwater System Development Charge (SDC) is intended to summarize the current value of the existing sanitary and stormwater infrastructure, update the projects in the Capital Improvement Plans required to serve future users, and to define an equitable allocation of these costs to all benefitted users. The goal of this effort is to provide an SDC methodology to allocate a proportionate share of these values and costs that is equitable, understandable and defensible.

Background:

The City's current methodology, which is retained in this update, uses the current "replacement value" for all existing improvements to establish the basis of the Reimbursement Fee. The basis for the Improvement Fee is the "estimated cost" of improvements not yet constructed, but needed to serve future populations.

To assure an equitable allocation of costs between existing and future users, the value of all existing facilities and the estimated cost of all future improvements are allocated to all users, current and future equally, based on their proportionate use of the available capacity. This method of allocating costs to all users ensures that the charge to future connections is equitable and that it is no more than the proportionate cost allocated to each existing user.

This methodology of allocating costs by the capacity of the facility avoids double charging for capacity and is also independent of current population and is dependent only upon the value of the existing facilities, the estimated cost of the required future facilities and the capacity of each component.

The values placed on the existing improvements have taken into consideration rate making principles and the impacts of inflation, contributions by existing users, gifts or grants to the City to construct the infrastructure, and the value of existing facilities. The City of Canby has no outstanding debt for the sanitary or stormwater systems.

As permitted by ORS 223.304(8): 1) SDC fees may be adjusted as needed, based upon changes in the cost of materials, labor or real property applied to projects or project capacity as set forth in the associated systems' CIP; or 2) SDC fees may be increased periodically based upon application of a specific cost index.

The statutes require a specific cost index to be:

- (A) A relevant measurement of the average change in prices or costs over an identified time period for materials, labor, real property, or a combination of the three;
- (B) Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
- (C) Incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution or order.

The Engineering News Record (ENR) publishes a nationwide 20-city average cost escalation factor called the Construction Cost Index (CCI) that satisfies the criteria in this statute. The use of this 20-city average provides a well-established and well-known industry standard for the average change in construction costs. For reference, this current SDC update is based on an ENR CCI for March, 2017, of 10,277.

Per ORS 223.311, System Development Charge revenues must be deposited in accounts designated for such revenues for each infrastructure. An annual accounting must be prepared by January 1 of each year identifying amounts collected for each utility, and the projects that were funded in the previous fiscal year.

The statute allows Reimbursement Fees to be expended on any capital improvements or associated debt service within the subject infrastructure. Improvement Fees may only be spent on projects that are included in a listing of eligible capital improvements planned to be funded with SDC revenues. Eligible projects include projects that increase capacity or level of performance on existing facilities, and associated debt service.

Oregon Revised Statutes 223.307(5) also allows SDC revenues to be expended for costs of complying with the provisions of the SDC statutes contained in ORS 223.297 to 223.314, including the costs of administration and providing annual accounting of development charge expenditures. Accordingly, a 2.5% surcharge is added to each identified fee to account for the cost of administration.

Adoption of this System Development Charge Methodology and Capital Improvement Plan Update includes the adoption of an administrative review procedure for the methodology, expenditures and fee calculation. Per ORS 223.304(7) (b) the SDC Methodology may be contested within 60 days of adoption in accordance with the procedure established in ORS 34.010 to 34.100. A challenge of any SDC expenditure must be made in accordance with the procedures defined in ORS 34.010 to ORS 34.100, and may be filed within 2 years of the SDC revenue expenditure.

The attached "Sanitary Sewer & Stormwater System Development Charge Methodology & Capital Improvement Plan Update" contains a more comprehensive summary of the SDC process as well as a summary of the existing improvements and required capital improvements for the Sanitary Sewer system and the Stormwater system. This includes

estimates of the value of existing infrastructure, estimates and time lines for all projects in the Capital Improvement Plans, percentage of SDC eligible costs, and an allocation methodology to define equitable System Development Charges.

Recommendation:

Staff recommends adoption of Resolution 1268, A Resolution Updating the Methodology and Fees for the Sanitary and Stormwater System Development Charges.

Recommended Motion:

“I move to adopt Resolution 1268, A RESOLUTION UPDATING THE METHODOLOGY AND FEES FOR THE SANITARY AND STORMWATER SYSTEM DEVELOPMENT CHARGES.”

Attached:

Resolution 1268

Exhibit “A” - City of Canby, Oregon Sanitary Sewer & Stormwater System Development Charge Methodology & Capital Improvement Plan Update

RESOLUTION NO. 1268

A RESOLUTION UPDATING THE METHODOLOGY AND FEES FOR THE SANITARY AND STORMWATER SYSTEM DEVELOPMENT CHARGES

WHEREAS, the Canby City Council has determined by Ordinance No. 867 that a charge shall be imposed upon new development for acquiring funds for capital improvements, and for reimbursement of constructed excess capacity of the City's infrastructure including the sanitary sewer and storm water systems; and

WHEREAS, said Ordinance No. 867 provides that the methodology and charges for capital improvements and reimbursements be established and may be revised by resolution of the Council; and

WHEREAS, ORS 310.145 requires that a governing body, when adopting or amending a fee resolution imposing new rates, may include a provision classifying said fees as subject to or not subject to the limitations set in Section 11(b), Article XI of the Oregon Constitution; and

WHEREAS, a Sanitary Sewer and Stormwater System Development Charge Methodology and Capital Improvement Plan Update, dated May 2017, was prepared by the City Engineer and the Council has determined that the methodology and rates established are reasonable and necessary.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Sanitary Sewer and Stormwater System Development Charge Methodology and Capital Improvement Plan Update, which is attached as Exhibit A, be adopted to amend the current System Development Charge methodology and fees.

BE IT FURTHER RESOLVED that the Canby City Council hereby classifies the charges imposed herein as not being subject to the limitation 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 ORS 310.145.

This resolution will take effect on July 1, 2017.

ADOPTED this 21st day of June 2017 by the Canby City Council.

Brian Hodson
Mayor

ATTEST

Kimberly Scheafer, MMC
City Recorder

City of Canby, Oregon

SANITARY SEWER & STORMWATER

System Development Charge Methodology & Capital Improvement Plan Update



May 2017

CURRAN-McLEOD, INC., CONSULTING ENGINEERS
6655 SW Hampton Street, Suite 210
Portland, Oregon 97223

City of Canby

SANITARY SEWER & STORMWATER SYSTEM DEVELOPMENT CHARGE METHODOLOGY & CAPITAL IMPROVEMENT PLAN UPDATE

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City of Canby

SANITARY SEWER & STORMWATER SYSTEM DEVELOPMENT CHARGE METHODOLOGY & CAPITAL IMPROVEMENT PLAN UPDATE

This update of the Sanitary Sewer and Stormwater System Development Charge (SDC) is intended to summarize the current value of the existing sanitary and stormwater infrastructure, update the projects in the Capital Improvement Plans required to serve future users, and to define an equitable allocation of these costs to all benefitted users. The goal of this effort is to provide an SDC methodology to allocate a proportionate share of these values and costs that is equitable, understandable and defensible.

SDC METHODOLOGY OVERVIEW

Oregon Revised Statutes 223.297 through 223.314 provides the statutory basis for application of System Development Charges. These statutes are intended to provide a uniform framework for development of equitable funding to support orderly growth.

According to the statute, SDCs are composed of:

- Reimbursement Fees to address the value of existing improvements,
- Improvement Fees to address the cost of needed future improvements, or
- Combination of both Reimbursement and Improvement Fees.

The City's current methodology, which is retained in this update, uses the current "replacement value" for all existing improvements to establish the basis of the Reimbursement Fee. The basis for the Improvement Fee is the "estimated cost" of improvements not yet constructed, but needed to serve future populations.

The existing infrastructure typically has components with surplus capacity for future users as well as some areas of deficiencies or inadequacies in serving the existing users. Similarly, projects on the Capital Improvement Plan listing are required to provide capacity for future users, but also frequently resolve deficiencies in service to the existing users. To account for the available capacity in the City's infrastructure and the concurrent need to undertake capital improvements to resolve deficiencies, these SDC Methodologies include a combination of both Reimbursement Fees and Improvement Fees.

The existing infrastructure essentially provides a base level of service to current and future users, whereas the required capital improvements provide resolution of existing deficiencies as well as the improvements needed for future users.

To assure an equitable allocation of costs between existing and future users, the value of all existing facilities and the estimated cost of all future improvements are allocated to all users, current and future equally, based on their proportionate use of the available capacity. This method of allocating costs to all users ensures that the charge to future connections is equitable and that it is no more than the proportionate cost allocated to each existing user.

This methodology of allocating costs by the capacity of the facility avoids double charging for capacity and is also independent of current population. With this approach there is no need to identify percentage of remaining capacity to serve future users, nor to estimate future population growth. This allocation is dependent only upon the value of the existing facilities, the estimated cost of the required future facilities and the capacity of each component.

The values placed on the existing improvements have taken into consideration rate making principles and the impacts of inflation, contributions by existing users, gifts or grants to the City to construct the infrastructure, and the value of existing facilities. The City of Canby has no outstanding debt for the sanitary or stormwater systems.

Population projections are useful to anticipate future needs; however, the rate of growth to reach the projected population does not impact the fee calculations. The fee is based on funding the needed improvements to support growth, independent of when that population growth is realized. In periods of high growth, SDC revenues will accrue more quickly to allow undertaking needed improvements earlier to support the accelerated growth. In periods of low growth, revenues will accrue more slowly, but the need for infrastructure improvements to support this growth is also protracted.

ANNUAL ADJUSTMENTS

As permitted by ORS 223.304(8): 1) SDC fees may be adjusted as needed, based upon changes in the cost of materials, labor or real property applied to projects or project capacity as set forth in the associated systems' CIP; or 2) SDC fees may be increased periodically based upon application of a specific cost index.

The statutes require a specific cost index to be:

- (A) A relevant measurement of the average change in prices or costs over an identified time period for materials, labor, real property, or a combination of the three;
- (B) Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
- (C) Incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution or order.

The Engineering News Record (ENR) publishes a nationwide 20-city average cost escalation factor called the Construction Cost Index (CCI) that satisfies the criteria in this statute. The use of this 20-city average provides a well-established and well-known industry standard for the average change in construction costs. For reference, this current SDC update is based on an ENR CCI for March, 2017, of 10,277.

In accordance with ORS 223.309(2), the City may adjust any of the capital improvement projects, adjust project cost estimates, or values of existing improvements by resolution or ordinance at any time. However, if the SDC is increased as a result of the addition of a new “capacity increasing capital improvement” project, the City must provide a written notice, a minimum of 30 days prior to adoption, of the modifications to persons who have requested notice under ORS 223.304(6). Subsequently, the City must hold a public hearing for adoption only if, within seven days of the proposed adoption, the City receives a written request for a hearing.

If the City elects to modify the cost allocation methodology as opposed to only adjusting the project values or CIP inventories, written notice is required to be mailed 90 days prior to any adoption hearings to all persons who have requested notification under ORS 223.304(6). Additionally, the revised methodology must subsequently be made available for public review a minimum of 60 days prior to the hearing for adoption.

With no persons listed per ORS 223.304(6), then no advance notification is required for adjustments, other than those required for any public meeting.

CREDITS FOR ELIGIBLE CONSTRUCTION

ORS 223.304(4) requires that a method of credits be available for the construction of qualified public improvements. The statute further defines qualified public improvements as those required as a condition of development approval, identified in the plan and list adopted pursuant to ORS 223.309 and either:

- (a) Not located on or contiguous to property that is the subject of development approval; or
- (b) Located in whole or in part on or contiguous to property that is the subject of development approval and required to be built larger or with greater capacity than is necessary for the particular development project to which the improvement fee is related.

As a result of ORS 223.304(4) (a), a credit must be provided for eligible off-site public improvements; and in accordance with ORS 223.2304(4) (b), a credit must be provided for on-site development for the component of an eligible improvement which has capacity greater than the local government's minimum standard facility size or capacity.

When growth pressures mandate that the City make improvements within fully developed areas or unrelated to any specific development, the entire cost of the improvement may be funded with SDC revenues. If the improvement will provide service to undeveloped areas, the SDC expenditure should be reimbursed by development.

SDC CREDIT PAYMENTS

Credits for eligible public works construction are typically used to offset the SDC fees due from the developing property. In the event the credit exceeds the fees due from the development, the City has the option of reimbursing the developer with cash from current SDC reserves, cash receipts from future SDC revenues, and/or providing a credit against future development. ORS 223.304(5) (d) limits the application of a credit for future development to a maximum of 10 years. However, ORS 223.304(5) (c) allows the City to adopt additional methods of credit beyond the qualified public improvement credits required by statute, if so desired.

CREDIT FOR PRE-EXISTING USE

A system development charge is imposed on all new construction, or when a change of use on a parcel increases the demand on the utility. In the event of a change of use, the system development charge for the new use shall be offset by a credit in the amount of the calculated system development charge for the current existing use. The adjustment may not reduce the SDC charges to result in a refund.

Upon discontinuation of utility service and a 24-month interruption of utility payments, no credit is provided for pre-existing use.

SDC ADMINISTRATION REQUIREMENTS

Per ORS 223.311, System Development Charge revenues must be deposited in accounts designated for such revenues for each infrastructure. An annual accounting must be prepared by January 1 of each year identifying amounts collected for each utility, and the projects that were funded in the previous fiscal year.

The statute allows Reimbursement Fees to be expended on any capital improvements or associated debt service within the subject infrastructure. Improvement Fees may only be spent on projects that are included in a listing of eligible capital improvements planned to be funded with SDC revenues. Eligible projects include projects that increase capacity or level of performance on existing facilities, and associated debt service.

Oregon Revised Statutes 223.307(5) also allows SDC revenues to be expended for costs of complying with the provisions of the SDC statutes contained in ORS 223.297 to 223.314, including the costs of administration and providing annual accounting of development charge expenditures. Accordingly, a 2.5% surcharge is added to each identified fee to account for the cost of administration.

Annually, a transfer from each SDC fund in the amount of the 2.5% of the annual collections may be made to the City department completing the administration for fee calculations, accounting and annual fee adjustments. This transfer should be identified in each annual summary.

REVIEW PROCEDURE

Adoption of this System Development Charge Methodology and Capital Improvement Plan Update includes the adoption of an administrative review procedure for the methodology, expenditures and fee calculation.

Per ORS 223.304(7) (b) the SDC Methodology may be contested within 60 days of adoption in accordance with the procedure established in ORS 34.010 to 34.100. A challenge of any SDC expenditure must be made in accordance with the procedures defined in ORS 34.010 to ORS 34.100, and may be filed within 2 years of the SDC revenue expenditure.

If a private developer objects to the calculation of a system development fee, the City will take into consideration a utility impact analysis prepared specifically for the development that substantiates the demand on the infrastructure. The subsequent formal conclusion by the City may be contested through the procedures established in ORS 34.010 to ORS 34.100 for a writ of review. To avoid project delays, in the case of a contested fee calculation, the SDC fee payment shall be made as a deposit pending the formal review and outcome.

SANITARY SEWER AND STORMWATER SDC UPDATES

The following sections contain a summary of the existing improvements and required capital improvements for the Sanitary Sewer system and the Stormwater system, with estimates of the value of existing infrastructure, estimates and time lines for all projects in the Capital Improvement Plans, percentage of SDC eligible costs, and last, an allocation methodology to define equitable System Development Charges.

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City of Canby

SANITARY SEWER SYSTEM SDC UPDATE

SS - I. OVERVIEW

The authority to establish System Development Charges for all five public utilities system was first adopted by the City Council in Ordinance 867 in October 1991, and ultimately codified in the Canby Municipal Code Chapter 4.20. The Sanitary sewer SDC methodology specifically was first adopted in Ordinance 868 in 1991. Subsequently, methodology updates were completed in 1996, 2001 and 2011, and multiple periodic adjustments have been made by resolution to account for inflation.

SS - II. EQUIVALENT DWELLING UNIT (EDU) DEFINITION

SDCs are based on the average dry weather waste flow from a typical single family residential unit, which is adopted to be one Equivalent Dwelling Unit (EDU). For the sanitary sewer SDC all residential units are considered one EDU per family unit, whether located in a detached single family home or in a multi-family structure.

Commercial/industrial EDUs are more difficult to calculate because the waste flow varies dependent on the business activity. In accordance with Resolution 492, the number of commercial/industrial EDUs is determined by the size of the water meter serving the facility; however, this generally understates the actual proportion for larger meters when actual usage is compared to the proportional meter capacities.

When the capacity of the water meter is used to determine the number of commercial/industrial EDUs it results in a comparison of the water meter's peak instantaneous flows. The capacities of all sanitary sewer infrastructure components are based on average dry weather flows, not peak instantaneous flows. Also note the average water usage in a single family residential meter is approximately 1% of its capacity, whereas the average water usage for a commercial/industrial application can be 50 to 75% of its capacity. As a result, this update will define the EDUs for all commercial/industrial applications by the volume of waste flow discharged to the sanitary sewer system compared to the amount discharged by a single family residential unit.

To confirm the waste load from a single family residential unit or EDU, both the water meter records and the wastewater plant flows were analyzed for the past three years. From the Canby Utility records, the average residential component of metered water sales was 89 to 90 percent with commercial/industrial at 10 to 11 percent.

Per capita contribution has steadily declined over the past two decades. A plant flow and population analysis resulted in a previous standard of 80 gallons per capita per day. Using the past four years data, the average daily flow per resident has dropped to 55 gallons per day.

Per the 2010 census data, the average household size is 2.79 persons. As a result, an EDU is now defined as 2.79 times 55 gpd for a total of 155 gallons per day, or 625 cubic feet per month per EDU. Based on this criterion and accounting for 10 percent commercial industrial users, the City of Canby had approximately 7,170 EDU currently contributing to the wastewater system.

SS - III. CREDITS FOR ELIGIBLE CONSTRUCTION

By statute, credits must be issued for eligible improvements required to be constructed by private development. SDC credits are required for the oversized component of any on-site improvements, and for all eligible off-site improvements. To receive a credit, the project must be a qualified public improvement contained in the Capital Improvement Plan, and required as a condition of development approval.

The following table summarizes current construction cost estimates with 15% engineering, and establishes the credit provided for eligible construction projects:

CITY OF CANBY
SANITARY SEWER COLLECTION SYSTEM
VALUE OF CONSTRUCTION CREDITS
 March ENR CCI 10,277

| LINE SIZE | 8" | 10" | 12" | 15" | 18" |
|--------------------------|-----------|------------|------------|------------|------------|
| CONSTRUCTION COST | \$180/lf | \$190/lf | \$200/lf | \$220/lf | \$240/lf |
| OVERSIZE CREDIT | \$0 | \$10/lf | \$20/lf | \$40/lf | \$60/lf |

SS - IV. SANITARY SEWER CAPITAL IMPROVEMENT PLAN

Consistent with the methodology used in the previous SDC documents, the estimated costs of the eligible CIP projects are allocated to all benefitted users based on the capacity of the infrastructure component and cost per gallon. This methodology equitably accounts for excess capacity as well as various system deficiencies, by allocating the value of existing improvements (in the Reimbursement Fee) and the cost of all needed improvements (in the Improvement Fee) over the total capacity of the infrastructure, ensuring the charge to future users is no more than the allocation to existing users.

The capacities of each infrastructure component are defined independently. Sanitary sewer is based on the design average dry weather flow (ADWF) capacity of the treatment facility. Stormwater capacity is defined as serving all EDU within the limits of the built-out Urban Growth Boundary (UGB).

The projects listed in the collection system CIP are intended to serve the build-out population of the existing Urban Growth Boundary. Build-out population has most recently been estimated in the 2010 Transportation System Plan as 26,100 people. Assuming the City maintains the current ratio of 10% commercial/industrial wastewater contribution to the 90% residential wastewater flow, at 2.79 persons per EDU the build-out capacity of the UGB is estimated at approximately 10,400 EDU. At 155 gpd/EDU, build-out of the UGB corresponds to a flow rate of 1.61 MGD.

The following table contains the Capital Improvement Plan for future improvements identified in previous Master Plans, Facility Plans and various planning efforts of the City staff. All estimated costs are based on the March 2017 ENR CCI of 10,277.

CITY OF CANBY
SANITARY SEWER CAPITAL IMPROVEMENT PLAN
ESTIMATED COST OF IMPROVEMENTS
 ENR CCI 10,277

| | PROJECT DESCRIPTION | PRIORITY (YRS) | TOTAL COST | ELIGIBLE COST | CAPACITY MGD | COST PER GALLON |
|---|--------------------------------|-------------------|---------------|------------------|-----------------|--------------------|
| Wastewater Treatment & Disposal: | | | | | | |
| 1 | WWTP Site Improvements | 1-5 | 400,000 | 400,000 | 2.8 | 0.143 |
| 2 | Power Distribution/PLC | 1-5 | 275,000 | 275,000 | 2.8 | 0.098 |
| 3 | UV Disinfection System | 1-5 | 900,000 | 450,000 | 2.8 | 0.161 |
| 4 | Outfall Diffuser/Mixing Zone | 1-5 | \$100,000 | \$100,000 | 2.8 | 0.036 |
| 5 | Primary Clarifier No. 2 | 6-10 | 800,000 | 800,000 | 2.8 | 0.286 |
| 6 | Primary Clarifier No 1 Equip | 6-10 | 400,000 | 200,000 | 2.8 | 0.071 |
| 7 | Solids Dewatering Equip | 6-10 | 900,000 | 450,000 | 2.8 | 0.161 |
| 8 | Sludge Conditioning Basin 2 | 6-10 | 700,000 | 700,000 | 2.8 | 0.250 |
| 9 | Lime Silo Relocation | 6-10 | 100,000 | 100,000 | 2.8 | 0.036 |
| 10 | RV Septage Receiving Station | 6-10 | 175,000 | 175,000 | 2.8 | 0.063 |
| 11 | RAS/WAS Pump Station Impr | 6-10 | 150,000 | 75,000 | 2.8 | 0.027 |
| 12 | Equipment & Maint Building | 11-20 | 300,000 | 300,000 | 2.8 | 0.107 |
| 13 | ODOR Control Improvements | 11-20 | 400,000 | 400,000 | 2.8 | 0.143 |
| 14 | Pressate Storage Basin Impr | 11-20 | 200,000 | 200,000 | 2.8 | 0.071 |
| 15 | Effluent Irrigation System | 11-20 | 600,000 | 600,000 | 2.8 | 0.214 |
| Collection System Improvements: | | | | | | |
| 16 | Safeway Pumping Station | 1-5 | 350,000 | 175,000 | 1.6 | 0.109 |
| 17 | Pine Street PS Redirection | 1-5 | 350,000 | 175,000 | 1.6 | 0.109 |
| 18 | South Ivy Pump Station | 1-5 | 400,000 | 400,000 | 1.6 | 0.250 |
| 19 | S Ivy St, 1st to 10th Sewer | 1-5 | 500,000 | 250,000 | 1.6 | 0.156 |
| 20 | N Locust, 4th to 10th Sewer CO | 1-5 | 50,000 | 0 | 1.6 | 0.000 |
| 21 | NE 12th Sewer, E of Ivy St CO | 1-5 | 12,000 | 0 | 1.6 | 0.000 |
| 22 | N Maple, 10th to 14th Sewer CO | 1-5 | 40,000 | 0 | 1.6 | 0.000 |
| 23 | N Pine, 8th to 4th Sewer CO | 1-5 | 80,000 | 80,000 | 1.6 | 0.050 |
| 24 | Birch St, KBR to Territorial | 11-20 | 600,000 | 300,000 | 1.6 | 0.188 |

| | | | | | | |
|---|------------------------------|-------|--------------------|--------------------|-----|---------------|
| 25 | S 2nd Trunk, MH R-26 to O-39 | 11-20 | 250,000 | 250,000 | 1.6 | 0.156 |
| 26 | N Birch Street Pump Station | 11-20 | 340,000 | 340,000 | 1.6 | 0.213 |
| 27 | NE 22nd Ave Pump Station | 11-20 | 340,000 | 340,000 | 1.6 | 0.213 |
| Master Planning & Permitting | | | | | | |
| 28 | Master Plan Update & SDC | 1-20 | 50,000 | 50,000 | 2.8 | 0.018 |
| TOTAL | | | \$9,762,000 | \$7,585,000 | | \$3.33 |

SS - V. SANITARY SEWER SDC IMPROVEMENT FEE CALCULATION

The Improvement Fee is the total of the cost per gallon of each CIP project listed above times the ADWF number of gallons per EDU. The Improvement Fee component of the Wastewater SDC is:

$$\text{SDC Improvement Fee} = (\text{ADWF gpd/EDU}) * (\text{Cost per Gallon})$$

$$\text{SDC Improvement Fee} = (155 \text{ gpd/EDU}) * (\$3.33 \text{ per gallon})$$

$$\text{SDC Improvement Fee} = \text{\$516 per EDU}$$

SS - VI. CAPITAL IMPROVEMENT PLAN PROJECT DESCRIPTIONS

1. WWTP Site Improvements - This project is the last of the 2014-2019 five-year plan for plant improvements to meet future loading. This last phase is for restoration of the existing plant site to restore site impacts of the four earlier phases of work, including restoring all asphalt surfaces, sidewalks, and landscape areas, as well as completing remaining site improvements, such as updated access security, lighting and signage. Spare conduit will also be installed prior to any paving restoration.

2. Power Distribution / PLC Upgrades - This task is for upgrading the power distribution equipment and nine obsolete programmable logic controllers. Power distribution improvements would include the replacing MCC-B in the Primary Sludge Pump Vault with MCC-A2 in the blower/chemical building. This would also involve the relocation of the two air compressors to the blower chemical building as well as the primary sludge pump control. The GE 90 type PLCs are obsolete, no longer supported and have been replaced by the GE RX3i series. The CPU, power supply and rack of each PLC need to be replaced. Currently the I/O modules are still compatible with the new racks and only need to be replaced as needed.

3. UV Disinfection System - The UV disinfection system will require upgrading in the next 10 years to continue to affect effluent disinfection. This facility is listed in the reimbursement schedule also, so the eligible component is 50% to account for increased capacity and performance.

4. Outfall Diffuser/ Mixing Zone Study - This project is to extend the effluent diffuser into the Willamette River to improve the dilution available in the mixing zone. In conjunction, an updated mixing zone study would be required to document the available dilution. This project

will likely be prompted by the NPDES permit renewal and more stringent limitations imposed by DEQ.

5. Primary Clarifier No 2 - As plant flows increase an additional primary clarifier is required to pre-treat flows to the secondary treatment processes. This includes a new concrete tank and mechanism located adjacent to the existing, and utilizing the existing primary headworks.

6. Primary Clarifier Mechanism No. 1 Upgrade - This project is to upgrade the existing primary clarifier sludge removal mechanism. This equipment was installed over 30 years ago and is in need of structural and functional improvements. This project is listed as a needed capital improvement, with 50% of the cost listed as eligible for SDC Improvement Fee funding for the increased level of performance that would increase capacity of the system. This primary clarifier is also included in the asset inventory supporting the Reimbursement Fee. Reimbursement funds should be used for the remaining cost of this improvement.

7. Solids Dewatering Equipment Upgrade - The existing belt press is nearing the end of its service life and will require upgrading as repairs become more frequent. Half of the estimated replacement costs are included in the Improvement Fee to account for upgrading the equipment performance. The remaining project cost should be funded with reimbursement fees collected for this facility.

8. Sludge Conditioning Basin No. 2 - The long-range capital improvement plan is to provide 600,000 gallons of sludge storage to provide conditioning before further treatment or processing into biosolids. The first 300,000 gallon structure was built in FY 2016-17 and can support the storage needs for many years. The second tank will provide additional storage, but the pair of structures can also function as an aerobic digester, as an alternative sludge treatment process. This improvement will be prompted by a need to find an alternative sludge disposal method in the event contract hauling of dewatered biosolids is no longer feasible.

9. Lime Silo Relocation - The existing lime silo No. 1 is located adjacent to the Blower Building Number 2, and was originally used to adjust the pH of the thickened biosolids. That process was discontinued many years ago and the silo was repurposed to adjust the alkalinity of the primary effluent prior to entering the aeration basins. The relocated silo will increase the level of performance of the biological process and eliminate the need for extensive piping and remote pumps.

10. Septage Receiving Station - This project is to install a public septage receiving station outside the City shops facility gate, to discharge into the existing trap and sewer connection adjacent to the City's septage discharge facility. The new station is anticipated to be automated and monitored remotely.

11. RAS/WAS Pump Station Improvements - This facility has limited capacity and limited floor space. As flows increase, this structure needs to expand to the south, and the pumping equipment needs to be upgraded. A new power supply needs to be extended to the structure and the MCC relocated from the main office to this building. This facility is also listed in the

reimbursement fee schedule, so 50% is eligible for the Improvement Fee funding to account for the increased capacity and level of performance.

12. Equipment & Maintenance Building - The plant site has very limited storage and maintenance facilities. As the plant loadings increase, a new structure is needed to store equipment and repair parts, and provide shop facilities. This structure is anticipated to be a pole building similar to the Biosolids Load-out structure.

13. ODOR Control Improvements - The plant has incorporated several processes to minimize odors created at the facility which have allowed postponing mechanical odor control. The ultimate solution when odors become a problem is to install off-gas collection and treatment facilities. This project is to combine existing collection systems and install a treatment process.

14. Pressate Storage Basin Improvements - This structure is used to treat and meter pressate flows back into the headworks. This facility requires structural improvements to retain its integrity and a cover for off-gas collection.

15. Effluent Irrigation System - This project is to reduce the plant effluent discharged into the Willamette River by irrigating a portion of the flow on the City controlled property east of the plant, or through cooperation with the golf course west of the facility. This project will be prompted by more restrictive treatment requirements including thermal limitations on the plant effluent.

16. Safeway Pumping Station - This project is to upgrade and expand the Safeway sanitary sewer pumping station. This project is listed in the reimbursement fee schedule, so only 50% is improvement fee eligible to account for the increased level of performance and capacity.

17. Pine Street Pumping Station - This project is to upgrade and expand the N Pine Street sanitary sewer pumping station. Alternatively, this line item is also intended to connect this facility to the gravity sewer system in the Molalla Forest Road, if feasible, and abandon the existing pumping station. This project is listed in the reimbursement schedule so only 50% is eligible for Improvement Fee funding to account for increased capacity and level of performance.

18. South Ivy Street Pump Station - This is a new station required to service areas that cannot be served by gravity on the southern boundary of the UGB.

19. South Ivy St. 1st to 10th Sewer Improvements - This project is to fund upgrades and expansion of the gravity sewer system in South Ivy Street. This project is intended to coincide with the Clackamas County street improvement project, and intended to include mainline replacement to eliminate areas of reduced capacity, and the installation of cleanouts on all services. Mainline improvements are eligible for Improvement Fee Funding and the remainder of the work can be funded with Reimbursement Fees.

20, 21 and 22. These projects are to upgrade the existing gravity sewer systems in each street that is scheduled for street improvements. The work primarily includes installing clean outs on all services, and should be funded with Reimbursement Fees.

23. N Pine Street 8th to 4th Sewer - This project is to extend a new gravity sewer service to NE 4th Avenue prior to improvements to N Pine Street. This project will serve several new areas coincident with the anticipated relocation of the Pine Street NE 4th Avenue intersection.

24. Birch Street, Knights Bridge Road to Territorial Road - This project is to reroute the pumped collection system from the Knights Bridge Road Pumping Station to the gravity sewer in Territorial Road. This project will permit abandoning the KBR station. The KBR Station is listed in the Reimbursement Fee schedule; therefore only 50% is Improvement Fee eligible to account for increased capacity and level of performance.

25. S 2nd Avenue Trunk - This project is to increase the capacity of the trunk line in S 2nd Avenue, from manhole R-26 (S Elm Street) and manhole O-39 (S Ivy Street). This project is one of three remaining projects identified in the Collection System Master Plan required to increase capacity.

26. N Birch Street Pump Station - This project is defined in the Collection System Master Plan to serve a currently undeveloped area in the NW corner of the UGB, which is unable to be served by the gravity system.

27. NW 22nd Avenue Pump Station - This project is also defined in the Collection System Master Plan to serve a currently undeveloped area along NW 22nd Avenue that is unable to be served by the gravity system.

28. Master Planning & SDC Updates - This line item is to account for planning and SDC efforts that will occur during build-out of the UGB and allocation of all of the capacity of the WWTP. This includes any Master Plan updates, and periodic updates to the SDC Methodology.

SS - VII. REIMBURSEMENT FEE ASSET SUMMARY

The Reimbursement Fee is intended to quantify the value of all existing improvements available to serve future demands. The following table lists the current value of each component of the sewerage system, based on replacement costs adjusted to the April 2017 ENR CCI of 10,678. The current value is then divided by the capacity in gallons per day of each existing facility to determine the cost per gallon ADWF.

All costs are estimates of current replacement value, including 12% for engineering, legal and administrative costs to construct each facility. The City has not received any grants or gifts for the sanitary sewer systems.

CITY OF CANBY
SANITARY SEWER REIMBURSEMENT FEE
REPLACEMENT COST OF EXISTING ASSETS
ENR CCI 10,277

| CAPITAL ASSET | | REPLACEMENT VALUE (2017) | CAPACITY MGD | \$/GAL |
|---|---|-----------------------------|-----------------|---------|
| Treatment Facility | | | | |
| 1 | WWTP Land & Site Improvements, 13.17 Ac | \$1,975,000 | 2.80 | \$0.705 |
| 2 | Willamette River Wayside, 26 Ac | 802,000 | 2.80 | 0.286 |
| 3 | Headworks, Grit, Screen, RS Pumping | 2,600,000 | 2.80 | 0.929 |
| 4 | Control Building, Office, Staff Facilities | 1,100,000 | 2.80 | 0.393 |
| 5 | Primary Clarifier, Headworks, Sludge PS | 1,210,000 | 2.80 | 0.432 |
| 6 | BNR Aeration Basins (2) | 3,400,000 | 2.80 | 1.214 |
| 7 | Blower Building, Blowers, Standby Power | 1,300,000 | 2.80 | 0.464 |
| 8 | Secondary Clarifiers (2), RAS/WAS PS | 2,500,000 | 2.80 | 0.893 |
| 9 | Effluent Filtration Building & Equipment | 1,600,000 | 2.80 | 0.571 |
| 10 | UV Disinfection Building & Equipment | 800,000 | 2.80 | 0.286 |
| 11 | Effluent Metering Basin, Reuse PS | 480,000 | 2.80 | 0.171 |
| 12 | Outfall Pipe & Diffusers | 1,250,000 | 2.80 | 0.446 |
| 13 | Power Dist Network (updated 2017) | 1,250,000 | 2.80 | 0.446 |
| 14 | Lab Building & 2017 expansion | 390,000 | 2.80 | 0.139 |
| 15 | Flammable Storage Building | 130,000 | 2.80 | 0.046 |
| 16 | Tank 1, Tank 2, Transfer Pumps | 1,100,000 | 2.80 | 0.393 |
| 17 | GBT Building, Process Water System, Shop | 460,000 | 2.80 | 0.164 |
| 18 | Belt Press Building & Equipment | 2,100,000 | 2.80 | 0.750 |
| 19 | Sludge Storage Tank 3, Transfer PS (2017) | 1,200,000 | 2.80 | 0.429 |
| 20 | Biosolids Storage Building (2015) | 1,400,000 | 2.80 | 0.500 |
| 21 | Pressate Basin, Equipment Building, Transfer PS | 440,000 | 2.80 | 0.157 |
| 22 | Lime Silos (2) & Slurry Equipment | 300,000 | 2.80 | 0.107 |
| 23 | Storage Ponds (3) & Transfer PS | 600,000 | 2.80 | 0.214 |
| 24 | Off-Gas Collection System (6) | 440,000 | 2.80 | 0.157 |
| 25 | Mechanical & Site Piping | 1,100,000 | 2.80 | 0.393 |
| Collection System Oversizing | | | | |
| 267 | 10" Sanitary Sewer, 9,000 lf @ \$10/lf | 90,000 | 1.61 | 0.056 |
| 27 | 12" Sanitary Sewer, 16,300 lf @ \$20/lf | 331,000 | 1.61 | 0.206 |
| 28 | 15" Sanitary sewer, 8,000 lf @ \$40/lf | 320,000 | 1.61 | 0.199 |
| 29 | 18" Sanitary sewer, 7,100 lf @ \$60/lf | 426,000 | 1.61 | 0.265 |
| 30 | 21" Sanitary Sewer, 1,500 lf @ \$80/lf | 120,000 | 1.61 | 0.075 |
| 31 | 30" Sanitary Sewer, 1,800 lf @ \$120/lf | 216,000 | 1.61 | 0.134 |
| Pumping Stations & Force Mains | | | | |
| 32 | Knights Bridge Road PS & 4" Force Main | 390,000 | 1.61 | 0.242 |
| 33 | 3rd & Baker PS & 4" Force Main | 400,000 | 1.61 | 0.248 |
| 34 | Hazel Dell PS & 6" Force Main | 400,000 | 1.61 | 0.248 |

| | | | | |
|--|-----------------------------------|---------------------|------|-----------------|
| 35 | Willow Creek PS & Force Main | 390,000 | 1.61 | 0.242 |
| 36 | NE 34th Place PS & 4" Force Main | 400,000 | 1.61 | 0.248 |
| 37 | Safeway Pump Station | 320,000 | 1.61 | 0.199 |
| 38 | N 11th & Pine PS & Force Main | 280,000 | 1.61 | 0.174 |
| 39 | Mulino Pump Station & Force Main | 720,000 | 1.61 | 0.447 |
| Master Planning & SDC Maintenance | | | | |
| 40 | Master Planning & SDC Methodology | 80,000 | 1.61 | 0.050 |
| TOTAL | | \$34,810,000 | | \$13.721 |

* Capacity of the treatment facility is 2.80 MGD ADWF. Population at build-out of the UGB is estimated at 26,100, which equates to 10,400 EDU and a projected flow of 1.61 MGD.

SS - VIII. SANITARY SEWER SDC REIMBURSEMENT FEE CALCULATION

The Reimbursement Fee is the total of the per gallon value of each asset listed above times the ADWF number of gallons per EDU. The Reimbursement Fee component of the Wastewater SDC is:

$$\text{SDC Reimbursement Fee} = (\text{ADWF gpd/EDU}) * (\text{Cost per Gallon})$$

$$\text{SDC Reimbursement Fee} = (155 \text{ gpd/EDU}) * (\$13.721 \text{ per gallon})$$

$$\text{SDC Reimbursement Fee} = \$2,127 \text{ per EDU}$$

SS - IX. SANITARY SEWER SDC FEE SUMMARY

Similar to the previous methodology, all single family residential units are assigned one EDU which is based on 155 gpd at ADWF. Due to the reduced waste loads, all multi-family residential units are charged 0.8 EDU per unit.

Commercial and industrial developments are assessed SDC charges based on the equivalent number of EDU determined by the average daily volume of wastewater discharged divided by 155 gallons per day (or 625 cubic feet per month) per EDU. Flows should be based on the best estimates at permit stage and verified after one year of operation.

All SDC costs also include a compliance charge of 2.5% for staff review, fee calculations and accounting requirements.

CITY OF CANBY
SANITARY SEWER SDC FEE SCHEDULE
 April 2017

| | EDU FACTOR | IMPROVEMENT FEE | REIMBURSEMENT FEE | ADMIN FEE (2.5%) | TOTAL SDC |
|--|---------------|--------------------|----------------------|---------------------|----------------|
| Single Family Residential SDC Per Dwelling Unit: | | | | | |
| Per Unit | 1 | \$516 | \$2,127 | \$66 | \$2,709 |
| Multi-Family Residential SDC Per Dwelling Unit: | | | | | |
| Per Unit | 0.8 | \$413 | \$1,701 | \$53 | \$2,167 |
| Commercial / Industrial SDC Based on Wastewater Flow: | | | | | |
| Per 155 gpd | 1 | \$516 | \$2,127 | \$66 | \$2,709 |

City of Canby
STORMWATER SYSTEM SDC UPDATE
April 2017

SD - I. OVERVIEW

In 1991, Ordinance 867 authorized preparation of System Development Charges for the five public infrastructure components including stormwater. The specific Stormwater SDC Methodology was first adopted by Resolution No. 573 in 1994, and subsequently updated in 2001 and again in 2011.

This System Development Charge update is intended to document the value of existing facilities with capacity to serve future users, and to document needed stormwater improvements to serve build-out of the Urban Growth Boundary. The value of the existing capacity and the estimated cost of future improvements is then allocated to all benefitted users.

SD - II. EQUIVALENT DWELLING UNIT (EDU) DEFINITION

In the Canby area, the soils are very permeable and able to assimilate runoff on-site, with minimal impacts on the public stormwater facilities. More typically in surrounding communities, the impermeable area of each site generates the stormwater runoff. In those cases, the stormwater SDC fees are allocated based on the proportionate area of each impermeable area.

In Canby, the volume of runoff closely correlates with the development of the transportation system because the majority of the stormwater results from street and sidewalk runoff. As used in earlier Canby Stormwater SDC methodologies, an equitable method of cost allocation is based on the proportionate use of the public transportation system, as equated to the number of trips from each land use.

Trip rates for each type of land use are published by the Institute of Transportation Engineers (ITE) based on multiple studies of actual developments. A single family residential household has 9.52 Equivalent Length New Daily Trips (ELNDT) on an average weekday. This trip rate is considered one Equivalent Dwelling Unit (EDU). ITE publishes a Trip Generation Manual which includes average weekday rates for most potential land uses, and the current edition is adopted by reference in this methodology.

SD - III. CREDITS FOR ELIGIBLE CONSTRUCTION

Common to all SDCs, credits must be available for eligible public works construction that meets the requirements of the statute. When a regional improvement project is listed in the Capital Improvement Plan and is undertaken by a private developer as a condition of approval, credits must be made available for certain portions of the work.

The minimum line size for storm drainage system piping improvements in the City of Canby is defined to be 12" diameter. Anytime a developer is required to construct an onsite storm line greater than 12" diameter, a credit for oversizing the line should apply. If a developer is required to build any eligible off-site improvements, a credit for the entire construction cost should apply.

The following table summarizes construction costs, including 20% engineering, as the basis for SDC credits for eligible storm drainage system improvements:

CITY OF CANBY
STORM DRAINAGE PIPING SYSTEM
VALUE OF CONSTRUCTION CREDITS
April 2017

| LINE SIZE | 12" | 15" | 18" | 20" |
|-------------------|---------|---------|----------|----------|
| CONSTRUCTION COST | \$80/lf | \$95/lf | \$110/lf | \$120/lf |
| OVERSIZE CREDIT | \$0 | \$15/lf | \$30/lf | \$40/lf |

SD - IV. STORMWATER SYSTEM CAPITAL IMPROVEMENT PLAN

The most recent stormwater planning effort was published in the 2013 Stormwater Master Plan. This document includes an inventory of existing system components and a listing of needed capital improvements.

The need to complete drainage system improvements is a result of growth pressure contributing additional runoff from extensions of the public streets and right-of-ways. As discussed in the introduction, the value of existing improvements and the estimated costs of future improvements are allocated over all of the population based on the proportionate use of the transportation system.

The following table summarizes the remaining capital improvements numbered as they were in the Stormwater Master Plan, as supplemented by City Staff input, with associated costs adjusted to the March 2017 ENR CCI of 10,277. This table is published to satisfy the requirements of ORS 223.309 and provides the CIP listing of projects eligible for SDC Improvement Fee expenditures.

CITY OF CANBY
STORM DRAINAGE CAPITAL IMPROVEMENT PLAN
ESTIMATED COST OF IMPROVEMENTS
ENR CCI 10,277

| NO | PROJECT | PRIORITY | TOTAL COST | ELIGIBLE COST |
|--------------------------------|---------------------------------------|-----------------|--------------------|----------------------|
| 2 | NW 10th Ave, Locust to Pine Storm | 1-5 | \$250,000 | \$250,000 |
| 4 | SW 13th Ave at Cedar DW | 1-5 | 30,000 | 30,000 |
| 6 | NW 2nd Ave & N Ivy UIC Decom | 1-5 | 40,000 | 40,000 |
| 8 | S Ivy Street, 99E to S 13th Ave Storm | 6-10 | 750,000 | 750,000 |
| 9 | N Maple at Maple Street Park DW | 6-10 | 30,000 | 30,000 |
| 10 | N Maple St & NW 34th Place DW | 6-10 | 30,000 | 30,000 |
| 13 | N Knights Bridge Road Replacement | 6-10 | 140,000 | 140,000 |
| 14 | NW 2nd Ave, Cedar to Baker Storm | 6-10 | 700,000 | 700,000 |
| 15 | NW 3rd Ave, Cedar to Holly Storm | 6-10 | 700,000 | 700,000 |
| 16 | N Holly Street Drywells | 6-10 | 60,000 | 60,000 |
| 18 | N Alder St & N Baker St Impro | 11-20 | 30,000 | 30,000 |
| 19 | N Cedar Street Manhole | 11-20 | 10,000 | 10,000 |
| 21 | Police Sta/NW 3rd Ave Monitoring | 11-20 | 30,000 | 30,000 |
| 22 | Fish Eddy Flow Monitoring | 11-20 | 30,000 | 30,000 |
| 23 | Fish Eddy Wetland Treatment | 11-20 | 700,000 | 700,000 |
| 24 | Knights Bridge Rd. Swale Treatment | 11-20 | 50,000 | 50,000 |
| 25 | Comprehensive System Survey | 1-20 | 60,000 | 60,000 |
| 26 | Operations & Maintenance Manual | 1-20 | 30,000 | 30,000 |
| 27 | System Flow Monitoring | 1-20 | 20,000 | 20,000 |
| a | NE 4th Ave Fairgrounds DW | 1-5 | 30,000 | 30,000 |
| b | NW 5th Ave, Douglas to Cedar Storm | 1-5 | 80,000 | 80,000 |
| c | NW 9th Ave, Holly to Ivy DW | 1-5 | 30,000 | 30,000 |
| d | N Pine, 10th Ave to 11th Place Storm | 1-5 | 80,000 | 80,000 |
| e | Master Planning & SDC Update | 1-20 | 50,000 | 50,000 |
| TOTAL IMPROVEMENT COSTS | | | \$3,960,000 | \$3,960,000 |

SD - V. STORMWATER SYSTEM IMPROVEMENT FEE CALCULATION

The stormwater facilities for the City of Canby are predominately limited to collection, treatment and disposal of runoff from the public transportation improvements. Due to the high permeability of the native soils, stormwater from private properties are mandated to be disposed on-site and not permitted to discharge to the public right-of-way. As a result, the allocation of costs related to the stormwater system is the same as the allocation of responsibility for the public transportation facilities, including the streets and sidewalks.

The industry standard method of allocating transportation infrastructure costs is through the application of the Institute of Transportation Engineers (ITE) Equivalent Length New Daily Trips (ELNDT). Trip rates are published by ITE that provide a proportionate allocation of transportation impacts to each land use category.

The Stormwater Improvement Fee is based on the estimate of all capital improvements being allocated over the total number of ELNDT calculated at built-out of the UGB. The 2010 Canby Transportation System Plan provides the most current estimate of total trips resulting in an estimate of 198,000 ELNDT for the average weekday at build-out.

The Stormwater Improvement Fee per trip is the total estimated cost of the CIP projects listed above divided by the total number of average weekday ELNDT. The Improvement Fee cost per trip is:

$$\text{SDC Improvement Fee} = (\text{Total CIP Estimate}) / (\text{Total ELNDT})$$

$$\text{SDC Improvement Fee} = (\$3,960,000) / (198,000 \text{ Trips})$$

$$\text{SDC Improvement Fee} = \text{\$20 per ELNDT}$$

The single family residential Improvement Fee calculation per EDU is:

$$\text{SDC Improvement Fee} = (\text{Cost per ELNDT}) * (9.52 \text{ ELNDT/EDU})$$

$$\text{SDC Improvement Fee} = (\text{\$20 per ELNDT}) / (9.52 \text{ ELNDT/EDU})$$

$$\text{SDC Improvement Fee} = \text{\$190 per EDU}$$

SD-VI. STORMWATER SYSTEM REIMBURSEMENT FEE

The Reimbursement Fee is intended to quantify the replacement value of existing improvements with capacity to benefit future users. The following table is an inventory of stormwater projects funded by the City:

CITY OF CANBY
STORM DRAINAGE SYSTEM REIMBURSEMENT FEE
VALUE OF EXISTING IMPROVEMENTS
 ENR CCI 10,277

| NO | PROJECT DESCRIPTION (YEAR) | CURRENT VALUE |
|----|-------------------------------------|---------------|
| 1 | DEQ WPCF Permit | \$40,000 |
| 2 | Stormwater Master Plan (13) | 106,000 |
| 3 | Stormwater UIC Assessment (15) | 7,500 |
| 4 | Stormwater UIC Monitoring Plan (15) | 12,000 |
| 5 | Stormwater Management Plan (15) | 7,500 |

| | | |
|----|--|------------------|
| 6 | N Baker Drive DW Decommissioning | 25,000 |
| 7 | SE Hazeldell Way Swale Construction | 10,000 |
| 8 | UIC E8 & E11 Decommissioning (16) | 10,000 |
| 9 | NW 13th Ave, Ash to Birch DW (16) | 30,000 |
| 10 | NW 9th Ave, Ash to Cedar Pipeline (16) | 45,000 |
| 11 | S Pine Street & S 2nd Ave DW (16) | 30,000 |
| 12 | Vine St & 19th Avenue Storm (16) | 8,500 |
| 13 | Laurelwood Loop DW (16) | 30,000 |
| 14 | KBR & Holly Street DW (16) | 30,000 |
| 15 | W Territorial Road DW (17) | 60,000 |
| 16 | Redwood Storm (98) (City Allocation) | 240,000 |
| 17 | 34th Ave Outfall Improvements | 45,000 |
| 18 | Collection System Oversizing | |
| | - 15" Storm, 400 LF @ \$15 / LF | 6,000 |
| | - 20" Storm, 2,480 lf @ \$40 / LF | 99,200 |
| | TOTAL REIMBURSEMENT VALUE | \$841,700 |

SD - VII. STORMWATER SDC REIMBURSEMENT FEE CALCULATION

The value of Stormwater Reimbursement Fee is the total replacement value of improvements funded by the City divided by the number of ELNDT at buildout of the UGB:

$$\text{Reimbursement Fee per ELNDT} = \text{Reimbursement Value} / (\text{Total ELNDT})$$

$$\text{Reimbursement Fee per ELNDT} = (\$841,700) / (198,000 \text{ ELNDT})$$

$$\text{Reimbursement Fee per ELNDT} = \text{\$4.25 per ELNDT}$$

The residential Reimbursement fee calculation per EDU is:

$$\text{Reimbursement Fee per EDU} = (\text{Cost per ELNDT}) * (9.52 \text{ ELNDT/EDU})$$

$$\text{Reimbursement Fee per EDU} = (\$4.25 \text{ per ELNDT}) / (9.52 \text{ ELNDT/EDU})$$

$$\text{Reimbursement Fee per EDU} = \text{\$40 per EDU}$$

SD - VIII. STORMWATER SDC FEE SUMMARY

All single family residential units are assigned one EDU per dwelling unit, which is based on an ITE published average of 9.52 ELNDT. Multi-family, Commercial and industrial developments

are assessed SDC charges based on a cost per trip times the number of trips estimated by the ITE Trip Generation Manual and the linked trip factor established by the City of Canby. All SDC costs also include a charge of 2.5% for program administration.

CITY OF CANBY
STORM DRAINAGE SDC FEE SUMMARY
 April, 2017

| LAND USE | UNITS | IMPROVEMENT FEE | REIMBURSEMENT FEE | ADMINISTRATION FEE (2.5%) | TOTAL SDC |
|--|-------|-----------------|-------------------|---------------------------|-------------------------|
| Single Family Residential SDC Per Dwelling Unit: | | | | | |
| SF Residential | EDU | \$190 | \$40 | \$6 | \$ 236 / EDU |
| Multi-Family/Commercial/Industrial SDC Per ELNDT: | | | | | |
| Multi-Family | ELNDT | \$20 | \$4.25 | \$0.50 | \$ 24.75 / ELNDT |
| Com / Indus | ELNDT | \$20 | \$4.25 | \$0.50 | \$ 24.75 / ELNDT |

For multi-family, commercial and industrial developments, the number of ELNDT is determined by the current ITE Trip Generation manual and the bypass and length trip factors that were adopted by the City of Canby in the most recent Transportation SDC Update. The following table is a listing of the current ITE trip rates, with the trip factors taken from the 2013 Transportation SDC.

CITY OF CANBY
ITE TRIP FACTORS FOR SELECTED LAND USE
 April, 2017

| ITE LAND USE CATEGORY | TSP TRIP RATE | BYPASS FACTOR (%) | LENGTH FACTOR (%) | NET TRIP RATE | UNITS* |
|------------------------------------|---------------|-------------------|-------------------|---------------|----------------|
| 110 General Light Industrial | 7.0 | 100.0 | 100.0 | 7.0 | /T.S.F.G.F.A. |
| 120 General Heavy Industrial | 1.5 | 100.0 | 100.0 | 1.5 | /T.S.F.G.F.A. |
| 150 Warehouse | 5.0 | 100.0 | 100.0 | 5.0 | /T.S.F.G.F.A. |
| 151 Mini-Warehouse | 2.5 | 100 | 100 | 2.5 | /T.S.F.G.F.A. |
| 210 Single Family Dwelling | 9.52 | 100.0 | 100.0 | 9.52 | /dwelling unit |
| 220 Multifamily | 6.7 | 100.0 | 100.0 | 6.7 | /dwelling unit |
| 520 Elementary School (Public) | 1.3 | 100.0 | 40.0 | 0.5 | /per student |
| 560 Church | 9.1 | 100.0 | 75.0 | 6.8 | /T.S.F.G.F.A. |
| 565 Day Care Center/Preschool | 4.5 | 100.0 | 40.0 | 1.8 | /student |
| 630 Clinic | 31.5 | 100.0 | 106.0 | 33.4 | /T.S.F.G.F.A. |
| 710 General Office Building | 11.0 | 100.0 | 100.0 | 11.0 | /T.S.F.G.F.A. |
| 720 Medical-Dental Office Building | 36.1 | 100.0 | 100.0 | 36.1 | /T.S.F.G.F.A. |
| 814 Specialty Retail Center | 44.3 | 44.0 | 84.0 | 16.4 | /T.S.F.G.L.A. |
| 820 Shopping Center | 42.9 | 44.0 | 84.0 | 15.9 | /T.S.F.G.L.A. |

| | | | | | |
|------------------------------|-------|------|------|-------|---------------|
| 850 Supermarket | 102.2 | 64.0 | 84.0 | 54.9 | /T.S.F.G.F.A. |
| 853 Convenience Market | 738.0 | 39.0 | 42.0 | 120.9 | /T.S.F.G.F.A. |
| 880 Pharmacy/Drugstore | 90.1 | 51.0 | 84.0 | 38.6 | /T.S.F.G.F.A. |
| 911 Bank/Savings: Walk-in | 156.5 | 53.0 | 84.0 | 69.7 | /T.S.F.G.F.A. |
| 931 Quality Restaurant | 90.0 | 57.0 | 50.0 | 25.7 | /T.S.F.G.F.A. |
| 934 Fast Food Restaurant | 496.1 | 43.0 | 50.0 | 106.7 | /T.S.F.G.F.A. |
| 942 Automobile Care Center | 40.1 | 44.0 | 84.0 | 14.8 | /T.S.F.G.L.A. |
| 944 Gasoline/Service Station | 168.6 | 43.0 | 42.0 | 30.4 | /V.F.P. |

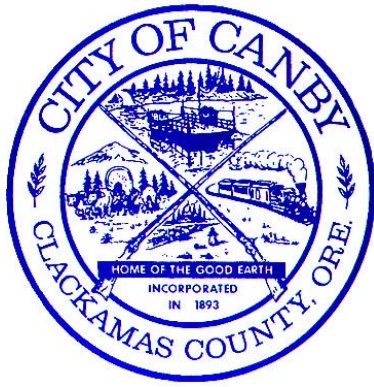
* T.S.F.G.F.A. - Thousand Square Feet Gross Floor Area
T.S.F.G.L.A. - Thousand Square Feet Gross Leasable Area
V.F.P. - Vehicle Fueling Position

Stormwater SDC fees for typical land uses are listed in the following table:

CITY OF CANBY
STORMWATER SDC FEES FOR SELECTED LAND USE
April, 2017

| ITE LAND USE CATEGORY | ELNDT | SDC FEE | BUILDING UNITS* |
|------------------------------------|-------|---------|-----------------|
| 110 General Light Industrial | 7.0 | \$173 | /T.S.F.G.F.A. |
| 120 General Heavy Industrial | 1.5 | \$37 | /T.S.F.G.F.A. |
| 150 Warehouse | 5.0 | \$124 | /T.S.F.G.F.A. |
| 151 Mini-Warehouse | 2.5 | \$62 | /T.S.F.G.F.A. |
| 210 Single Family Dwelling | 9.52 | \$236 | /dwelling unit |
| 220 Multifamily | 6.7 | \$166 | /dwelling unit |
| 520 Elementary School (Public) | 0.5 | \$12 | /per student |
| 560 Church | 6.8 | \$168 | /T.S.F.G.F.A. |
| 565 Day Care Center/Preschool | 1.8 | \$45 | /student |
| 630 Clinic | 33.4 | \$827 | /T.S.F.G.F.A. |
| 710 General Office Building | 11.0 | \$272 | /T.S.F.G.F.A. |
| 720 Medical-Dental Office Building | 36.1 | \$893 | /T.S.F.G.F.A. |
| 814 Specialty Retail Center | 16.4 | \$406 | /T.S.F.G.L.A. |
| 820 Shopping Center | 15.9 | \$394 | /T.S.F.G.L.A. |
| 850 Supermarket | 54.9 | \$1,359 | /T.S.F.G.F.A. |
| 853 Convenience Market | 120.9 | \$2,992 | /T.S.F.G.F.A. |
| 880 Pharmacy/Drugstore | 38.6 | \$955 | /T.S.F.G.F.A. |
| 911 Bank/Savings: Walk-in | 69.7 | \$1,725 | /T.S.F.G.F.A. |
| 931 Quality Restaurant | 25.7 | \$636 | /T.S.F.G.F.A. |
| 934 Fast Food Restaurant | 106.7 | \$2,641 | /T.S.F.G.F.A. |
| 942 Automobile Care Center | 14.8 | \$366 | /T.S.F.G.L.A. |
| 944 Gasoline/Service Station | 30.4 | \$752 | /V.F.P. |

* T.S.F.G.F.A. - Thousand Square Feet Gross Floor Area
T.S.F.G.L.A. - Thousand Square Feet Gross Leasable Area
V.F.P. - Vehicle Fueling Position



City of Canby

City Attorney

MEMORANDUM

DATE: JUNE 21, 2017
TO: CANBY CITY COUNCIL
FROM: JOSEPH A. LINDSAY, CANBY CITY ATTORNEY
RE: RESOLUTION NO. 1269, A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE AGREEMENT BETWEEN THE CITY OF CANBY AND CANBY TELEPHONE ASSOCIATION. And RESOLUTION 1270 A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE AGREEMENT BETWEEN THE CITY OF CANBY AND WAVEDIVISION VII, LLC

Issue: Whether or not to extend the current cable television franchise agreements of the two companies currently providing these services in Canby.

Summary: Both of the Franchisees have had cable television franchises for the last twelve (12) years. Both were only granted until March 7, 2017. One of the Franchisees (DirectLink) also currently has a telephone franchise agreement through the next three (3) years. This extension attempts to allow the City to renegotiate globally with DirectLink at that future time along with treating the other cable television franchisee (Wave) the same. When these both expire in three years, we will have to give them the same, new negotiated deal regarding cable television. Moreover, given that this area of technology changes somewhat rapidly, a shorter period of time will help us account for and contract around the cable industry evolving.

Attachments: *Exhibit A*—Franchise extension agreements (for each resolution).

Recommendation: Pass resolutions 1269 and 1270.

Motion: ***"I move to adopt Resolution No. 1269, A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE AGREEMENT BETWEEN THE CITY OF CANBY AND CANBY TELEPHONE ASSOCIATION DBA DIRECTLINK."***

"I move to adopt Resolution No. 1270, A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE AGREEMENT BETWEEN THE CITY OF CANBY AND WAVEDIVISION VII, LLC DBA WAVE BROADBAND."

RESOLUTION NO. 1269

**A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE
AGREEMENT BETWEEN THE CITY OF CANBY AND CANBY TELEPHONE
ASSOCIATION DBA DIRECTLINK**

WHEREAS, Canby Telephone Association, an Oregon cooperative corporation, doing business as DirectLink, hereinafter referred to as "Grantee", currently provides cable television services to its customers within the City of Canby; and

WHEREAS, the City of Canby granted a twelve-year cable television Franchise to Grantee, which was only granted through March 4, 2017; and

WHEREAS, the City and Grantee wish to extend the term of the Franchise Agreement; and

WHEREAS, the City finds it is in the public interest to extend the Franchise Agreement as set forth in this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. The City hereby agrees to extend the franchise granted to Canby Telephone Association, doing business as DirectLink for a three (3) year term from the effective date of March 4, 2017, and authorizes the City Administrator to sign the extension agreement attached hereto as Exhibit A on behalf of the City.
2. This Resolution shall take effect on June 21, 2017.

ADOPTED this 21st day of June 2017, by the Canby City Council

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

Exhibit "A"

FRANCHISE EXTENSION AGREEMENT

WHEREAS, Canby Telephone Association, an Oregon cooperative corporation, doing business as DirectLink, currently provides cable television services to its customers within the City of Canby; and

WHEREAS, the City of Canby granted a twelve-year cable television Franchise to DirectLink, which was only granted through March 4, 2017; and

WHEREAS, the City and DirectLink wish to extend the term of the Franchise Agreement for a period of three (3) years, retroactive to March 4, 2017; and

WHEREAS, the City finds it is in the public interest to extend the Franchise Agreement so that cable service to the public will not be interrupted; and

WHEREAS, City acknowledges that the duration of the term of the franchise extension granted hereby is less than the 30-month minimum advance notice required under Section 626 of the Cable Communications Policy Act of 1984, as amended (the "§626 Renewal Notice") for DirectLink to timely exercise its franchise renewal rights under federal law. Accordingly, City agrees that DirectLink shall be deemed to have provided its §626 Renewal Notice to City in a timely manner and City hereby irrevocably waives and relinquishes any right to take a contrary position.

NOW, THEREFORE, the City of Canby and DirectLink agree as follows:

1. The Franchise shall be extended to expire on March 4, 2020, or until a new Franchise Agreement is negotiated, whichever comes first.
2. All provisions and amendments to the Franchise, other than duration of the Franchise, shall remain in full force and effect through this agreed upon extension date.

APPROVED this 21st day of June 2017.

City of Canby, Oregon

By: _____
Print Name: Richard Robinson
Title: City Administrator

ACCEPTED this _____ day of _____ 2017.

Canby Telephone Association (dba
DirectLink)

By: _____
Print Name: _____
Title: _____

RESOLUTION NO. 1270

**A RESOLUTION AMENDING THE CABLE TELEVISION FRANCHISE
AGREEMENT BETWEEN THE CITY OF CANBY AND WAVEDIVISION VII, LLC. DBA
WAVE**

WHEREAS, WaveDivision VII, LLC, a Washington limited liability company, doing business as Wave ("Wave"), hereinafter referred to as "Grantee", currently provides cable television services to its customers within the City of Canby; and

WHEREAS, the City of Canby granted a twelve-year cable television Franchise to Grantee, which was only granted through March 4, 2017; and

WHEREAS, the City and Grantee wish to extend the term of the Franchise Agreement; and

WHEREAS, the City finds it is in the public interest to extend the Franchise Agreement as set forth in this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. The City hereby agrees to extend the franchise granted to WaveDivision VII, LLC, doing business as Wave ("Wave") for a three (3) year term from the effective date of March 4, 2017, and authorizes the City Administrator to sign the extension agreement attached hereto as Exhibit A on behalf of the City.
2. This Resolution shall take effect on June 21, 2017.

ADOPTED this 21st day of June 2017, by the Canby City Council

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

FRANCHISE EXTENSION AGREEMENT

WHEREAS, WaveDivision VII, LLC, a Washington limited liability company, doing business as Wave ("Wave"), currently provides cable television services to its customers within the City of Canby; and

WHEREAS, the City of Canby granted a twelve-year cable television Franchise to Wave, which was only granted through March 4, 2017; and

WHEREAS, the City and Wave wish to extend the term of the Franchise Agreement for a period of three (3) years, retroactive to March 4, 2017; and

WHEREAS, the City finds it is in the public interest to extend the Franchise Agreement so that cable service to the public will not be interrupted; and

WHEREAS, City acknowledges that the duration of the term of the franchise extension granted hereby is less than the 30-month minimum advance notice required under Section 626 of the Cable Communications Policy Act of 1984, as amended (the "§626 Renewal Notice") for Wave to timely exercise its franchise renewal rights under federal law. Accordingly, City agrees that Wave shall be deemed to have provided its §626 Renewal Notice to City in a timely manner and City hereby irrevocably waives and relinquishes any right to take a contrary position.

NOW, THEREFORE, the City of Canby and Wave agree as follows:

1. The Franchise shall be extended to expire on March 4, 2020, or until a new Franchise Agreement is negotiated, whichever comes first.
2. All provisions and amendments to the Franchise, other than duration of the Franchise, shall remain in full force and effect through this agreed upon extension date.

APPROVED this 21st day of June 2017.

City of Canby, Oregon

By: _____
Print Name: Richard Robinson
Title: City Administrator

ACCEPTED this _____ day of _____, 2017.

WaveDivision VII, LLC

By: _____
Print Name: _____
Title: _____

ORDINANCE NO. 1461

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH EAGLE-ELSNER, INC. IN THE AMOUNT OF \$886,688.00 WITH AUTHORIZATION TO EXPAND THE WORK SCOPE TO AN AMOUNT NOT TO EXCEED \$950,000.00 FOR CONSTRUCTION OF THE 2017 STREET RESURFACING PROGRAM; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Canby has heretofore advertised and received six (6) bids for the 2017 Street Resurfacing Program; and

WHEREAS, the notice of call for bids was duly and regularly published in the Oregon Daily Journal of Commerce on May 3, 2017; and

WHEREAS, bids were received and opened on May 24, 2017 at 2:00 pm in the City Hall Conference Room of the City of Canby and the bids were read aloud:

WHEREAS, the bidders are as listed below and a detailed tabulation of all items is attached herein and summarized as follows:

The summary of cost from each of the two (2) bidders is shown on the attached tabulation and listed below:

| | | |
|----|------------------------------|----------------|
| 1. | Eagle-Elsner, Inc. | \$886,688.00 |
| 2. | North Santiam Paving Company | \$1,052,946.00 |

WHEREAS, the Canby City Council, acting as the City's Contract Review Board, met on Wednesday, June 7, 2017, and considered the bids and reports and recommendations of the City staff, including the staff recommendation that the low responsive bid be selected; and

WHEREAS, the Canby City Council determined that the low responsive bid was that of Eagle-Elsner, Inc.

NOW, THEREFORE, THE CITY OF CANBY ORDAINS AS FOLLOWS:

Section 1. The Mayor and/or City Administrator are hereby authorized and directed to make, execute, and declare in the name of the City of Canby and on its behalf, an appropriate contract with Eagle-Elsner, Inc. for the 2017 Street Resurfacing Program in the amount of \$886,688.00 with authorization to expand the work scope to an amount not to exceed

2nd Reading

\$950,000.00 using the contract unit prices. A copy of the contract with Eagle-Elsner, Inc. is attached hereto and incorporated herein.

Section 2. Inasmuch as it is in the best interest of the citizens of Canby, Oregon, to complete this project as soon as possible, an emergency is hereby declared to exist and this ordinance shall therefore take effect immediately upon its enactment after final reading.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, June 7, 2017; ordered posted as required by the Canby City Charter and scheduled for second reading on Wednesday, June 21, 2017, after the hour of 7:30 PM at the Council Meeting Chambers located at 222 NE 2nd Avenue, 1st floor, Canby, Oregon.

Kimberly Scheafer, MMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 21st day of June 2017, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Kimberly Scheafer, MMC
City Recorder

CONTRACT FOR CONSTRUCTION

THIS AGREEMENT is dated as of the ____ day of _____ in the year 2017, by and between:

City of Canby

(hereinafter called OWNER) and

Eagle-Elsner, Inc.

(hereinafter called CONTRACTOR)

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents:

City of Canby 2017 Street Resurfacing Program

The scope of work consists of the following:

- § The scope of work generally consists of the following:
- § Approximately 7,000 tons of asphaltic concrete pavement at 2" thickness.
- § Approximately 24,500 lineal feet of 6-foot wide panel grinding.
- § Approximately 850 lineal feet of concrete curb and 200 square yards of sidewalks, retrofit 20 ADA ramps and reinstallation of 6 traffic signs posts with V-loc bases.
- § Restore approximately 2,300 square feet of stop bars and continental crosswalks.
- § Approximately 1,100 square yards of pavement reconstruction.
- § Approximately 27,500 lineal feet of crack sealing.
- § Approximately 515 lineal feet of 10" & 12" storm drainage system and associated catch basins.

ARTICLE 2 - ENGINEER

The Project has been designed by CURRAN-McLEOD, INC., Consulting Engineers, who is hereinafter called ENGINEER and who will assume all duties and responsibilities and will have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

ARTICLE 3 - CONTRACT TIME

- 3.1 The Work will be substantially completed within 45 calendar days after the date when the Contract Time commences to run as provided in paragraph 2.03 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions within 15 days after the date when the issuance of the Certificate of Substantial Completion including punch list items.
- 3.2 Liquidated Damages: OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not substantially complete within the time specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by OWNER if the Work is not substantially complete on time.

Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER or the OWNER may withhold from amounts due the CONTRACTOR Four Hundred Dollars (\$400.00) for each day that expires after the time specified in paragraph 3.1. for Substantial Completion until the Work is substantially complete AND/OR for each day of delay beyond the deadline for Final Completion.

ARTICLE 4 - CONTRACT PRICE

- 4.1 OWNER shall pay CONTRACTOR for performance of the Work in accordance with the Contract Documents in current funds by check, an amount totaling

Eight Hundred Eighty-Six Thousand Six Hundred Eighty-Eight and 00/100 Dollars.

(\$886,688.00) as shown in the attached Bid Proposal.

ARTICLE 5 - PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

- 5.1 Progress Payments: OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Applications for Payment as recommended by ENGINEER, on or about the 25th day of each month during construction as provided below. All progress payments will be on the basis of the progress of the Work measured by the schedule of values provided for in paragraph 2.03 of the General Conditions.

5.1.1 Prior to Substantial Completion progress payments will be in an amount equal to:

- (a) 95 % of the Work completed; and
- (b) 95 % of materials and equipment not incorporated in the Work but delivered and suitably stored, less in each case the aggregate of payments previously made.

5.1.2 Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 95% of the value of the Contract Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 15.01 of the General Conditions.

5.2 Final Payment: Upon final completion and acceptance of the Work in accordance with paragraph 15.06 of the General Conditions, OWNER shall pay the remainder of the value of the Contract Work completed, as recommended by ENGINEER as provided in said paragraph 15.06.

ARTICLE 6 - INTEREST

All monies not paid when due hereunder shall bear interest at the maximum rate allowed by law at the place of the Project, when requested in accordance with ORS 279C.570

ARTICLE 7 - CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized himself with the nature and extent of the Contract Documents, Work, locality, and with all local conditions and federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress or performance of the Work.
- 7.2 CONTRACTOR has studied carefully all reports of investigations and tests of subsurface and latent physical conditions at the site or otherwise affecting cost, progress or performance of the Work which were relied upon by ENGINEER in the preparation of the Drawings and Specifications and which have been identified in the Supplementary Conditions.
- 7.3 CONTRACTOR has made or caused to be made examinations, investigations and tests and studies of such reports and related data in addition to those referred to in paragraph 7.2 as he deems necessary for the performance of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, tests, reports or similar data are or will be required by CONTRACTOR for such purposes.

- 7.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.
- 7.5 CONTRACTOR has given ENGINEER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

ARTICLE 8 - CONTRACT DOCUMENTS

- 8.1 This Agreement
- 8.2 Exhibits to this Agreement.
- 8.3 Performance and other Bonds
- 8.4 Notice of Award.
- 8.5 General Conditions of the Construction Contract
- 8.6 Supplementary Conditions
- 8.7 Technical Specifications as listed in the Table of Contents.
- 8.8 Drawings & Specifications bearing the following general title:

City of Canby
2017 Street Resurfacing Program & NW 5th Avenue Storm
Improvements (Sheets C1 thru C3)
- 8.9 Addenda numbers 0 .
- 8.10 CONTRACTOR'S Bid
- 8.11 Any Modification, including Change Orders, duly delivered after execution of Agreement.

There are no Contract Documents other than those listed above in this ARTICLE 8. The Contract Documents may only be altered, amended or repealed by a Modification (as defined in Article 1 of the General Conditions).

ARTICLE 9 - MISCELLANEOUS

- 9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions shall have the meanings indicated in the General Conditions.

- 9.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically by without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 9.3 OWNER and CONTRACTOR each binds himself, his partners, successors, assigns and legal representatives to the other party hereto, his partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.
- 9.4 In the event a suit, arbitration or other legal action is required by either the OWNER or the CONTRACTOR to enforce any provisions of this Agreement, the prevailing parties shall be entitled to all reasonable costs and reasonable attorney's fees upon trial or subsequent appeal.

IN WITNESS WHEREOF, the parties hereto have signed three counterparts of this Agreement.

This Agreement will be effective on _____, 2017.

OWNER:

**City of Canby
P.O. Box 930
Canby, OR 97013**

By:_____

Name/Title:_____

Name/Title:_____

CONTRACTOR:

**Eagle-Elsner, Inc.
P.O. Box 23294
Tigard, OR 97281**

By:_____

Name/Title:_____

Attest:_____

Address for giving notices: