

A RESOLUTION SETTING THE AMOUNT OF )  
 THE WATER SYSTEM DEVELOPMENT )  
 CHARGE, ADOPTING AN AUTOMATIC )  
 ANNUAL ADJUSTMENT FOR INFLATION AND )  
 SETTING A SLIDING SCALE FOR SINGLE )  
 FAMILY RESIDENTIAL DEVELOPMENT )

RESOLUTION NO. 37  
 for 2008

WHEREAS, reference to ORS 223.297 to 223.314 and to City of Lebanon Ordinance No. 2378 establishing the City's ability to assess a water system development charge, and,

WHEREAS, the City adopted the report, *System Development Charge Study* prepared for the City of Lebanon by Galardi Consulting, LLC, October 2008, that applies methodologies consistent with ORS 223.304 to update the water reimbursement and improvement fees; and,

WHEREAS, the City Council appointed a technical review committee that met with City staff and consultants to update the system development charges and recommends the City increase the water SDC from its current level to the level in the report,

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LEBANON AS FOLLOWS:

**Section 1.** The amount of the water system development charge plus the compliance fee shall be by type water meter size:

Meter Size	SDC Fee July 2008	January 15, 2009 SDC plus Compliance Cost of 2.5%
5/8 x 3/4"	\$1,250	\$1,840
1"	\$3,127	\$4,601
1 1/2"	\$6,252	\$9,201
2"	\$10,003	\$14,722
3"	\$20,008	\$29,445
4"	\$31,261	\$46,007
6"	\$62,523	\$92,014

The total amount of the SDC shall include a 2.5 percent fee for compliance as permitted by ORS 223.307(5)

**Section 2.** System Development Charges established by Section 1 of this resolution shall be collected upon issuance of a permit to connect to the water system or upon increased usage of the water system.

If a development is subject to more than one SDC charge, all charges shall be collected at the time the first permit is issued.

**Section 3.** System Development Charges for Single Family Residential development shall be adjusted for the size of residence constructed. The percentage of SDC's for single family residential development between 800 square feet and 1200 square feet shall be adjusted according to the following formula:

$$\text{Percentage of SDC} = 7/40 \times (\text{home size in square feet}) - 110$$

Single Family Residential development under 800 square feet shall pay 30 percent SDC  
Single Family Residential development over 1200 square feet shall pay 100 percent SDC

**Section 4.** Beginning with July 1, 2009, and each July 1 thereafter, the water SDC shall be adjusted for inflation using the construction cost index (CCI) published by McGraw Hill, Inc. in its publication *ENR*. *ENR* updates the CCI monthly and provides annual summaries in the July edition.

The formula for updating the SDC each year is as follows:

$$\text{SDC}_{\text{current year}} = \text{SDC}_{\text{last year}} \times (\text{CCI}_{\text{current year}} / \text{CCI}_{\text{last year}})$$

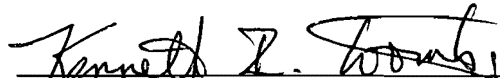
where:

$\text{CCI}_{\text{current year}}$  = Construction Cost Index for the current year  
 $\text{CCI}_{\text{last year}}$  = Construction Cost Index for the last year the SDCs were updated  
 $\text{SDC}_{\text{current year}}$  = the SDC updated by the CCI  
 $\text{SDC}_{\text{last year}}$  = the SDC to be updated

**Section 5.** The *System Development Charge Study* identifies or incorporates by reference the identification of capital improvements eligible for funding through the water SDC and is hereby adopted as the Systems Development Charge Funds Project Plan as required by Section 9, Ordinance 2378.

**Section 6.** This resolution shall be effective January 15, 2009

Passed by the City Council of the City of Lebanon by a vote of 5 for and 0 against this 10th day of December, 2008.

  
Kenneth I. Toombs, Mayor   
Bob Elliott, Council President

ATTEST:

  
Linda Kaser, City Clerk/ Recorder