PUBLIC WORKS COMMITTEE

March 5, 2020
3:00pm
Philomath City Hall, Council Chambers
980 Applegate Street

Committee Members:	Councilors: Doug Edmonds, Chas Jones Chairman: Mayor Eric Niemann
Tree Board Members:	Rick Flacco, Lorri Hendon

----- Agenda Topics -----

Roll Call

Minutes – February 6, 2020

Tree Board Business –

- **None**

Public Works Business –

- **Safety and Streetscapes Project Active Transportation Bike Route Option**
- **SDC Consultant Update**
- **CIP Facility Improvement Schedule**
- **CIP Equipment Replacement Schedule**
- **Other Business**

Resource persons:	Kevin Fear, Public Works Director Garry Black, Public Works Operations Supervisor Chris Workman, City Manager Joan Swanson, Finance Director

NOTICE: Given 2 business days' notice, an interpreter will be made available for the hearing impaired or those with limited English proficiency. Contact person: Ruth Post, (541) 929-6148.

Philomath Public Works Committee
MINUTES
February 6, 2020

CALL TO ORDER:
Mayor Eric Niemann called the meeting to order at 3:10 p.m. in the Council Chambers at Philomath City Hall, 980 Applegate Street, Philomath, OR.

ROLL CALL:
City Councilors Chas Jones and Doug Edmonds and Mayor Eric Niemann.
Staff: City Manager Chris Workman, Finance Director Joan Swanson, Public Works Director Kevin Fear, Public Works Operations Supervisor Garry Black, and City Recorder Ruth Post.

MINUTES:
MOTION: Councilor Edmonds moved, Councilor Jones second, to approve the minutes of December 18, 2019 as presented. Motion APPROVED 3-0 (Yes: Edmonds, Jones and Niemann; No: None).

TREE BOARD BUSINESS:
None.

PUBLIC WORKS BUSINESS:
Election of Chair

MOTION: Councilor Jones moved, Councilor Edmonds second, to re-appoint Eric Niemann as committee chair for 2020. Motion APPROVED 3-0 (Yes: Edmonds, Jones and Niemann; No: None).

FCS Corporation - SDC Methodology
Mayor Niemann explained this discussion was a follow-up to the presentation by Kurt McLeod in July 2019 regarding preparation of new System Development Charge methodologies now that master plans had been updated for water, sewer and streets. Mr. Workman reviewed the meeting that was held earlier in the day with FCS Corporation. He noted they weren't able to meet the Committee due to a meeting in Corvallis where they are working on Street methodologies for the city of Corvallis.

Mr. Workman distributed and reviewed the proposed project plan and fee schedule that FCS prepared for the city of Coburg (supplemental agenda item). He stated they would be preparing a proposal specific to Philomath and submitting it. He described the timeline that FCS outlined, including the required 90-day public notice and public hearing.

Mayor Niemann suggested that the reasons for delving into this was to update the methodologies and simplify the methodology process. Councilor Edmonds noted that FCS develops methodologies specifically as their business. He compared the services that they are providing to Corvallis to the expectations of what they would provide to Philomath.

Mr. Workman stated that the other engineering firm that was considered, Kurt McLeod, had estimated a total of $5,000-$8,000 less to prepare all of the methodologies Philomath needs to update. He explained that Mr. McLeod is part of an engineering firm that provides other types of municipal services where FCS provides only this type of analysis service. Mr. Workman

reviewed the differences in the services the firms provide. He described the approach that FCS brings to the table, having specialized in these studies, and noted that Mr. McLeod probably doesn't have the level of history that FCS does.

Mr. Workman explained that FCS has presented at League of Oregon Cities conferences on best practices in developing SDC methodologies.

Utility Rates

Ms. Swanson described the difficulty in making estimates based on the uncertainty of the current population growth. She stated that several factors are impacting growth, including houses and apartments under construction. There was discussion about having the Public Works Committee review the rates, rather than the Finance & Administration Committee. Ms. Swanson suggested the Public Works Committee would be the appropriate committee to review the rates and has always done it in the past.

Ms. Swanson reviewed the water treatment plant funding package through Business Oregon that the Finance & Administration Committee recommended proceeding with. In light of not knowing having firm data to estimate the water revenue growth, she suggested not increasing the water rates as much as was proposed when the rates were reviewed last year. She stated the recommendation is to only increase the water base rate $1.00 per month.

Ms. Swanson noted that water usage has decreased as the rates have increased, leading to the presumption that users are conserving water to control their overall utility bill.

Ms. Swanson reviewed the proposal to maintain the sewer base rate at the current rate and to increase the sewer per unit rate. She noted this makes it possible for consumers to conserve and impact their total usage. She added that the Finance & Administration Committee would be reviewing the General Fund Fee at their meeting later this month.

There was discussion about the expectations that were used in 2019 to make the initial increases to water rates. There was discussion about not needing to be as aggressive as originally estimated due to the variable growth factors impacted by the development projects currently under construction.

Councilor Jones questioned the philosophy behind increasing the water base rate versus increasing sewer per unit rates. Ms. Swanson explained concerns for residential users who wish to impact their rates. She stated the need for more certainty on the water revenues to prepare for the water plant debt service payments versus the less imperative additional sewer revenue enabling completion of certain capital improvement projects.

There was discussion about comparison of Philomath rates to Corvallis rates. Mr. Workman described the impact of having more business and industrial users in Corvallis who pay rates that help keep their residential rates lower.

Ms. Swanson reviewed the two proposals included on the water and sewer rate comparison sheet (supplemental agenda item). Mr. Workman recommended moving to the Capital Improvement Plan to review the projects on the schedules and determine what impact that should have on the sewer rates. There was discussion about there being no sewer rate increase last year and the sewer projects that have consequently been postponed.

There was discussion about the method used to calculate multi-family dwelling fees, particularly the water base rate being based on the size of the meter, not the type of use. Ms. Swanson summarized the use of a multiplier on larger water meters to develop an appropriate base rate for multi-families but emphasized that the apartment complexes pay the same per-unit rate as single family dwellings. There was discussion about the uncertainty of how much per unit usage The Boulevard will have upon build-out.

The Committee moved to reviewing the sewer projects listed on the Capital Improvement Plan Infrastructure Improvement Schedule:

- Timber Estates gravity line: Waiting on approval of the easement from the School District.
- North 11th Street sewer line: Mr. Fear explained this is an upsize of the sewer line with a 10" line.
- South 16th Street sewer line: Mr. Fear explained this was a replacement of 1952 sewer pipe. He reviewed the project.
- South 17th & 18th Street sewer line: Mr. Fear reviewed the problems with the sewer line in this area, including cave-ins.

There was discussion about the remaining 1952 sewer line in the ground to be replaced and the impacts of the three listed line replacement projects. He described the inflow and infiltration that occurs in the 17th and 18th Street lines and overflows Pump Station A during heavy rain events.

There was discussion about the benefit of replacing the sewer line on 11th Street prior to street improvements. Mr. Workman described the benefits on South 17th Street of making those improvements before the Millpond Subdivision connects it to Chapel Drive and the reduction in inconvenience for the neighborhood.

Ms. Swanson reviewed the timelines and revenues on the improvement schedule, noting the estimated revenue was based on the higher proposed sewer rate increase. She described the use of SDC dollars where they can be applied and noted the things that can't be paid for by SDC dollars must be paid for by ratepayers. There was discussion on some of the 11th Street project qualifying for SDC dollars.

Ms. Swanson described the impact of additional users paying rates. There was discussion about the estimates provided. Mr. Workman noted the estimates are based on conservative estimates. Ms. Swanson reviewed the impacts of delaying sewer rate increases. Mayor Niemann discussed balancing the rate increases of last year with the proposals this year.

Councilor Edmonds reviewed the impacts of the projects over the three-year period. Mr. Workman stated it is a continual balance between water and sewer projects and there will always be projects that need to be completed. There was discussion about the concrete pipe in the ground that is described as 1952, but also includes 1960 and 1970 pipe that is now reaching the end of its lifespan.

Mr. Workman described the impacts of full street improvements needed on North 11th Street impacting the priority of the other sewer improvements and the safety issues on South 16th Street adjacent to the Elementary School. He noted these impacts create a higher overall need for improvement ahead of the South 17th and 18th Street project.

Mayor Niemann noted that people don't value infrastructure until it fails and then they question why projects hadn't been previously completed. He described the safety issues on North 11th Street with development and a new park but a lack of sidewalks for safe pedestrian travel.

On the Street Infrastructure Improvement Schedule, there was discussion about the South 17th and 18th Street sewer project not having a corresponding street project.

There was discussion about the creation of a Local Improvement District (LID) being used to pay for street improvements on North 11th Street. Mr. Workman described the use of different language in street methodologies to make street improvements. Ms. Swanson explained the small developments that have gone into the North 11th Street area that were not required to put in sidewalks and other street improvements. Mr. Fear described the reasons for not wanting small developments to improve small sections of streets at the time of their development because the final product would be a patchwork of improvements.

Councilor Edmonds described the coordination of the sewer line, water line and street improvements for North 11th Street. Ms. Swanson explained the use of an LID in which the City pays for the improvements up front and the adjacent property owners are billed and can repay their share over ten years.

Mr. Black described the proposed Safe Routes to School projects for bike lane striping and shared lane markings. Mr. Workman explained that the recently approved Transportation System Plan rolled the projects in and prioritized them from the Safe Routes to School Plan. Mr. Fear explained that two of the big items on the priority list were completed in 2011-2012 with the Applegate Street Project.

There was additional discussion about the shared lane markings that have already been installed on Applegate Street.

There was discussion about pushing the street improvements for 16th Street out on the schedule due to insufficient funds.

On the Park Infrastructure Improvement Schedule, Ms. Swanson reviewed the Cochran Memorial Park improvements, including the use of SDC funds. Mayor Niemann explained the grant application for this new park will be submitted next week; but from a budget standpoint, the schedule looks appropriate. He stated that there are a number of in-kind donations committed to the project. Ms. Swanson noted that the funds previously provided by the property donor are included in the cash carryover.

Mr. Black reviewed the compression of the park fall material that requires replacement and is a safety requirement. Councilor Edmonds noted all of the technical details associated with playgrounds. There was discussion about the standards depending upon how high above the ground the equipment places the users.

There was discussion about the replacement of the City Park restrooms and the need to meet ADA requirements.

On the Storm Drain Infrastructure Improvement Schedule, Mr. Fear described the difference in sizing storm drain projects and the update of the Master Plan. There was discussion about the storm drainage being included in the street costs for North 11th Street.

On the Bike Path/Footpath Infrastructure Improvement Schedule, Ms. Swanson explained the funds for those come from gas tax revenues. She noted there are no projects currently anticipated on that schedule.

Ms. Swanson explained that the SDC revenue estimates are based on 30 new dwelling units which is likely to be a conservative number.

On the Water Infrastructure Improvement Schedule, Ms. Swanson reviewed the potential for construction on the water treatment plant to begin prior to the end of the 2020-2021 budget year. There was discussion about the funding for the treatment plant. Mayor Niemann described attending the city of Jefferson's water treatment plant groundbreaking. He noted that approximately the first week in April a representative of Pall Water would be in the area and would likely visit Jefferson and Philomath. He described the user groups for best practices that are available to cities using the Pall water treatment system.

Ms. Swanson explained the use of SDC dollars from growth to pay towards the debt service on the water plant over the years. There was discussion about the balance between using SDC dollars towards the debt service and still having funds for future project needs. Ms. Swanson summarized the impact of the actual plant construction cost on the ending balance by 2023.

Ms. Swanson stated she is trying to be as realistic as possible to present the ratepayers with the best information possible. There was discussion about the Jefferson rates on the water and sewer rate comparison. Mayor Niemann compared the situation in Jefferson with Philomath's. Ms. Swanson noted the rates from the other cities are current rates and do not include expected increases.

Councilor Jones stated that people should have more control over their water rates. He suggested increasing the per unit rate by 25 cents instead of $1 on the base rate, so the apartment complexes will pay more. He described the impacts of making the increase on the unit rate. There was discussion about the impacts of the apartment complex usage.

There was discussion about different rate structures and the philosophy behind it. There was discussion about the rate options. Councilor Jones described raising more revenue overall with a per unit increase. There was discussion about users conserving. There was discussion about reaching a compromise with some base rate increase and some per unit increase.

Mr. Workman described the variables that impact conserving and that it seems residents are already conserving. There was discussion about whether users have reached their maximum conservation ability.

MOTION: Councilor Jones moved to increase the water per unit rate by 25 cents per unit and no increase to the water base rate. Mayor Niemann suggested increasing the water base rate by 50 cents and water per unit charge by 25 cents per unit. He stated concern over losing the favorable position we are currently in. There was discussion about the rates needed to meet the debt service payment.

Councilor Jones stated he could support the Mayor's proposed 50 cents on the water base rate and 25 cents per unit on the water unit rate. Mr. Workman explained that this proposal was more aggressive than staff is recommending. There was discussion about also reviewing the sewer rate. The Committee reviewed the two sewer rate proposals presented by staff.

Mayor Niemann summarized the message that needs to be explained to ratepayers on the different increases.

MOTION: Mayor Niemann suggested amending Councilor Jones' motion to add the $1 increase per unit to the sewer per unit charge. Councilor Edmonds second the revised motion..

Mr. Workman stated concerns about the impact on heavier water users, particularly those trying to grow gardens and concerns about justifying the increases. Mayor Niemann stated the rates create more surety that the rates will be sufficient for the treatment plant.

FINAL MOTION (restated): Councilor Jones moved, Councilor Edmonds second, to recommend to the City Council to increase the water base rate for a ¾" residential water meter by 50 cents and the water per unit rate by 25 cents per unit and to increase the sewer per unit rate for a ¾" residential water meter service by $1.00 per unit. Motion APPROVED 3-0 (Yes: Edmonds, Jones, and Niemann; No: None).

Ms. Swanson questioned if the Committee wished to make any changes on the low income water rate that was established last year. The Committee discussed leaving the low income water base rate the same.

Mayor Niemann noted some of the rate increases are because of the Capital Improvement Projects. He stated it was important for constituency to have some understanding of the reason for the increases. Councilor Edmonds described the importance of staying ahead of projects and the negative reputation failure to do so can create. There was discussion about the value of infrastructure projects.

(5:24 p.m. audio recording ended.)

There was discussion about the difficult decisions related to raising rates and providing the public with the information needed to understand how the decisions were reached.

MOTION: Councilor Edmonds moved, Councilor Jones second, the Public Works Committee recommend forwarding the 2020-2021 Capital Improvement Plan to the City Council for approval as presented. Motion APPROVED 3-0 (Yes: Edmonds, Jones and Niemann; No: None).

Councilor Edmonds noted these are the numbers that will go into the Budget Committee. Mayor Niemann emphasized the importance of educating the public how the budget works. He described all of the decisions that have to come together from each of the Committees to create the budget. Councilor Edmonds stated the importance of communication of the numbers. Mr. Workman described the importance of the discussions, updating the information and making well-informed decisions that impact the future for the community. Ms. Swanson described explaining the difference in rates between Philomath and Corvallis to customers, particularly the major difference in industrial and commercial users that Corvallis has and Philomath does not.

Meeting adjourned at 5:31 p.m.
Meeting recorded by Ruth Post, MMC, City Recorder

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CITY OF PHILOMATH

SYSTEM DEVELOPMENT CHARGE UPDATE

The City of Philomath (City) currently imposes system development charges (SDCs) for all five infrastructure systems allowed by state law. For a single-family residence these SDCs total $26,847 and range from $1,094 for parks to $9,616 for water. The City now desires to recalculate the maximum SDCs that it can impose for water, sewer, and transportation based on the latest data available.

The following work plan is driven by the technical demands of calculating legally defensible SDCs. Policy analysis and public process have limited roles in the proposed scope of work.

TASK PLAN

TASK 1 | PROJECT KICKOFF

Task 1 is the initiation the study and includes the following elements:

1. Providing project management and setup.
2. Providing a written data request to the City and providing feedback on data received.
3. Facilitating a kickoff meeting with the Public Works Committee to set expectations for the engagement, clarify data needs, and establish a project schedule.

TASK 2 | TECHNICAL ANALYSIS

Task 2 is the development of the SDC methodology. The transportation analysis will include an alternative that incorporates trip generation as expressed in person-trips to replace the City's current equivalent dwelling unit (EDU) approach. Task 2 includes the following elements:

1. Compiling customer information and associated growth needed to calculate each SDC.
2. Calculating reimbursement fees (where applicable) for three SDC types based on available capacity in existing assets.
3. Calculating improvement fees for three SDC types based on the eligible portion of planned capital improvements.
4. Meeting with the Public Works Committee via video conference to review the technical analysis and solicit feedback.
5. Revising the technical analysis as needed.

TASK 3 | COMMUNICATION

Task 3 is the communication of the findings and recommendations arising out of the previous tasks and includes the following elements:

1. Drafting a report that will serve as the three statutory SDC methodologies and soliciting feedback from the Public Works Committee.
2. Providing a template for the 90-day notice required by statute.
3. Delivering one presentation of our findings and recommendations to the City Council.
4. Revising the report as needed.

BUDGET

We propose to perform this scope of work at a cost not to exceed $27,660. Below is a detailed budget by task and individual:

Task Detail	On Site	Ghilarducci Principal	Gabbard PM	Hazel Analyst	Admin Support	Total Hours	Budget Estimate
Task 1: Project Kickoff							
1.1 Project management and setup.			8		4	12	$1,840
1.2 Request and review data.			4	4		8	$1,280
1.3 Facilitate kickoff meeting.	1	2	8	8		18	$3,100
Task 1 Subtotal	1	2	20	12	4	38	$6,220
Task 2: Technical Analysis (3 SDCs)							
2.1 Compile customer information		1	4	12		17	$2,630
2.2 Develop reimbursement fees.		1	6	18		25	$3,810
2.3 Develop improvement fees.		1	8	24		33	$4,990
2.4 Meet via video conference to review technical analysis.			2	2		4	$640
2.5 Revise analysis as needed.			2	6		8	$1,180
Task 2.1 Subtotal	0	3	22	62	0	87	$13,250
Task 3: Communication							
3.1 Draft report and solicit feedback.		1	2	24		27	$3,880
3.2 Provide template for statutory notice of public hearing.			1			1	$185
3.3 Present to City Council.	1	2	8	8		18	$3,100
3.4 Revise report as needed.			1	4		5	$725
Task 3 Subtotal	1	3	12	36	0	51	$7,890
Labor Total		2,160	9,990	14,850	360		$27,360
Expenses							$300
Budget Estimate							**$27,660**
Cost Summary							
Total Hours		8	54	110	4	176	
Billing Rate		270	185	135	90		

On-site meetings can be added to this budget at rate of $2,980 (including expenses) per meeting.

Our normal billing practice is to bill based on time and materials actually expended, not to exceed the total budget. We would be more than happy to negotiate the appropriate level of effort for this project, if we have scaled our approach out of line with the City's needs and/or expectations.

City of Sandy, Oregon

Water System Development Charge (SDC)Methodology & Capital Improvement Plan

Adopted in Resolution 2017-19
September 5, 2017

June 2017

CURRAN-McLEOD, INC., CONSULTING ENGINEERS
6655 SW Hampton Street, Suite 210
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City of Sandy

WATER SYSTEM DEVELOPMENT CHARGE METHODOLOGY & CAPITAL IMPROVEMENT PLAN

TABLE OF CONTENTS

OVERVIEW 1

SDC METHODOLOGY OVERVIEW 1

ANNUAL ADJUSTMENTS 2

CREDITS FOR ELIGIBLE CONSTRUCTION 3
Value of Water System Construction Credits *4*

CREDIT FOR PRE-EXISTING USE 4

SDC ADMINISTRATION REQUIREMENTS 5

REVIEW PROCEDURE 5

EQUIVALENT DWELLING UNIT (EDU) DEFINITION 5

WATER SYSTEM CAPITAL IMPROVEMENT PLAN 6
Estimated Cost of Improvements *7*

WATER SDC IMPROVEMENT FEE CALCULATION 7

CAPITAL IMPROVEMENT PLAN PROJECT DESCRIPTIONS 7

REIMBURSEMENT FEE ASSET SUMMARY 8
Replacement Cost of Existing Assets *8*

WATER SDC REIMBURSEMENT FEE CALCULATION 9

WATER SDC FEE SUMMARY 10
Water System SDC Fee Schedule *10*

City of Sandy

WATER SYSTEM DEVELOPMENT CHARGE METHODOLOGY & CAPITAL IMPROVEMENT PLAN

OVERVIEW

This update of the Sandy Water System Development Charge (SDC) is intended to summarize the current value of the water source, treatment, distribution and storage systems, and to document the estimated costs of capital improvement required to serve future users. The goal of this effort is to provide an SDC methodology that is understandable, defensible and allocates an equitable share of these values and costs to future users.

The authority to establish System Development Charges is codified in the Sandy Municipal Code Title 15, Chapter 15.28. The Water SDC methodology was first adopted in Resolution 12-91 in July 1991. Subsequently, the methodology was updated in August of 2007 to incorporate an annual inflation adjustment, and multiple annual adjustments have been made by resolution to account for inflation.

SDC METHODOLOGY OVERVIEW

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.

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 uses a depreciated original cost basis to establish the reimbursement fee. This method does not account for the continued maintenance invested into each system and does not address the time value of the investment in rate making principles. The statutes in ORS 223 permit the reimbursement fee to be based on the "value" or "cost" of the existing systems.

This update uses the current "replacement value" for all existing improvements, less grants and contributions, 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, this SDC Methodologies includes a combination of both Reimbursement Fees and Improvement Fees.

The existing infrastructure essentially provides a base level of service to serve current and future users, whereas the required capital improvements provide resolution of existing deficiencies, as well as the expansion needed to serve future users. To address these issues and provide an equitable allocation of costs, 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 the cost per equivalent dwelling unit to provide these facilities. 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 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 Sandy has existing debt that will reduce the value of the reimbursement fee.

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 accelerated growth, SDC revenues will accrue more quickly to allow undertaking needed improvements earlier. 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) adopted 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) adopted SDC fees may be increased periodically based upon application of a specific cost index.

The statutes require an adopted 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 date 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.

The previous methodology adopted the ENR CCI specifically for the City of Seattle as representative of inflation. This current SDC update recommends and adopts the 20-city average as a better indication of inflation, which provides an averaged escalation and is less susceptible to localized spikes in costs. This current SDC update is based on an ENR CCI for June 2017, of 10,703.

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.

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

CITY OF SANDY
VALUE OF WATER SYSTEM CONSTRUCTION CREDITS
June ENR CCI 10,703

LINE SIZE	8"	10"	12"	16"	18"	24"
CONSTRUCTION COST	$120/lf	$140/lf	$160/lf	$200/lf	$240/lf	$320/LF
OVERSIZE CREDIT	$0	$20/lf	$40/lf	$80/lf	$120/lf	$200/LF

Credits 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 minimum credits required by statute, if so desired.

When growth pressures mandate 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 through an advance financing assessment or SDC overlay.

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 pre-existing use. The adjustment may not reduce the SDC charges to result in a refund.

SDC ADMINISTRATION REQUIREMENTS

Per ORS 223.311, System Development Charge revenues must be deposited in accounts designated for SDC 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% 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% of the annual collections may be made to the City department completing the administration for calculations, collections, 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 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.

EQUIVALENT DWELLING UNIT (EDU) DEFINITION

Although not required by statute, to be conservative all water system components should be based on the ability to meet the Peak Daily Demand (PDD). This assures that adequate resources

are available at all times to serve the demand and replenish supplies within 24 hours. As the observed PDD approaches the reliable system capacity, capital improvements should be undertaken to expand the system.

The Water Management and Conservation Plan (WM&CP) published in June 2016 provides the most recent water demand criteria. Average Day Demand projected for 2016 is approximately 1.13 MGD with an estimated population of 10,655 City residents per the estimate prepared by Portland State University Center for Population Research, and 220 estimated outside the UGB for a total service population of 10,875. Of the total demand, 76%, or 0.86 MGD is associated with the Residential component, and 24% or 0.27 MGD is Commercial/Industrial/Wholesale customers.

Residential Average Day Demand is approximately 0.86 MGD divided by 10,875, or approximately 80 gallons per capita per day (gpcd). With a peaking factor of 2.3 identified in the WM&CP, Peak Day Demand is estimated at 185 gpcd. Based on the 2010 US Census, the average household size is 2.68 persons. The peak day demand per Equivalent Dwelling Unit (EDU) is then 185 gpcd times 2.68 persons per unit, or 425 gallons per day per EDU.

Distribution system capacities are defined not only by their ability to deliver the PDD including fire flows, but also by a geographical service area. The distribution system provides the backbone for expanding the system throughout the service area or Urban Growth Boundary. As a result, cost allocations for distribution system improvements are based on the number of EDUs calculated at build-out of the UGB area.

The 2015 City of Sandy Urbanization Study provides a method to calculate the estimated buildout population of the Urban Growth Boundary. In 2014 water service population was estimated at 10,387, including outside users. At that time, the UGB contained approximately 341.3 net acres of undeveloped residential land. At the densities identified in the Urbanization Study of 5.52 housing units per net acre, buildout of the UGB is projected to include an additional 1,885 units or 5,052 population. The water service residential population at buildout of the UGB is then estimates as 15,440 or 5,760 EDU. Without expansion of the UGB, buildout is estimated to occur in approximately 20 years.

WATER SYSTEM CAPITAL IMPROVEMENT PLAN

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 in terms of the number of EDU that can be served.

The projects listed in the water system CIP are intended to serve the build-out population of the existing Urban Growth Boundary. Assuming the City maintains the current ratio of 24% commercial/industrial/wholesale water demands to the 76% residential demand, the 5,760 EDU build-out of the UGB corresponds to a Peak Day Demand of 2.45 MGD.

The following table contains the Capital Improvement Plan for future improvements identified in previous master plans and various planning efforts of the City staff. All estimated costs are based on the 20-city average ENR CCI of 10,703 for June 2017.

CITY OF SANDY
WATER SYSTEM CAPITAL IMPROVEMENT PLAN
ESTIMATED COST OF IMPROVEMENTS
JUNE 2017 ENR CCI 10,703

NO.	PROJECT DESCRIPTION	PROJECT PRIORITY	ELIGIBLE COST 100%	EDU CAPACITY*	SDC COST PER EDU
1	Hudson Road PS Chemical Feed	1 - 5 yrs	$80,000	5,760	$14
2	Hudson Road PS DBP Filtration	1 - 5 yrs	650,000	5,760	113
3	1 MG SE Area Storage Reservoir	6 - 10 yrs	900,000	5,760	156
4	Master Planning & SDC Updates	1 - 20 yrs	50,000	5,760	9
5	Oversizing & Pressure Control	1 - 20 yrs	100,000	5,760	17
				TOTAL ESTIMATED COST PER EDU	$311

* EDU capacity is based on buildout of the UGB.

WATER SDC IMPROVEMENT FEE CALCULATION

The Improvement Fee is the total of the cost per EDU of each CIP project listed above

SDC Improvement Fee = $311 per EDU

CAPITAL IMPROVEMENT PLAN PROJECT DESCRIPTIONS

1. Hudson Road Pump Station Chemical Feed - This project is intended to address lead and copper corrosion by adjusting the pH of the Portland Water Bureau supply. Work includes dry chemical feed equipment to be installed at the Hudson Road PS supply point, or alternatively, if CIP 2. Filtration is located at the Revenue Reservoir Site, then pH would also be located at the reservoir.

2. Hudson Road Disinfection By Products Filtration - This task is intended to filter an approximate 40% to 50% side-stream through a granular activated carbon filtration system to remove Disinfection By Products from the Hudson Road supply. Work is anticipated to include

dual granular activated carbon pressure filters, side stream booster pumping facilities and re-chlorination facilities and a small service building. These improvements would ideally be located at or near the Hudson Road Pump Station, but could alternatively be located near the Revenue Reservoir.

3. 1 MG Southeast Area Storage Reservoir - The area east of the Vista Loop reservoir service area ultimately will need a dedicated water storage reservoir to supply reliable domestic service and fire protection. This project anticipates construction of an additional 1.0 MG reservoir south of Highway 26 and east of Vista Loop Drive.

4. Master Planning & SDC Updates - This task is for on-going Master Planning and SDC maintenance required over the next 20-year period.

5. Oversizing and Pressure Control - This task is for the cost of increasing any water mainlines required to serve future users, over the base size of 8" required by all developers. Additionally, this item includes the cost of any additional pressure control stations required to serve all areas of the UGB.

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 June 2017 ENR CCI of 10,703. Values are adjusted to exclude grants and principle forgiveness, as well as remaining outstanding debt. The remaining current value is then divided by the capacity in terms of the number of EDU they can support.

CITY OF SANDY
WATER SYSTEM DEVELOPMENT CHARGE
REPLACEMENT COST OF EXISTING ASSETS
JUNE ENR CCI 10,703

	Capital Asset	Replacement Cost 2017	EDU Capacity*	$/EDU
Water Source and Treatment Facilities				
1	Alder Cr Raw Water Pumping Station	$220,000	14,800	$15
2	Alder Cr Raw Water, 4,000' of 12" @ $160/LF	640,000	14,800	43
3	Alder Cr Water Treatment Plant	4,200,000	14,800	284
4	Alder Cr Transmission Line		14,800	
4.1	- 5,100 LF 12" Waterline @ $160/LF	816,000	14,800	55
4.2	- 38,000 LF 16" waterline @ $200/LF	7,600,000	14,800	514
5	Brownell Springs w/3,000 LF 6" AC	400,000	14,800	27
6	Hudson Road Pump Station[1]	2,057,209	14,800	139

7	Hudson PS Transmission Line 27,160 LF 18" & 24" Waterline[1]	1523858	14,800	103
7.1	- 27,160 LF 18" & 24" Waterline	3,312,000	14,800	224
Distribution System Oversizing				
8	10" Waterlines, 4,017' @ $20/LF	803,400	5,760	139
9	12" Waterlines, 59,960' @ $40/LF	2,398,400	5,760	416
10	16" Waterlines, 11,560' @ $80/LF	924,800	5,760	161
11	18" Waterlines, 2,145' @ $120/LF	257,400	5,760	45
Pressure Reducing Valve Stations				
12	4" PRV Stations, 2 @ $18,000 ea	36,000	5,760	6
13	6" PRV Stations, 6 @ $24,000 ea	144,000	5,760	25
14	8" PRV Stations, 2 @ $30,000 ea	60,000	5,760	10
15	10" PRV Stations, 5 @ $40,000 ea	200,000	5,760	35
Water Storage Facilities				
16	Terra Fern Res & Pump Sta, 0.25 MG	380,000	5,760	66
17	Sandercock Lane Reservoir, 0.5 MG	400,000	5,760	69
18	Vista Loop Steel Reservoir, 1, MG	600,000	5,760	104
19	Vista Loop Conc Reservoir, 2.0 MG[2]	892,500	5,760	155
20	Revenue Reservoir & Pump Station[1]	228,578	5,760	40
Master Planning & SDC Maintenance				
38	Master Planning & SDC Methodology	60,000	5,760	10
	TOTAL	**$40,362,400**		**$2,685**

* Source capacity is based on the total of Alder Creek (2.6 MGD) Brownell Springs (0.5 MGD) and the Hudson Road source (reliable capacity of 2,200 gpm or 3.2 MGD) for a total PDD of 6.3 MGD or 14,800 EDU. Distribution, Pressure Reducing, Storage and Planning capacity is based on Buildout of the UGB, 5,760 EDU.

[1] The current replacement value of the Hudson Road PWB facilities and transmission line and the Revenue Reservoir is based on the original cost of $10,112,699 in 2014 (ENR 9,806), adjusted to June 2017 (ENR 10,703) and then reduced by the principle forgiveness of $362,700, and the remaining outstanding debt of $6,865,408, for a net value of $3,809,646. 54% of the cost is associated with the pumping station, 40% with the transmission pipeline, and 6% for the Revenue Reservoir.

[2] The current replacement value of the Vista Loop 2.0 MG reservoir is estimated at $1,600,000 in 2017 (ENR 10,703) less outstanding debt of $707,497 for a net current value of $892,500.

WATER SDC REIMBURSEMENT FEE CALCULATION

The Reimbursement Fee is the total of the per EDU asset values listed above

SDC Reimbursement Fee = $2,685 per EDU

WATER SDC FEE SUMMARY

All residential units are assigned one EDU per dwelling unit which is based on 2.68 people and 425 gpd Peak Day Demand per EDU. Commercial/Industrial/Wholesale service charges are based on EDU factor for the capacity of the service meter.

All SDC costs also include a compliance charge of 2% for staff review, fee calculation, fee collection and accounting requirements.

CITY OF SANDY
WATER SYSTEM SDC FEE SCHEDULE
June 2017

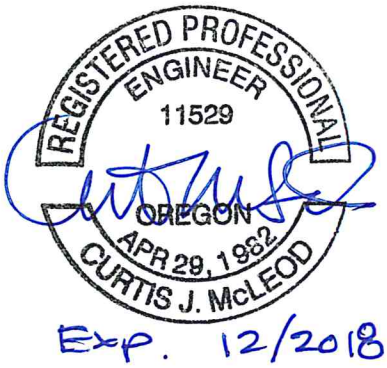
	EDU FACTOR	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMIN FEE 2%	TOTAL SDC
Single/Multi Family Residential Per Dwelling Unit:					
Per Unit	1	$311	$2,685	$60	**$3,056**
Commercial / Industrial / Wholesale Based on Meter Capacity					
5/8" Meter	1	$311	$2,685	$60	**$3,056**
3/4" Meter	1.5	$466	$4,028	$90	**$4,584**
1" Meter	2.5	$778	$6,713	$150	**$7,640**
1 1/2" Meter	5	$1,555	$13,425	$300	**$15,280**
2" Meter	8	$2,488	$21,480	$479	**$24,447**
3" Meter	15	$4,665	$40,275	$899	**$45,839**
4" Meter	25	$7,775	$67,125	$1,498	**$76,398**
6" Meter	50	$15,550	$134,250	$2,996	**$152,796**

CITY OF TURNER

Transportation System Development Charge Update

Marion County, OR

Approved in Resolution 18-08 May 10, 2018



March 2018

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

City Of Turner

TRANSPORTATION SYSTEM DEVELOPMENT CHARGE UPDATE

TABLE OF CONTENTS

TRANSPORTATION SYSTEM DEVELOPMENT CHARGE UPDATE..... 1

INTRODUCTION & BACKGROUND 1

SDC METHODOLOGY OVERVIEW 1

EQUIVALENT DWELLING UNIT (EDU) DEFINITION 3

ANNUAL ADJUSTMENTS 3

CREDITS FOR ELIGIBLE CONSTRUCTION 4

Full Street Construction Credits 5

SDC CREDIT PAYMENTS 5

CREDIT FOR PRE-EXISTING USE 5

SDC ADMINISTRATION REQUIREMENTS 5

TRIP RATE FACTORS: 6

TRANSPORTATION SYSTEM CAPITAL IMPROVEMENT PLAN: 6

Estimated Cost of Improvements 7

TRANSPORTATION SYSTEM SDC IMPROVEMENT FEE CALCULATION 8

Estimated Average Weekday ELNDT 8

TRANSPORTATION SYSTEM SDC REIMBURSEMENT FEE: 9

Value of Existing Improvements 9

TRANSPORTATION SDC REIMBURSEMENT FEE CALCULATION: 10

TRANSPORTATION SYSTEM TOTAL SDC FEE CALCUATION 10

Transportation SDC Fees for Selected Land Uses 11

Average Weekday ELNDT Factors 12

City of Turner

TRANSPORTATION SYSTEM DEVELOPMENT CHARGE UPDATE

March 2018

INTRODUCTION & BACKGROUND

In December 2017, the City of Turner contracted with CURRAN-McLEOD, INC. to assist in documenting the City's Transportation System Capital Improvement Plans (CIP) and to provide a Transportation System Development Charge (SDC) methodology to maintain compliance with state statutes. This effort was completed with assistance from the City Administrator, Mr. David Sawyer, and the City Engineer, Mr. Jim Schuette, PE.

Although the City adopted code language for SDCs in Ordinance 98-105, the City of Turner adopted the first Transportation SDC Improvement Fee in Resolution 05-14 in 2005. Subsequently the SDC was updated in Resolution 08-06 in 2008 including the addition of a Reimbursement Fee. In 2008 the Transportation SDC fee was $479 per Equivalent Dwelling Unit (EDU), which is defined as a single family residential unit. This fee adopted in 2008 has not been updated since.

This text is intended to document the value of the existing transportation infrastructure and the estimated costs of needed capital improvements, and define an equitable allocation of these values to all benefitted users.

The 2005 methodology for allocating costs was based on the cost of listed capital improvements divided by the number of anticipated future residential EDU building permits. Commercial & Industrial SDC fees were based on the projected number of new trips, per the Institute of Transportation Engineer's (ITE) standards. The 2008 SDC update noted it retained the previous methodology, although the cost allocation was modified to retain the EDU standard for residential development and use the relative capacity of the water meter as an indicator of commercial/industrial development impact on the transportation system.

This current SDC Update adopts the ITE standards for proportionate trip based cost allocations for all benefitted users, residential, commercial and industrial. Trip rates are as published in the current ITE Trip Manual as modified by the local factor.

SDC METHODOLOGY OVERVIEW

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 fees 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 updated methodology identifies a current "value" for existing transportation 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.

Existing improvements typically have 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, this methodology includes a combination of both Reimbursement Fees and Improvement Fees.

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

To ensure an equitable allocation of costs between existing and future users, the value of existing facilities and the estimated cost of future improvements are allocated to all users, current and future equally, based on their proportionate use of the transportation system. 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 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 ultimate capacity of the facility, the value of the existing facilities and the estimated cost of the future facilities.

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.

EQUIVALENT DWELLING UNIT (EDU) DEFINITION

SDCs are typically collected with building permits, which are in essence based on the average household population. Alternatively, the unit of measure for allocating the Transportation SDC fee is defined by the number of Equivalent Length New Daily Trips (ELNDT) created by the improvement. Per the Institute of Transportation Engineer (ITE), a single family residential unit creates 9.52 ELNDT, which in this SDC Update defines one Equivalent Dwelling Unit (EDU).

The Transportation Reimbursement and Improvement fee calculations both define a cost impact per ELNDT, which is then multiplied by the number of trips for the land use specific to the proposed development to determine the SDC fee. Current trip rates are published by the Institute of Transportation Engineers.

ITE publishes trip rates specific to many land uses that can be applied, with adjustments for the local trip factor, to determine the impact of multi-family and non-residential development. The 9th Edition is currently the most prevalent used, although the 10th Edition was released in late 2017. This SDC update is based on the 9th Edition, but adopts the most current edition by reference.

ANNUAL ADJUSTMENTS

As permitted by ORS 223.304(8): 1) adopted 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) adopted SDC fees may be increased periodically based upon application of a specific cost index.

The statutes require an adopted 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 date 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 February 2018 of 10,889.

In accordance with ORS 223.309(2), the City may adjust the list 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. Additionally, the revised methodology must subsequently be made available for public review a minimum of 60 days prior to the hearing for adoption.

If no one has requested to be on the list of interested persons per ORS 223.304(6), then no special notification is required for any adjustments.

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 only for the component of an eligible improvement which has capacity greater than the local government's minimum standard facility size or capacity. For the City of Turner, the minimum street width required for all development is 34 feet, curb-to-curb, in a 60-foot right-of-way.

The following table lists the estimated construction cost and eligible credits, including 25% for engineering and contingencies, to be applied to all eligible transportation improvements mandated to be built larger than the minimum City standard. The scope of the improvements includes excavation, base rock, curbs and sidewalks, 4" of AC paving, striping and storm water collection improvements.

CITY OF TURNER
TRANSPORTATION SYSTEM IMPROVEMENTS
FULL STREET CONSTRUCTION CREDITS
March 2018 ENR CCI 10,889

		TOTAL COST	*OVERSIZE CREDIT*
34' Wide Street Improvement	Per LF	$475	$0
36' Wide Street Improvement	Per LF	$485	$10
38' Wide Street Improvement	Per LF	$495	$20
40' Wide Street Improvement	Per LF	$505	$30
44' Wide Street Improvement	Per LF	$520	$45
48' Wide Street Improvement	Per LF	$540	$65
50' Wide Street Improvement	Per LF	$550	$75

Additionally, when growth pressures mandate the improvement of infrastructure within fully developed areas or unrelated to any specific development, the entire cost of the improvement may be funded with SDC revenues. Improvement Fee revenues may only be used for projects listed in the CIP. Reimbursement Fee revenues may be used for any capital improvement for the utility for which the fee was collected.

SDC CREDIT PAYMENTS

Credits 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 provides 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.

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 infrastructure. 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 pre-existing use. The adjustment may not reduce the SDC charges to result in a refund.

SDC ADMINISTRATION REQUIREMENTS

Per ORS 223.311, System Development Charge revenues must be deposited in accounts designated for SDC revenues for each infrastructure. An annual accounting must be prepared by January 1st 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 the Capital Improvement Plan for each infrastructure, including associated debt service. Accordingly, reimbursement and improvement fees need to be accounted for separately.

Oregon Revised Statutes 223.307(5) also allows SDC revenues to be expended for costs of complying with the provisions of ORS 223.297 to 223.314, including the costs of administration and providing annual accounting of development charge expenditures. Accordingly, a 2% 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% of the annual collections should be made to the City's general fund to cover the costs of administration for calculations, collections, accounting and annual fee adjustments. This expenditure should be identified in each annual summary.

TRIP RATE FACTORS:

An equitable method for allocating demands on a transportation system is to proportion the existing value and future costs based on use, or the relative number of trips created by a development.

This 2018 SDC Update adopts the use of weekday average vehicle trips as is currently contained in the ITE Trip Generation Manual, 9th Edition, as the basis for the ELNDT generation factors. Due to the rural nature of the community, pedestrian trips are not incorporated into the trip factors.

This update also incorporates a Local Factor that considers the length of a typical trip, the number of trips that share multiple destinations, pass-by trips, and multiple stops that potentially occur on a single trip. These factors have greater impacts in larger density communities, with larger commercial centers than on rural communities similar to Turner but also provide increased equity for small communities. The selection of factors to account for these impacts is generally based on professional judgment. The factors used in this SDC Update have been developed with assistance of the City staff.

Current ITE Trip Rates and associated Local Factors are listed at the end of this document.

TRANSPORTATION SYSTEM CAPITAL IMPROVEMENT PLAN:

The most recent Turner Transportation System Plan was prepared in 1999. The City has completed a portion of all of the capital improvements identified in that original document.

The City has subsequently identified additional transportation system projects that will become necessary as the City continues to develop. These improvements primarily include widening existing streets and the addition of curbs and sidewalks, as well as pedestrian improvements at Mill Creek and future planning efforts.

Many of the major transportation routes in the City are under Marion County jurisdiction and as a result are difficult for the City to secure in the County's priority listing for improvements. This SDC Update includes four County roadways in the Capital Improvement Plan that are not currently fully improved. The City's funds are intended to assist the County as seed money to secure funding to help prioritize needed improvements.

The following table includes an estimate of the cost of improvements and priority. Widening costs including 5 foot of AC on each side of the roadway, curbs and sidewalks with 25% contingency, engineering and administration, were estimated at $200 per lineal foot. County roadways are included at $50 per lineal foot as the City's seed funding for improvements.

CITY OF TURNER
TRANSPORTATION SYSTEM CAPITAL IMPROVEMENT PLAN
ESTIMATED COST OF IMPROVEMENTS
March 2018 ENR CCI 10,889

NO	*PROJECT DESCRIPTION*	*PROJECT PRIORITY*	*ELIGIBLE COST 100%*
1	Boise St, 2nd to 3rd, 5th to 6th, 660 lf	1 - 20 Yrs	$132,000
2	Chicago St, School to 5th, 2,010 lf	1 - 20 Yrs	402,000
3	Chicago St, 5th to Mill Cr, 500 lf	1 - 20 Yrs	25,000
4	Delaney Rd, 2nd to 3rd, 320 lf	1 - 20 Yrs	64,000
5	Holley St, 2nd to 3rd, 300 lf	1 - 20 Yrs	60,000
6	School St, Chicago to Denver, 270 lf	1 - 20 Yrs	54,000
7	Solarian, Val View to end, 1,345 lf	1 - 20 Yrs	269,000
8	Val View Dr, 3rd St to Woodside, 3,835 lf	1 - 20 Yrs	767,000
9	Val View Dr, Glendora to City Limits 1,400 LF	1 - 20 Yrs	280,000
10	1st St, Chicago to Denver, 260 lf	1 - 20 Yrs	52,000
11	2nd St, Delaney to Ash, 465 lf	1 - 20 Yrs	93,000
12	2nd St, Denver to Gaston, 750 lf	1 - 20 Yrs	38,000
13	3rd St, Mill Cr to Denver, 975 lf	1 - 20 Yrs	195,000
14	3rd St, Val View to City Limits, 2,000 lf	1 - 20 Yrs	100,000
15	5th St, Chicago to Park Entrance, 3,440 lf	1 - 20 Yrs	688,000
16	Marion Rd, Mill Cr to City Limits, 1,800 LF	1 - 20 Yrs	45,000
17	5th St Mill Cr Pedestrian Foot Bridge	1 - 20 Yrs	250,000
18	3rd St Mill Cr Pedestrian Foot Bridge	1 - 20 Yrs	230,000
19	Chicago & 3rd Street Signalization	1 - 20 Yrs	600,000
20	Master Planning & SDC Updates	1 - 20 Yrs	50,000
		TOTAL	**$4,394,000**

TRANSPORTATION SYSTEM SDC IMPROVEMENT FEE CALCULATION

The transportation SDC costs are allocated based on the number of Equivalent Length New Daily Trips (ELNDT) generated at build-out of the UGB. An estimate of trips can be made by estimating development potential and applying ITE trip rates for each land use.

A population of 3,677 has been estimated in the Comprehensive Plan for the year 2032. In the housing needs inventory, the existing UGB had a surplus of 13.5 acres of residential land within the UGB to satisfy this projected need.

To estimate buildout of the UGB, the surplus acreage was reduced by 25% for public uses, and the remaining net acres projected to develop at the average rate of 4.9 units per acre. Based on the average household size of 2.61 people per the 2010 census, 13.5 gross acres equates to an additional 130 population, providing an estimated build-out population for the UGB 3,806 people. At 2.61 people per unit, the buildout population equates to 1,458 residential EDU.

In the City of Turner there are also approximately 30 acres of commercial zoned land and 129 acres of industrial land. For commercial zoned areas, trips are based on building improvements occupying estimated 50% lot coverage with a trip factor of 30 ELNDT per 1,000 square feet (KSF). For industrial lands, buildings are estimated to occupy 10% of the area with a trip factor of 5 ELNDT per KSF.

Estimated trip rates for each zone are listed in the following table:

CITY OF TURNER
ESTIMATED AVERAGE WEEKDAY ELNDT
WITHIN THE URBAN GROWTH BOUNDARY
March 2018

LAND USE	*TOTAL UNITS*	*UNITS PER EDU*	*TRIP RATE*	*ELNDT AVE WEEKDAY*
RESIDENTIAL	3,806 Pop	2.61 / EDU	10 per EDU	14,580
COMMERCIAL	30 Acres	21.8 KSF / Ac	30 per KSF	19,620
INDUSTRIAL	129 Acres	4.36 KSF / Ac	5 per KSF	2,810
			TOTAL ELNDT	**37,010**

The SDC methodology allocates 100% of the costs of needed improvements over all users, existing and future. The existing street improvements and the improvements identified in the TSP will provide the backbone for service to the entire Urban Growth Boundary. As a result, similar to the Water, Sewer and Stormwater SDCs, the Transportation SDC Improvement Fee will allocate the improvement costs over the estimated build-out trip count. The cost per ELNDT is then:

SDC Improvement Fee = (SDC ELIGIBLE COSTS) / (Total ELNDT)

SDC Improvement Fee = ($4,394,000)/ (37,010 ELNDT)

Improvement Fee = $118.70 per ELNDT

TRANSPORTATION SYSTEM SDC REIMBURSEMENT FEE:

A Reimbursement Fee is intended to incorporate the value of existing transportation system improvements with capacity to accommodate future growth. The City has completed all of the several improvements that were listed in the 1999 Transportation System Plan that provide capacity for future users.

Although many of the street widths are less than the minimum width standard and are not fully developed with curb and sidewalks, the existing street improvements provide the only network to serve the entire Urban Growth Boundary. The City has funded development of these streets and continued development throughout the Urban Growth Boundary is dependent upon the use of these existing streets. Additionally, the City resurfaced all streets in 2001 as a component of City-wide utility improvements.

As a result of not having the history of funding with grants or donations for each street, a conservative value of 25% of the replacement cost is used in the Reimbursement Fee calculation. This value can be supported as an estimate of the inflation component of the current value.

The following table lists the estimated fully-developed value and the net SDC value of existing transportation system improvements that provide the basis for continued growth:

CITY OF TURNER
TRANSPORTATION SYSTEM REIMBURSEMENT FEE
VALUE OF EXISTING IMPROVEMENTS
March 2018 ENR CCI 10,889

No	*Existing Improvement*	*Length (FT)*	*Ave Width (FT)*	*Current Value*	*SDC Value*
1	Boise St, 6th to 5th	320	22.0	$92,000	$23,000
2	Boise St, 3rd to 2nd	340	22.0	98,000	$24,500
3	Chicago St, 5th to School	2,010	30.6	800,000	$200,000
4	Delaney Rd, 3rd to Witzel	3,935	37.8	1,800,000	$450,000
5	Delaney Rd, 3rd to 7th*	1,200	32.0	1,241,000	$310,250
6	Denver St, 3rd to Bridge	1,580	52.0	900,000	$225,000
7	Eastwood Dr, Val View to Solarian Drive	2,590	27.9	940,000	$235,000
8	Holly St, 3rd to 2nd	300	34.0	130,000	$32,500
9	Riva Ridge, Solarian to end	565	22.0	160,000	$40,000
10	School St, Chicago to Denver	270	22.0	80,000	$20,000
11	Solarian, Val View to end	1,345	24.6	440,000	$110,000

12	Val View Dr, 3rd to City Limit	6,000	22.0	1,760,000	$440,000
13	2nd St, Holly to Val View	1,425	34.0	630,000	$157,500
14	2nd St, Delaney to Ash	465	22.0	130,000	$32,500
15	2nd St, Boise to Denver	535	29.0	200,000	$50,000
16	3rd St, Val View to Denver	3,400	44.0	1,768,000	$442,000
17	4th St, Chicago to S End	960	22.0	275,000	$68,750
18	5th St, Park to Chicago	3,440	22.6	1,010,000	$252,500
19	Master Planning & SDCs	--	--	4,800	$4,800
		TOTAL		**$12,458,800**	**$3,118,300**

* Based on City's match of actual cost in the 2017 County improvement project.

TRANSPORTATION SDC REIMBURSEMENT FEE CALCULATION:

As determined in the above table, the value of existing improvements is estimated at $3,118,300. The Reimbursement Fee component of the SDC is calculated by dividing the total value by the number of benefitting ELNDT:

SDC Cost per Trip = (Reimbursement Value) / (Total ELNDT)

SDC Cost per Trip = ($3,118,300) / (37,010 ELNDT)

SDC Reimbursement Fee = $84.25 per ELNDT

TRANSPORTATION SYSTEM TOTAL SDC FEE CALCUATION

Based on the identified Capital Improvement Plan, reimbursement values and the projected number of new Equivalent Length New Daily Trips through the planning period, the SDC fee is summarized below:

SDC Improvement Fee = $118.70 per ELNDT

SDC Reimbursement Fee = $84.25 per ELNDT

The cost per ELDNT should be applied to the ITE Trip Generation factor, as adjusted by the Local Factor, to determine the specific charge for each land use. The ITE Trip Generation factor should be based on the average weekday trips from the best category fit in the most current Trip Generation Manual, which is included at the end of this text as listed in the current edition.

The ITE tables publish average trip rates for each land use, however, they do not account for length of trip or linked trips because those factors are specific to each community. The length factor is an estimate of the ratio of the subject land use trip length to an average single family residential trip length. The linked trip factor is an estimate of how many of the trips specific to the subject land use are linked to other destinations, where the actual trip is shared by multiple destinations or multiple stops on the same trip.

The following table lists the SDC costs for selected land use, including a 2% charge for administration. Attached at the end of this section is a complete listing of all available ITE trip categories with published average weekday trip rates from the 9th Edition as adjusted by the factors discussed above.

CITY OF TURNER
TRANSPORTATION SDC FEES FOR SELECTED LAND USES
BASED ON ITE AVERAGE WEEKDAY ELNDT
March 2018 ENR CCI 10,889

	ITE CATEGORY, UNITS	*ELNDT/ UNIT*	*TRIP FACTOR*	*FEE PER ELNDT*	*SDC COST*
--	Per ELNDT Improvement Fee	--	--	$118.70	--
--	Per ELNDT Reimbursement Fee	--	--	$84.25	--
--	Per ELNDT 2% Administration Fee	--	--	$4.05	--
--	Total Fee Per ELNDT	--	--	$207	--
Residential					
210	Single family, per unit	9.52	100%	$207.00	**$1,971**
220	Apartment, per unit	6.65	100%	$207.00	**$1,377**
Commercial / Industrial					
110	Light Industrial, per KSF*	6.97	100%	$207.00	**$1,443**
710	General Office, per KSF*	11.03	20%	$207.00	**$457**

* Units are per 1,000 square feet of gross building area

TRANSPORTATION SDC FEES
AVERAGE WEEKDAY ELNDT FACTORS
ITE 9th Edition

ITE #	LAND USE	ITE TRIP RATE*	LOCAL FACTOR	ELNDT RATE
Port & Terminal Use				
10	Waterport / Marine Terminal, Per Acre	11.93	100%	11.93
21	Commercial Airport, Per Commercial Flight per day	122.21	100%	122.21
22	General Aviation Airport, Per Average Flights per Day	1.97	100%	1.97
30	Truck Terminal, Per Acre	81.9	100%	81.90
90	Park-and-Ride Lot with Bus Service, Per Parking Space	4.50	100%	4.50
93	Light Rail Transit Station with Parking, Per Parking Space	2.51	100%	2.51
Industrial Use				
110	General Light Industrial, Per KSF	6.97	100%	6.97
120	General Heavy Industrial, Per KSF	1.50	100%	1.50
130	Industrial Park, Per KSF	6.83	100%	6.83
140	Manufacturing, Per KSF	3.82	100%	3.82
150	Warehousing, Per KSF	3.56	100%	3.56
151	Mini-Warehouse, Per KSF	2.50	100%	2.50
160	Data Center, Per KSF	0.99	100%	0.99
Residential Use				
210	Single-Family Detached Housing, Per Dwelling	9.52	100%	9.52
220	Apartment, Per Dwelling	6.65	100%	6.65
221	Low-Rise Apartment, Per Occupied Unit	6.59	100%	6.59
222	High-Rise Apartment, Per Dwelling	4.20	100%	4.20
230	Residential Condominium/ Townhouse, Per Dwelling	5.81	100%	5.81
232	High-Rise Residential Condominium /Townhouse, Per Dwelling	4.18	100%	4.18
240	Mobile Home Park, Per Occupied Dwelling	4.99	100%	4.99
251	Senior Adult Housing - Detached, Per Dwelling	3.68	100%	3.68
252	Sr. Adult Housing - Attached, Per Occupied Dwelling Unit	3.44	100%	3.44
253	Congregate Care Facility, Per Occupied Dwelling Unit	2.15	100%	1.07
254	Assisted Living, Per Bed	2.66	100%	1.33

ITE #	LAND USE	ITE TRIP RATE*	LOCAL FACTOR	ELNDT RATE
255	Continuing Care Retirement Community, Per Occupied Unit	2.50	100%	1.25
260	Recreational Home, Per Dwelling	3.16	100%	3.16
270	Residential Planned Unit Development, Per Dwelling	7.50	100%	7.5
Lodging				
310	Hotel, Per Room	8.17	50%	4.08
311	All Suites Hotel, Per Room	4.90	50%	2.45
312	Business Hotel, Per Occupied Unit	7.27	50%	3.63
320	Motel, Per Room	5.63	50%	2.81
Recreational				
411	City Park, Per Acre	1.89	50%	0.94
412	County Park, Per Acre	2.28	50%	1.14
413	State park, Per Acre	0.65	50%	0.32
414	Water Slide Park, Per Parking Space	2.27	50%	1.13
415	Beach Park, Per Acre	29.81	50%	14.90
417	Regional Park, Per Acre	4.57	50%	2.28
418	National Monument, Per Acre	5.37	50%	2.68
420	Marina, Per Berth	2.96	50%	1.48
430	Golf Course, Per Acre	5.04	50%	2.52
435	Multipurpose Recreational Facility, Per Acre	90.38	50%	45.19
437	Bowling Alley, Per KSF or Per Lane	33.33	50%	16.66
443	Movie Theater without Matinee, Per KSF	78.06	50%	39.03
444	Movie Theater with Matinee, Per KSF	99.28	50%	49.64
452	Horse Track, Per Acre	43.00	50%	21.50
460	Arena, Per Acre	33.33	50%	16.66
480	Amusement Park, Per Acre	75.76	50%	37.88
481	Zoo, Per Acre	114.88	50%	57.44
488	Soccer Complex, Per Field	71.33	50%	35.66
490	Tennis Courts, Per Court	31.04	50%	15.52
491	Racquet/Tennis Club, Per KSF	14.03	50%	7.01
492	Health/Fitness Club, Per KSF	32.93	50%	16.46
493	Athletic Club, Per KSF	43.00	50%	21.50
495	Recreational Community Center, Per KSF	33.82	50%	16.91
Institutional				

ITE #	LAND USE	ITE TRIP RATE*	LOCAL FACTOR	ELNDT RATE
520	Elementary School, Per KSF	15.43	50%	7.71
522	Middle School/Junior High School, Per KSF	13.78	50%	6.89
530	High School, Per KSF	12.89	50%	6.44
540	Junior/Community College, Per KSF	27.49	50%	13.74
560	Church, Per KSF	9.11	50%	4.55
561	Synagogue, Per KSF	10.64	50%	5.32
565	Day Care Center, Per KSF	74.06	50%	37.03
566	Cemetery, Per Acre	4.73	50%	2.36
590	Library, Per KSF	56.24	50%	28.12
Medical				
610	Hospital, Per KSF	13.22	50%	6.61
620	Nursing Home, Per KSF	7.60	50%	3.80
630	Clinic, Per KSF	31.45	50%	15.72
Office				
710	General Office Building, Per KSF	11.03	20%	2.21
714	Corporate Headquarters Building, Per KSF	7.98	20%	1.60
715	Single Tenant Office Building, Per KSF	11.65	20%	2.33
720	Medical-Dental Office Building, Per KSF	36.13	20%	7.23
730	Government Office Building, Per KSF	68.93	20%	13.79
731	State Motor Vehicles Department, Per KSF	166.02	20%	33.20
732	United States Post Office, Per KSF	108.19	20%	21.64
733	Government Office Complex, Per KSF	27.92	20%	5.58
750	Office Park, Per KSF	11.42	20%	2.28
760	Research and Development Center, Per KSF	8.11	20%	1.62
770	Business Park, Per KSF	12.44	20%	2.49
Retail				
812	Building Materials & Lumber Store, Per KSF	45.16	20%	9.03
813	Free-Standing Discount Superstore, Per KSF	50.75	20%	10.15
814	Variety Store, Per KSF	64.03	20%	12.81

ITE #	LAND USE	ITE TRIP RATE*	LOCAL FACTOR	ELNDT RATE
815	Free-Standing Discount Store, Per KSF	57.24	20%	11.45
816	Hardware/Paint Store, Per KSF	51.29	20%	10.26
817	Nursery (Garden Center), Per KSF	68.10	20%	13.62
818	Nursery (Wholesale), Per Acre	39.00	20%	7.80
820	Shopping Center, Per KSF	42.70	20%	8.54
823	Factory Outlet Center, Per KSF	26.59	20%	5.32
826	Specialty Retail Center, Per KSF	44.32	20%	8.86
841	New Car Sales, Per KSF	32.30	20%	6.46
843	Automobile Parts Sales, Per KSF	61.91	20%	12.38
848	Tire Store, Per KSF	24.87	20%	4.97
849	Tire Superstore, Per KSF	20.36	20%	4.07
850	Supermarket, Per KSF	102.24	20%	20.45
851	Convenience Market (Open 24 Hours), Per KSF	737.99	20%	147.60
853	Convenience Market with Gasoline Pumps, Per KSF	845.60	20%	169.12
854	Discount Supermarket, Per KSF	90.86	20%	181.72
857	Discount Club, Per KSF	41.80	20%	8.36
860	Wholesale Market, Per KSF	6.73	20%	1.35
862	Home Improvements Superstore, Per KSF	30.74	20%	6.15
863	Electronics Superstore, Per KSF	45.04	20%	9.01
863	Book Superstore, Per KSF	143.53	20%	28.71
869	Discount Home Furnishing Superstore, Per KSF	20.00	20%	4.00
875	Department Store, Per KSF	22.88	20%	4.58
876	Apparel Store, Per KSF	66.40	20%	13.28
879	Arts and Craft Store, Per KSF	56.55	20%	11.31
880	Pharmacy/Drugstore without Drive-Through Window, Per KSF	90.06	20%	18.01
881	Pharmacy/Drugstore with Drive-Through Window, Per KSF	96.91	20%	19.38
890	Furniture Store, Per KSF	5.06	20%	1.01
897	Medical Equipment Store, Per KSF	6.00	20%	1.20
Service				
912	Drive-In Bank, Per KSF	148.15	20%	29.63
931	Quality Restaurant, Per KSF	89.95	20%	17.99

ITE #	LAND USE	ITE TRIP RATE*	LOCAL FACTOR	ELNDT RATE
932	High-Turnover (sit-Down) Restaurant, Per KSF	127.15	20%	25.43
933	Fast Food Restaurant without Drive-Through Window, Per KSF	716.00	20%	143.20
934	Fast Food Restaurant with Drive-Through Window, Per KSF	496.12	20%	99.22
937	Coffee / Donut Shop w/Drive Thru, Per KSF	818.58	20%	163.72
938	Coffee / Donut Shop Drive Thru Only, Per KSF	1,800.00	20%	360.00
941	Quick Lubrication Vehicle Shop, Per Bay	40.00	20%	8.00
942	Automotive Care Center, Per KSF	23.72	20%	4.74
944	Gasoline/Service Station, Per Fueling Positions	168.56	20%	33.71
945	Gasoline/Service Station with Convenience Market, Per Fueling Positions	162.78	20%	32.56
946	Gasoline/Service Station with Convenience Market and Car Wash, Per Fueling Positions	152.84	20%	30.57
947	Self-Service Car Wash, Per Wash Stall	108	20%	21.60

CITY OF PHILOMATH
Facility Improvement Schedule

Facility Description	Estimated Future Cost	Current Balance	Years to Replace	2020-21	2021-22	2022-23	2023-24	2024-25	Comments
CITY HALL Upgrade/Remodel	400,000	144,100	4	60,000	60,000	60,000	60,000	60,000	Remodel in 2023
Parking lot/landscape restoration	30,000	6,700	7	3,000	3,000	3,000	3,000	3,000	Restore in 2026
HVAC replacement (2) units	40,000	6,200	12	2,400	2,400	2,400	2,400	2,400	Replace in 2031
Total Funding		157,000		65,400	65,400	65,400	65,400	65,400	
POLICE Upgrade/Remodel	500,000	182,500	20	9,400	9,400	9,400	9,400	9,400	Remodel in 2039
Parking lot/landscape restoration	30,000	6,700	7	3,000	3,000	3,000	3,000	3,000	Restore in 2026
HVAC Rehab (3) units	60,000	29,000	7	3,600	3,600	3,600	3,600	3,600	Replace in 2026
Total Funding		218,200		16,000	16,000	16,000	16,000	16,000	
LIBRARY Upgrade/Remodel	500,000	178,000	5	59,000	59,000	59,000	59,000	59,000	Addition in 2024
New addition conceptual design	30,000	30,000	1	0	0	0	0	0	Design in 2020
Parking lot/landscape replacement	30,000	6,700	7	3,000	3,000	3,000	3,000	3,000	Restore in 2026
HVAC replacement (4) units	80,000	12,300	12	4,800	4,800	4,800	4,800	4,800	Replace in 2031
Total Funding		227,000		66,800	66,800	66,800	66,800	66,800	
PUBLIC WORKS Upgrade/Remodel	500,000	15,000	31	11,200	11,200	11,200	11,200	11,200	Remodel in 2050
Shop Buildings Upgrade/Remodel	300,000	5,000	31	7,000	7,000	7,000	7,000	7,000	Remodel in 2050
Parking lot/landscape restoration Main Bldg	30,000	19,000	3	3,200	3,200	3,200	0	0	Restore in 2022
Parking lot/landscape restoration Shops	150,000	0	20	6,200	6,200	6,200	6,200	6,200	Restore in 2039
HVAC Rehab (2) units	25,000	19,200	2	2,500	2,500	0	0	0	Replace in 2021
Total Funding		58,200		30,100	30,100	27,600	24,400	24,400	

* Notations: 2% earned interest calculated annually; inflation is not factored in

PUBLIC WORKS DEPARTMENT

Equipment Replacement Schedule

Equipment # and Description	Estimated Future Cost	Current Balance	Years to Replace	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Comments
Water Fund											
46 2012 2 yard Dump truck	50,000	34,000	3	4,600	4,600	4,600	0	0	0	0	Replace in 2022-23
48 2016 Ford utility van	45,000	14,800	6	4,500	4,500	4,500	4,500	4,500	4,500	0	Replace in 2025-26
55 2019 Dodge Ram	32,000	3,100	9	2,900	2,900	2,900	2,900	2,900	2,900	2,900	Replace in 2028-29
33 2007 Camel Vacuum truck	600,000	330,500	2	81,500	81,500	81,500	0	0	0	0	Replace in 2022-23
Total		382,400		93,500	93,500	93,500	7,400	7,400	7,400	2,900	
Wastewater Fund											
39 2019 Ford Ranger	30,000	0	10	2,800	2,800	2,800	2,800	2,800	2,800	2,800	Replace in 2029-30
43 2009 GMC Canyon	30,000	26,300	1	3,200	0	0	0	0	0	0	Replace in 2020-21
2009 GMC replacement	35,000	0	11	0	3,200	3,200	3,200	3,200	3,200	3,200	Replace in 2030-31
40 2008 Ford F450 Utility Truck	50,000	43,700	1	5,500	0	0	0	0	0	0	Replace in 2020-21
2008 Ford F450 replacement	60,000	0	11	0	5,500	5,500	5,500	5,500	5,500	5,500	Replace in 2030-31
7 2003 International dump truck	85,000	63,500	4	4,000	4,000	4,000	4,000	0	0	0	Replace in 2023-24
16 2007 Case Backhoe	50,000	37,400	5	5,500	5,500	5,500	5,500	5,500	0	0	Replace in 2024-25
42 2008 Mini Excavator	45,000	34,400	5	4,600	4,600	4,600	4,600	4,600	0	0	Replace in 2024-25
Sewer camera replacement	85,000	32,000	7	6,500	6,500	6,500	6,500	6,500	6,500	6,500	Replace in 2026-27
Total		237,300		32,100	32,100	32,100	32,100	28,100	18,000	18,000	
Street Fund											
50 2019 Ford 350	60,000	0	10	5,500	5,500	5,500	5,500	5,500	5,500	5,500	Replace in 2029-30
13 Sander	10,000	3,300	6	1,000	1,000	1,000	1,000	1,000	1,000	0	Replace in 2025-26
54 2015 Ravo Street Sweeper	300,000	78,000	8	24,400	24,400	24,400	24,400	24,400	24,400	24,400	Replace in 2027-28
Total		81,300		30,900	30,900	30,900	30,900	30,900	30,900	29,900	
Park Fund											
38 Replace John Deere front mower	33,000	0	10	3,000	3,000	3,000	3,000	3,000	3,000	3,000	Replace in 2029-30
John Deere Tractor	35,000	21,600	3	4,000	4,000	4,000	0	0	0	0	Replace in 2022-23
Park play equipment	78,000	0	5	15,000	15,000	15,000	15,000	15,000	0	0	Replace in 2025-26
Total		21,600		22,000	22,000	22,000	18,000	18,000	3,000	3,000	
Administration											
City Manager Vehicle	25,000	22,300	1	2,700	0	0	0	0	0	0	Replace in 2020-21
Total		22,300		2,700	0	0	0	0	0	0	

* Notations: 2% earned interest calculated annually; inflation is *not* factored in

PUBLIC WORKS DEPARTMENT

Equipment Replacement Schedule

Equipment # and Description	Estimated Future Cost	Current Balance	Years to Replace	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Comments
Water Fund											
43 2009 GMC Canyon	30,000	26,300	1	3,200	0	0	0	0	0	0	Replace in 2020-21
2009 GMC replacement	35,000	0	11	0	3,200	3,200	3,200	3,200	3,200	3,200	Replace in 2030-31
16 2007 Case Backhoe	50,000	28,800	5	3,500	3,500	3,500	3,500	3,500	0	0	Replace in 2024-25
49 2019 Dodge Ram	32,000	3,100	9	2,900	2,900	2,900	2,900	2,900	2,900	2,900	Replace in 2028-29
39 2019 Ford Ranger	30,000	0	10	2,800	2,800	2,800	2,800	2,800	2,800	2,800	Replace in 2029-30
Total		58,200		12,400	12,400	12,400	12,400	12,400	8,900	8,900	
Wastewater Fund											
40 2008 Ford F450 Utility Truck	50,000	44,900	1	5,100	0	0	0	0	0	0	Replace in 2020-21
2008 Ford F450 replacement	55,000	0	11	0	5,100	5,100	5,100	5,100	5,100	5,100	Replace in 2030-31
33 2007 Camel Vacuum truck	600,000	460,200	2	60,000	60,000	0	0	0	0	0	Replace in 2021-22
Vac truck replacement	650,000	0	12	0	0	60,000	60,000	60,000	60,000	60,000	Replace in 2031-32
7 2003 International dump truck	85,000	63,300	4	4,000	4,000	4,000	4,000	0	0	0	Replace in 2023-24
42 2008 Mini Excavator	45,000	25,200	5	3,300	3,300	3,300	3,300	3,300	0	0	Replace in 2024-25
48 2016 Ford utility van	45,000	23,200	6	3,000	3,000	3,000	3,000	3,000	3,000	0	Replace in 2025-26
Sewer camera	85,000	32,000	7	6,500	6,500	6,500	6,500	6,500	6,500	6,500	Replace in 2026-27
Total		648,800		81,900	81,900	81,900	81,900	77,900	74,600	71,600	
Street Fund											
46 2012 2 yard Dump truck	50,000	37,000	3	3,500	3,500	3,500	0	0	0	0	Replace in 2022-23
13 Sander	10,000	3,300	6	1,000	1,000	1,000	1,000	1,000	1,000	0	Replace in 2025-26
54 2015 Ravo Street Sweeper	300,000	78,000	8	24,400	24,400	24,400	24,400	24,400	24,400	24,400	Replace in 2027-28
50 2019 Ford 350	60,000	0	10	5,500	5,500	5,500	5,500	5,500	5,500	5,500	Replace in 2029-30
Total		118,300		34,400	34,400	34,400	30,900	30,900	30,900	29,900	
Park Fund											
John Deere Tractor	35,000	21,300	3	4,000	4,000	4,000	0	0	0	0	Replace in 2022-23
Park equipment	100,000	0	6	15,800	15,800	15,800	15,800	15,800	15,800	0	Replace in 2025-26
38 John Deere front mower	33,000	0	10	3,000	3,000	3,000	3,000	3,000	3,000	3,000	Replace in 2029-30
Total		21,300		22,800	22,800	22,800	18,800	18,800	18,800	3,000	
Administration											
City Manager Vehicle	25,000	22,300	6	0	0	0	0	0	0	0	Replace in 2025-26
Total		22,300		0	0	0	0	0	0	0	

* Notations: 2% earned interest calculated annually; inflation is *not* factored in