



## Staff Report

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**File #:** 18-441

**Version:** 1

**Date:** 10/8/2018

**Item #:** 3.2 a.

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Peter Fernandez, PE, Public Works Director

### **SUBJECT:**

Amendments to the Wastewater System Development Charges Eligible Project List.

Ward(s): 8

Councilor(s): Lewis

Neighborhood(s): West Salem Neighborhood Association

### **ISSUE:**

Shall City Council adopt Resolution No. 2018-78 amending the Wastewater System Development Charges Eligible Project List to specify eligibility of a wastewater main on Doaks Ferry Road NW, between Brush College Road NW and Orchard Heights Road NW?

### **RECOMMENDATION:**

Adopt Resolution No. 2018-78 amending the Wastewater System Development Charges Eligible Project List to specify eligibility of a wastewater main on Doaks Ferry Road NW, between Brush College Road NW and Orchard Heights Road NW?

### **SUMMARY AND BACKGROUND:**

*Oregon Revised Statutes* (ORS) Chapter 223 authorizes the City of Salem to charge System Development Charges (SDCs) on new development to recover all or part of the cost of building certain infrastructure needed to serve developable land. SDC funds may only be expended on capital improvements associated with the system(s) for which the fees are collected.

Under ORS 223.309, the City is required to prepare a master plan and project list of wastewater-related projects that are to be funded with wastewater SDCs. Only projects on the Wastewater System Development Charges Eligible Project List (also known as the "Wastewater 309 List") can be funded with Wastewater SDCs. However, the list can be amended by ordinance or resolution (see Attachment 1) at any time by City Council to add or remove projects or to make other modifications.

The current Wastewater 309 List is not specific regarding the SDC eligibility of wastewater collection mains, listing them only as a summary item totaling approximately 84 million dollars. Recent development activity has necessitated that the eligibility of specific wastewater mains be specifically identified on the Amended Wastewater 309 List (Attachment 2).

SDC methodologies for Parks, Transportation, Water, Wastewater, and Stormwater are currently being reviewed by a committee comprised of City Councilors and community stakeholders. Committee meetings have been held monthly since June 2017. Staff anticipates that new SDC methodologies, updated 309 lists for all Public Works lines of business, and revised fee tables will be proposed to City Council for adoption in early 2019.

## **FACTS AND FINDINGS:**

1. The current Wastewater SDC methodology was adopted by City Council on June 9, 2008, under Resolution No. 2008-68. The most recent Wastewater 309 List was adopted by City Council on July 11, 2011, under Resolution No. 2010-45.
2. The wastewater main project being clarified on the Wastewater 309 List is explained as follows:
  - a. Doaks Ferry Road NW between Brush College Road NW and Orchard Heights Road NW. Construction of this wastewater main (Attachment 3) is identified as a requirement to develop approximately 47 acres of property on the northwest corner of the Orchard Heights Road NW/Doaks Ferry Road NW intersection. The project is eligible for reimbursement from Wastewater SDCs of up to 100 percent of the total cost.
3. Staff recommends approval of Resolution 2018-78 in order to specify SDC eligibility of developer-built wastewater infrastructure.
4. A separate item on the Council agenda proposes to create this mid-year wastewater project funded by Extra Capacity Facilities Fund 260.

Robert D. Chandler, PhD, PE  
Assistant Public Works Director

## **Attachments:**

1. Resolution 2018-78
2. Exhibit A of Resolution 2018-78 - Amended Wastewater 309 List
3. Project Map