



RESOLUTION NO. 6784

A RESOLUTION ESTABLISHING WASTEWATER SYSTEM DEVELOPMENT CHARGES, ESTABLISHING AN APPEAL FEE, AND REPEALING RESOLUTION 6699 (A RESOLUTION REVISING WASTEWATER SYSTEM DEVELOPMENT CHARGES FOR CONNECTION TO THE PUBLIC SANITARY WASTEWATER SYSTEM, REAFFIRMING AN APPEAL FEE, AND REPEALING RESOLUTION 6599).

WHEREAS, through the previous adoption of ordinances establishing and amending Albany Municipal Code (AMC) 15.16 regarding System Development Charges (SDC), the Council of the City of Albany has declared its intent to comply with the provisions of ORS 223.297 through 223.314; and

WHEREAS, a methodology for the calculation of an improvement and reimbursement fee SDC for the wastewater system in Albany has been developed as specifically described in Resolution No. 6766; and

WHEREAS, the maximum allowable fee adopted in the methodology is \$7,180 per Equivalent Dwelling Unit (EDU) when indexed to the *Engineering News Record* (ENR) Seattle Construction Cost Index (CCI) for November 2018 (11,532); and

WHEREAS, the capital project list provided in the SDC methodology includes long-range treatment projects that will be influenced by future regulations/permit conditions and capacity increasing pipe projects that will be partially funded through development; and

WHEREAS, in an effort to keep SDC fees charged to customers at a reasonable level and in recognition of private development responsibilities and an uncertain regulatory future, the council chose to rely upon a funded and unfunded list; and

WHEREAS, use of a funded and unfunded list reduces the SDC fee per EDU to \$4,481 when indexed to the ENR Seattle CCI for November 2018 (11,532) (also referred to as “reduced fee”); and

WHEREAS, the reduced fee still represents a significant increase over existing wastewater SDC charges and, therefore, is proposed to be phased in over a five-year period; and

WHEREAS, Exhibit ‘A’ provides the proposed fees to charge and represents 79 percent of the reduced fee (\$3,560 per EDU, Nov. 2018 ENR CCI Seattle); and

WHEREAS, AMC Section 15.16.050(5) of Ordinance 5306 allows for the annual adjustment of fees established herein in accordance with the change in the ENR CCI Seattle.

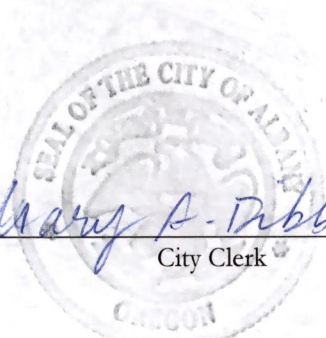
NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that Resolution No. 6699 is hereby repealed; and

BE IT FURTHER RESOLVED that an improvement fee and a reimbursement fee wastewater System Development Charge for Albany is hereby established as described in Exhibit ‘A’; and

BE IT FURTHER RESOLVED that the wastewater System Development Charges and appeal fee established by this resolution and the repeal of Resolution No. 6699 shall be effective **July 1, 2019**.

DATED THIS 13TH DAY OF MARCH 2019.

ATTEST:


Mary A. Dobbie
City Clerk


Mayor

EXHIBIT A

WASTEWATER SYSTEM DEVELOPMENT CHARGE

Wastewater SDC fees by customer class are shown below.

Residential Wastewater SDC

Component per EDU	Amount ^{1, 2, 3}
SDC-r	\$298
SDC-i	\$3,255
Compliance Fee	\$7 (\$7.40)
Total	\$3,560

¹ Indexed to November 2018 ENR Seattle CCI (11,532)

² For multifamily residential development, the SDC is the current residential SDC per EDU

³ For 'quad' or 'quint' type apartments, the number of EDUs shall not exceed the number of toilets available (Resolution No. 5055)
Numbers in parenthesis are calculated numbers shown for clarity. The nearest whole number is used to calculate the fee.

Commercial Wastewater SDC

Commercial customers vary significantly in terms of wastewater volumes. A plumbing fixture count is used to represent different wastewater volumes from commercial customers. Commercial customers also tend to vary significantly in terms of wastewater strengths. The combined BOD and TSS for the low-strength customer category are similar to the combined BOD and TSS for typical residential customers. Customers with medium-strength or high-strength pollutant loads have larger capacity demands per EDU than residential or low-strength commercial customers. A list of typical customer types in each strength category is included in Appendix I.

The classification of a new commercial customer will be determined by using the Commercial Customer Classification List (Appendix I). If the commercial customer cannot be easily categorized, they will be asked to submit estimated wastewater flow and strength data with a description of the type of business activities to the Public Works Director or designee. If multiple business types are tributary to a single pipe discharging to the wastewater collection system, the commercial customer classification for each tributary facility will be determined, and the classification with the highest strength will become the commercial customer classification for the entire facility. The Public Works Director, or designee, will make the final determination of customer classification for each new commercial customer.

For commercial development, the SDC fee is as follows:

Customer Class ¹	SDC-r per EDU ³	SDC-i per EDU ³	Compliance Fee per EDU ³	Total SDC per EDU ³	Cost per Additional Fixture over 6 ³
Commercial – Low	\$298	\$3,255	\$7 (\$7.40)	\$3,560	\$593
Commercial – Medium ²	\$348	\$4,815	\$7 (\$7.40)	\$5,171	\$862
Commercial - High	\$441	\$7,897	\$7 (\$7.40)	\$8,345	\$1,391

¹ See Appendix I for Commercial Customer Classification List

² For Recreational Vehicle (RV) Parks, the SDC is calculated based upon an assignment of three plumbing fixtures per pad or space.

³ Indexed to November 2018 ENR Seattle CCI (11,532)

Numbers in parenthesis are calculated numbers shown for clarity. The nearest whole number is used to calculate the fees

Industrial Wastewater SDC

Industrial customers' use of the system is highly variable. Once connected to the wastewater system, each industrial customer is required to monitor and report its specific use of the system on a monthly basis. However, to determine the SDC fee for each industrial customer prior to collection of specific data, individualized flows and loads will be estimated and applied to the same unit cost of capacity as is used for the residential and commercial customers. The unit cost of capacities is shown in the following table:

FEE PER UNIT OF CAPACITY				
Units	Avg Dry Weather Flow mgd	Peak Flow mgd (a)	MMBOD lbs/day (b)	MMTSS lbs/day (b)
SDC-r Unit Costs	\$190,662	\$223,344	\$21 (\$21.32)	\$127 (\$127.24)
SDC-i Unit Costs	\$1,327,666	\$2,359,499	\$1,953	\$1,813
TOTAL Unit Costs	\$1,518,327	\$2,582,843	\$2,195	\$1,940

(a) Peak Flows are MMDWF and PWWF unit costs combined and assessed each industrial customer based on their peak day flow
 (b) Maximum month loading expressed in pounds per day
 Numbers in parenthesis are calculated numbers shown for clarity. The nearest whole number is used to calculate the fee.

¹Indexed to November 2018 ENR (11,532)

For industrial development, the SDC fee is calculated by multiplying the individual customer's projected flows and loads by the unit costs of capacity shown above. The total SDC is the sum of the individual SDCs by parameter plus the compliance fee.

Total Industrial SDC Fee:

Average flow (mgd) X \$1,518,327 + Peak flow (mgd) X \$2,582,843 + MMBOD (lbs/day) X \$2,195 + MMTSS (lbs/day) X \$1,940

Compliance Charge = \$37 X number of EDUs, where EDUs = (Combined SDCi and SDCr)/\$3,553

Industrial customers are required to submit periodic compliance reports (AMC 10.06.070) indicating the nature and concentration of pollutants in the discharge and the average and maximum daily flows for the reporting period. Within 12 months from connection or at a mutually agreed upon time when the industrial customer's wastewater discharge characteristics have stabilized, the SDC may be recalculated based on the actual pollutant loading and flow and an adjusted payment (or refund) may be required.

Each industrial user is required to notify the City of any planned significant changes to the industrial user's operations that might alter the nature, quality, or volume of its wastewater (AMC 10.06.070(7)). If at any time after the initial SDC fee is paid and process or production changes result in increased flows and loads above those used to calculate original wastewater SDCs at the time of connection, the industry shall be responsible for payment of additional SDCs based on the unit costs of capacity in effect at the time of the increase. If, however, the process or production change results in decreased flows and loads, the industry will not be eligible for an SDC refund.

SDC IMPROVEMENT FEE CREDIT

Pursuant to Albany Municipal Code Section 15.16.090 (2), a credit against the sewer SDC-i fee shall be given for the cost of a qualified public wastewater improvement required as a condition of development approval and identified in Appendix II as a project to be wholly or partially funded with wastewater SDC-i fees.

APPEAL FEE

Pursuant to Albany Municipal Code (AMC) Section 15.16.100(5), an appeal fee of \$100 per appeal is hereby established. Appeal submittal by parties appealing their calculated fee (AMC Section 15.16.100(3)) shall conform to AMC Section 15.16.100 procedure.

APPENDIX I

CITY OF ALBANY COMMERCIAL CUSTOMER CLASSIFICATION COMBINED AVERAGE STRENGTH CATEGORIES & STANDARD INDUSTRIAL CLASSIFICATION

Waste Characteristic Allocation: The City of Albany does not have a monitoring program for all commercial customers and, consequently, does not have specific monitoring data on all of Albany's commercial customers. However, an extensive project was undertaken by the City of Portland Bureau of Environmental Services (BES) to determine wastewater characteristics by Standard Industry Classification (SIC) codes based upon monitoring data for Portland's customers and using data from other cities.

The City of Portland's wastewater characteristic study data is based on BOD and TSS information from commercial customers in Portland and 28 additional cities, and the customer list is representative of the Albany commercial businesses. The City of Salem is also using the Portland BES data to classify their commercial customers. Albany will continue to refine this database as additional waste characterization data becomes known.

COMMERCIAL LOW-STRENGTH (UP TO 450 MG/L COMBINED BOD/TSS)

Offices and Services:

- Accounting, Auditing, and Bookkeeping Services (8721)
- Adjustment and Collection Services (7322)
- Amusement and Recreation Services NEC (7999)
- Banks and Credit Unions (6021, 6022, 6141)
- Barber and Beauty Shops (7241, 7231)
- Child Day Care Services (8351)
- Computer and Computer Software Stores (5734)
- Correctional Institutions (9223)
- Employment Agencies (7361)
- Engineering Services (8711)
- Gasoline Service Stations (5541)
- Individual and Family Social Services (8322)
- Insurance Agents, Brokers, and Service (6411)
- Investment Advice (6282)
- Legal Services (8111)
- Libraries (8231)
- Medical and Dental Offices and Clinics (including chiropractors, health practitioners, optometrists)
(8011, 8021, 8041, 8042, 8049)
- Motels (7011)
- Museums and Art Galleries (8412)
- Nursing Care Facilities (8051)
- Schools (Elementary and Secondary) and Educational Services (8211)
- Taxicabs (4121)
- Title Insurance (6361)
- Trucking - local with storage (4214)

General Retail Businesses:

- Apparel, Accessory, Jewelry and Shoe Stores (5699, 5641, 5651, 5944, 5661)
- Auto equipment/supplies, new/used - NEC (5599 - see printout)
- Beer, Ale, and Liquor Stores - wholesale and distribution (5181 and 5921)
- Boat Dealers (5551)
- Book Stores (5942)
- Coin-Operated Laundries (7215)
- Department Stores (5311)
- Floor Covering Stores (5713)
- Florists (5992)
- Groceries, wholesale and distribution (5141)
- Hobby, Toy, and Game Shops (5945)

Home Furnishings and Hardware Stores (5719, 5251)
Miscellaneous food stores - minimarts without kitchens (5499)
Musical Instrument Stores (5736)
Paint, Glass, and Wallpaper Stores (sales but no mixing) (5231)
Sporting Goods Stores and Bicycle Shops (5941)
Tobacco Stores and Standards (5993)
Used Merchandise Stores (5932)
Video Tape Rental (7841)

COMMERCIAL MEDIUM-STRENGTH (451 - 1,125 MG/L COMBINED BOD/TSS)

Automotive/Mechanical Repair and/or Wash:

Airports, Flying Fields, and Airport Terminal Services
Automotive Repair Shops NEC (7539-see printout)
Carwashes (7542)
Motor Vehicle Dealers - used cars (5521)

Specialty with medium-strength waste discharge:

Dry Cleaning Facilities (7216)
Restaurants, Eating Places, Bars, and Taverns (5812)
Funeral Services and Crematories (7261)
Hospitals (8060)
Junior Colleges and Technical Institutes (8222)
Meat and Fish Markets, Including Freezer Provisioners (5421)
Paints/Varnishes/Lacquers/Enamels mixing (2851)
Photofinishing Laboratories (7384)
Recreational Vehicle Parks (7033)
Trucking – local with storage (4212)

COMMERCIAL HIGH-STRENGTH (GREATER THAN 1,126 MG/L COMBINED BOD/TSS)

Automotive:

Exhaust System Repair (7533), Transmission Repair (7537), Tire Shop (7534), General Automotive Repair (7538-see printout), Automotive Services (7549), Armature Rewinding Shop (7694)
Motor Vehicle Dealers - new cars (5511)

Specialty with high-strength waste discharge:

Candy, Nut, and Confectionery Stores (5441)
Disinfecting and Pest Control Services (7342)
Fire Protection (9224)
Grocery Stores with garbage disposals (5412)
Industrial Launderers (7218)
Malt Beverage Brewery (2082)
Pharmaceutical Preparations (2834)
Retail Bakeries - with kitchen (5461)
Printing and Stamping on Fabric Articles - silk screening (2396)
Trucking - long distance, not local (4213)
Passenger car rental, no drivers for hire (7514)

APPENDIX II

SDC-i Eligible Projects Funded by the Adopted Fee Schedule

Costs are based on the Engineering News Record (ENR) Construction Cost Index (Seattle) in December 2017 of 11,443

Water Reclamation Projects

Project #	Project Description	Total Project Cost	SDC Eligible			Unfunded List
			%	\$	Funded \$	
T-1	Influent Pump Station Expansion	\$15,218,000	93%	\$14,153,000	\$14,153,000	\$0
T-2	Headworks 4th Channel Equip. & Screening Equip.	\$1,882,000	100%	\$1,882,000	\$1,882,000	\$0
T-3	Headworks Gnt Removal Equipment	\$2,943,000	100%	\$2,943,000	\$2,943,000	\$0
T-4	VLR No. 1A	\$1,352,000	100%	\$1,352,000	\$1,352,000	\$0
T-5	VLR No. 2A	\$3,273,000	100%	\$3,273,000	\$3,273,000	\$0
T-6	Vertical Loop Reactors 9-14	\$23,607,000	100%	\$23,607,000	\$23,607,000	\$0
T-7	Blower Building #2	\$5,897,000	100%	\$5,897,000	\$5,897,000	\$0
T-8	Secondary Clarifier #4	\$5,283,000	100%	\$5,283,000	\$5,283,000	\$0
T-9	Tertiary Filters	\$47,151,000	100%	\$47,151,000	\$0	\$47,151,000
T-10	Chlorine Contact Basin Expansion	\$2,786,000	100%	\$2,786,000	\$2,786,000	\$0
T-11	Sludge Composting and Dewatering Facilities	\$25,560,000	62%	\$15,847,000	\$15,847,000	\$0
T-12	Future Temperature Mitigation	\$38,321,000	100%	\$38,321,000	\$0	\$38,321,000
T-13	Outfall and Diffuser No. 2	\$4,856,000	100%	\$4,856,000	\$4,856,000	\$0
Subtotals.		\$178,129,000	94%	\$167,351,000	\$81,879,000	\$85,472,000

Collection System Projects

Collection System FP Project #	Project Description	Total Project Cost	SDC Eligible			Unfunded List 8" Equivalent \$	
			%	\$	Funded \$		
P11-P13	Cox Creek Interceptor	\$4,796,000	65%	\$3,107,000	\$3,107,000	\$0	
P15-P16	Ferry Street and 28th Avenue	\$5,040,000	3%	\$151,000	\$151,000	\$0	
P17-P18, LS20	Columbus Street Projects	\$582,000	75%	\$437,000	\$437,000	\$0	
P20-P21, P24, LS13	Century Drive - Draperville Projects	\$14,049,000	86%	\$12,099,000	\$12,099,000	\$0	
LS19	North Albany Lift Station Project	\$2,815,000	63%	\$1,773,000	\$1,773,000	\$0	
P26	Hill Street Project	\$2,026,000	18%	\$365,000	\$365,000	\$0	
P27-P28, LS9	Manon Street Projects	\$1,369,000	64%	\$875,000	\$875,000	\$0	
P19	Columbus Street Extension Project	\$1,936,000	100%	\$1,936,000	\$1,100,000	\$836,000	
P29	Marion Street Extension Project	\$1,355,000	100%	\$1,355,000	\$1,355,000	\$0	
P30-P31, LS21	Three Lakes Road Projects	\$6,118,000	100%	\$6,118,000	\$3,094,000	\$3,024,000	
P32-P33 & LS22	Highway 20 Projects	\$4,294,000	100%	\$4,294,000	\$1,511,000	\$2,783,000	
P34a, P34b, P35	Timber Linn Projects	\$3,671,000	100%	\$3,671,000	\$2,443,000	\$1,228,000	
P36-P38, LS23	Knox Butte Road Projects	\$4,808,000	100%	\$4,808,000	\$1,673,000	\$3,135,000	
LS24	Burkhart Creek Lift Station	\$957,000	100%	\$957,000	\$957,000	\$0	
P39-P40, LS25	Springhill Drive Projects	\$4,696,000	100%	\$4,696,000	\$4,696,000	\$0	
LS26	Quarry Road Lift Station	\$957,000	100%	\$957,000	\$957,000	\$0	
P25, P41, LS27	West Thornton Lake Projects	\$3,031,000	100%	\$3,031,000	\$2,407,000	\$624,000	
Subtotals.		\$62,500,000	81%	\$50,630,000	\$39,000,000	\$11,630,000	
				Totals:	\$217,981,000	\$120,879,000	\$97,102,000