



PUBLIC WORKS

**City of McMinnville
Public Works Department**
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MEMO

DATE: Mar 2, 2023
TO: Jeff Towery, City Manager
CC: Heather Richards, Community Development Director
Anne Pagano, Public Works Director
FROM: James Lofton, City Engineer
SUBJECT: SDC Rates Update

Report in Brief:

This memo establishes revised System Development Charges (SDCs) pertaining to parks and recreation, sanitary sewer, and transportation and replaces the previous memo dated March 28, 2022 which repealed Resolution No. 2021-10, which adjusted SDC fees in 2021.

Background & Discussion:

Chapter 3.10 of the Municipal Code, as adopted by Ordinance No. 4980 on June 10th, 2014, includes provisions for imposing sanitary sewer, transportation, and parks and recreation system development charges (SDCs). Per Section 3.10.020 (B) of the Municipal Code, the SDCs should be adjusted annually, as allowed by Oregon Revised Statutes, to reflect the increase in construction costs.

Adjustments shall be calculated each January by the City Engineer based upon changes in the Engineering News Record Construction Index (ENR Index) for Seattle, Washington. The index for January 2023 has been issued, and the index grew by 10.3% for calendar year 2022 (the index went from 13,722.83 in January 2022 to 15,132.08 in January 2023).

Per the attached summary, the sanitary sewer SDC will increase \$389 for a single family home; the parks and recreation SDC will increase \$287 per dwelling unit; and the transportation SDC rate will increase \$295 per PM peak hour trip. The effective date of rate changes shall be July 1, 2023, and the revised SDC rates shall apply to applicable building permits filed on or after that date.

Fiscal Impact:

The purpose of the SDCs is to impose an equitable share of the public costs of capital improvements that increase system capacity upon those developments that create the need for or increase the demands on capital improvements.

Attachments:

- 1. SDC Rate Changes Summary

Approved by:

3/2/2023

City Engineer

Date

Revised 2023/24 SDC's

Engineering News Record Construction Cost Index - Seattle

Jan-22	13,722.83
Jan-23	15,132.08

10.27% =Annual Increase

SDC RATES	Current	FY23/24	Difference
SANITARY SDC	\$3,788	\$4,177	\$389
PARKS SDC	\$2,795	\$3,082	\$287
TRANSPORTATION SDC			
Capital Costs	\$20,792,896	\$22,928,326	
Total New PM peak trips	7,230	7,230	
Rate (per PM pk hr trip)	\$2,876	\$3,171	\$295