



CITY COUNCIL STUDY SESSION DRAFT MINUTES

Monday, May 2, 2022

Held Electronically

View on Channel 9 or Channels 180 and 181 (for Charter Communications customers)
or live stream via rvtv.sou.edu select RVTV Prime.

Written and oral testimony will be accepted for public input. For written testimony, email public-testimony@ashland.or.us using the subject line: Ashland City Council Public Testimony.

For oral testimony, fill out a Speaker Request Form at ashland.or.us/speakerrequest and return to the City Recorder. The deadline for submitting written testimony or speaker request forms will be on Monday, May 2nd at 10 a.m. and must comply with Council Rules to be accepted.

Mayor Akins called the Study Session to order at 5:30 p.m.

1. Public Input (15 minutes, maximum)
None.
2. Systems Development Charges Update

City Manager Joe Lessard gave a brief Staff report.

Public Works Director introduced Deb Galardi. Ms. Galardi went over a PowerPoint Presentation (*see attached*).

Items discussed were:

- SDC Update Scope
- SDC Program Elements
 - Project List
 - SDC Methodology
 - SDC Schedule
 - Policies and Procedures (City Code)
- SDC Methodology Components
 - Reimbursement Fee
 - Improvement Fee
 - Compliance Costs
- Basic SDC Equation
- Preliminary Water Costs
- Single Family Dwelling Water Use
- Single Family House Size Distributin
- Water Use/House Size Relationship is Non – Linear
- Other Considerations
- Role of Baseline Value
- Preliminary SDCs for Single Family
- Multifamily Water SDC
- Commercial Water SDCs

City Recorder Melissa Huhtala

Attest:

Mayor Akins

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).



SYSTEM DEVELOPMENT CHARGES

CITY COUNCIL MEETING
MAY 2, 2022



Galardi Rothstein Group

SDC METHODOLOGY COMPONENTS

Reimbursement Fee

- Existing facility costs net of contributions
- Capacity available for growth

Improvement Fee

- Projects that increase capacity for growth
- Needed within 2040 period
- Adjusted for inflation as of Jan 2022

Compliance Costs

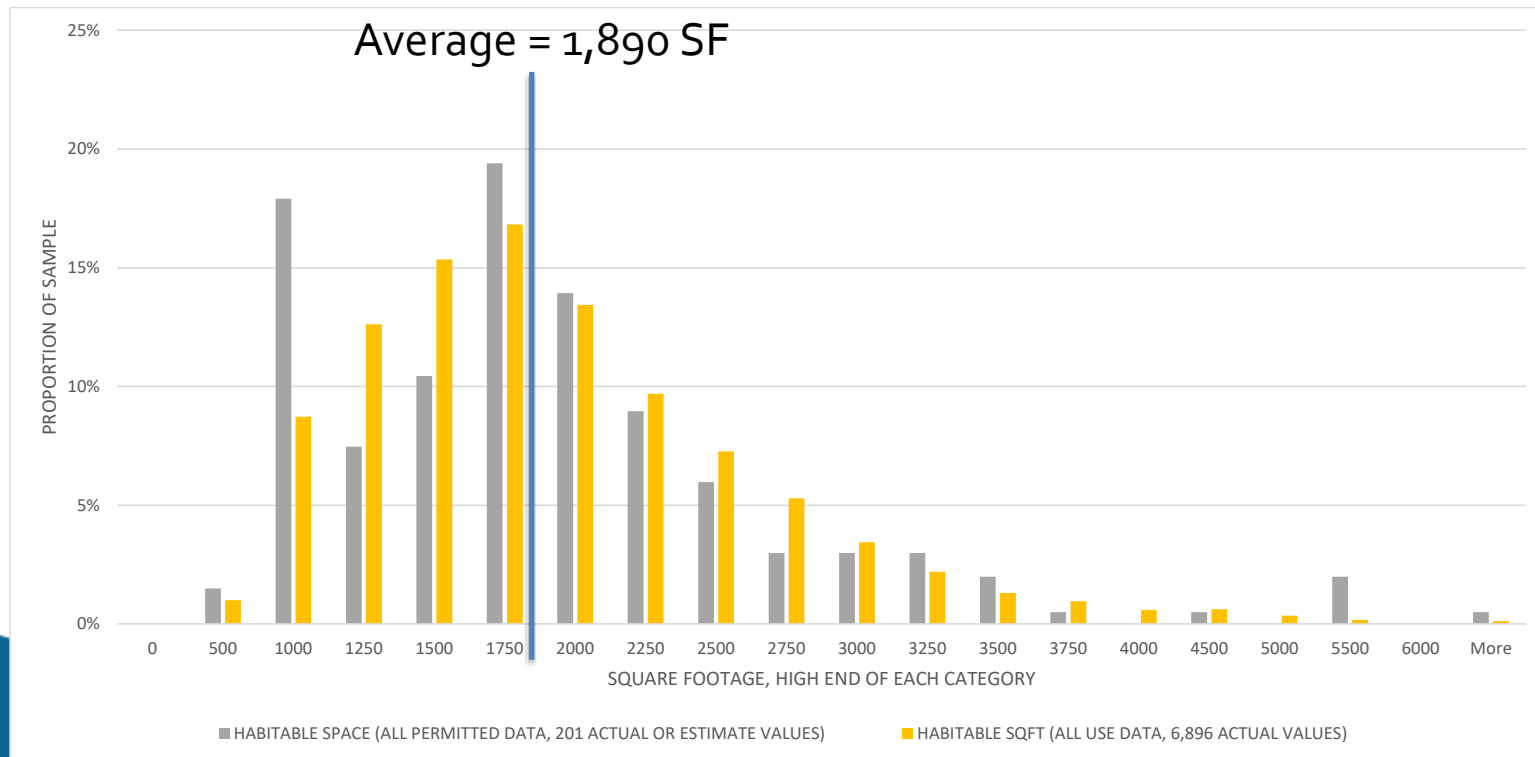
- SDC methodology
- Master planning
- SDC accounting

PRELIMINARY WATER COSTS & SDCS

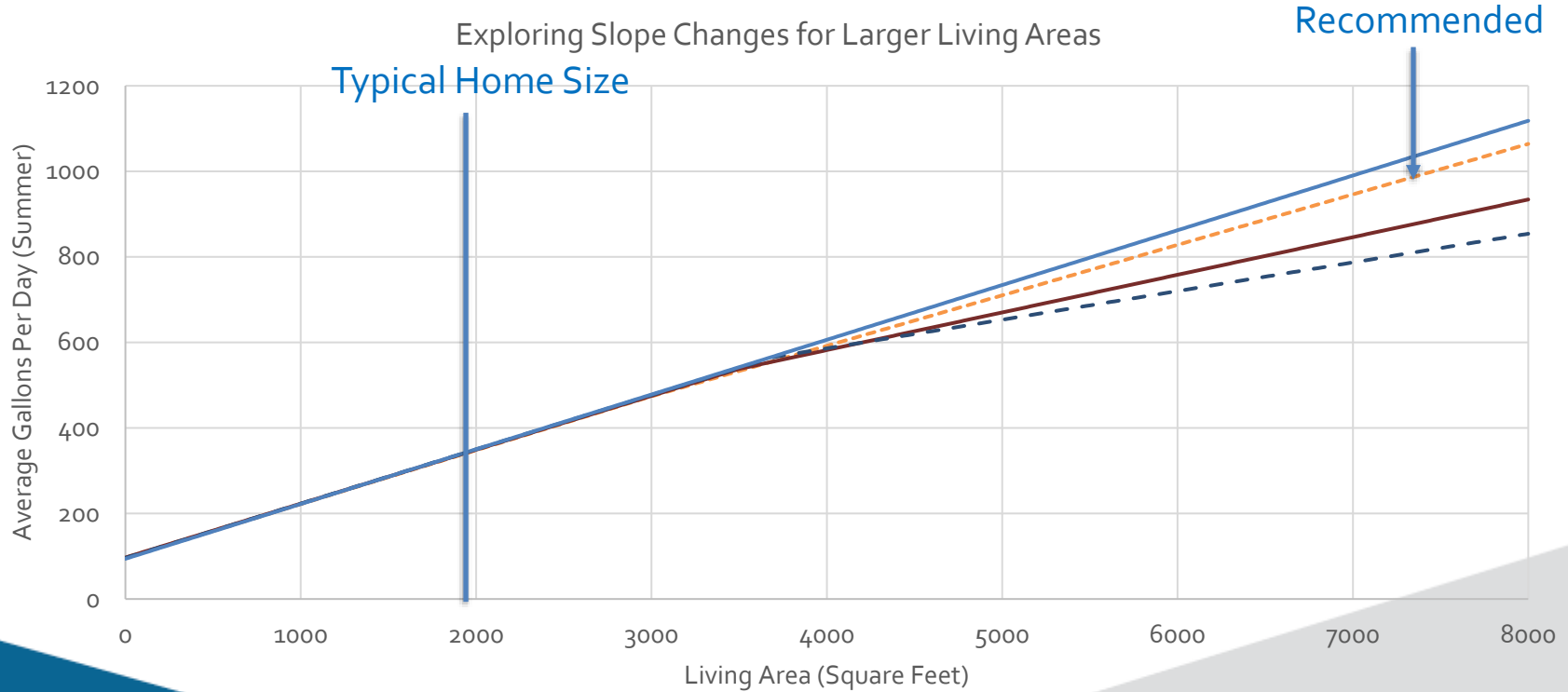
Scenario/Component	Total Cost (\$2022) ¹	Growth \$
Updated 2040 List		
City system	\$103,831,999	\$16,004,142
TAP (Option 1)	\$6,165,980	\$494,337
Total Improvement	\$109,997,979	\$16,498,479
Reimbursement ²	\$43,199,860	\$4,489,959
Compliance ³	\$700,000	\$197,728
Total	\$153,897,839	\$21,186,167
Updated 2040 (no WTP) List		
City system	\$58,202,522	\$8,474,746
TAP (Option 1)	\$6,165,980	\$494,337
Total Improvement	\$64,368,503	\$8,969,083
Reimbursement ²	\$43,199,860	\$4,848,671
Compliance	\$700,000	\$204,660
Total	\$108,268,362	\$14,022,415
¹ Through April 2022		
² Includes Medford Water Commission SDC payments		
³ Includes master planning, SDC methodology updating and SDC administration for 20-year period.		

SINGLE FAMILY HOUSE SIZE DISTRIBUTION

- Based on 5 years of permit data - % of permits > 3,000 sq. ft. = 6-8%

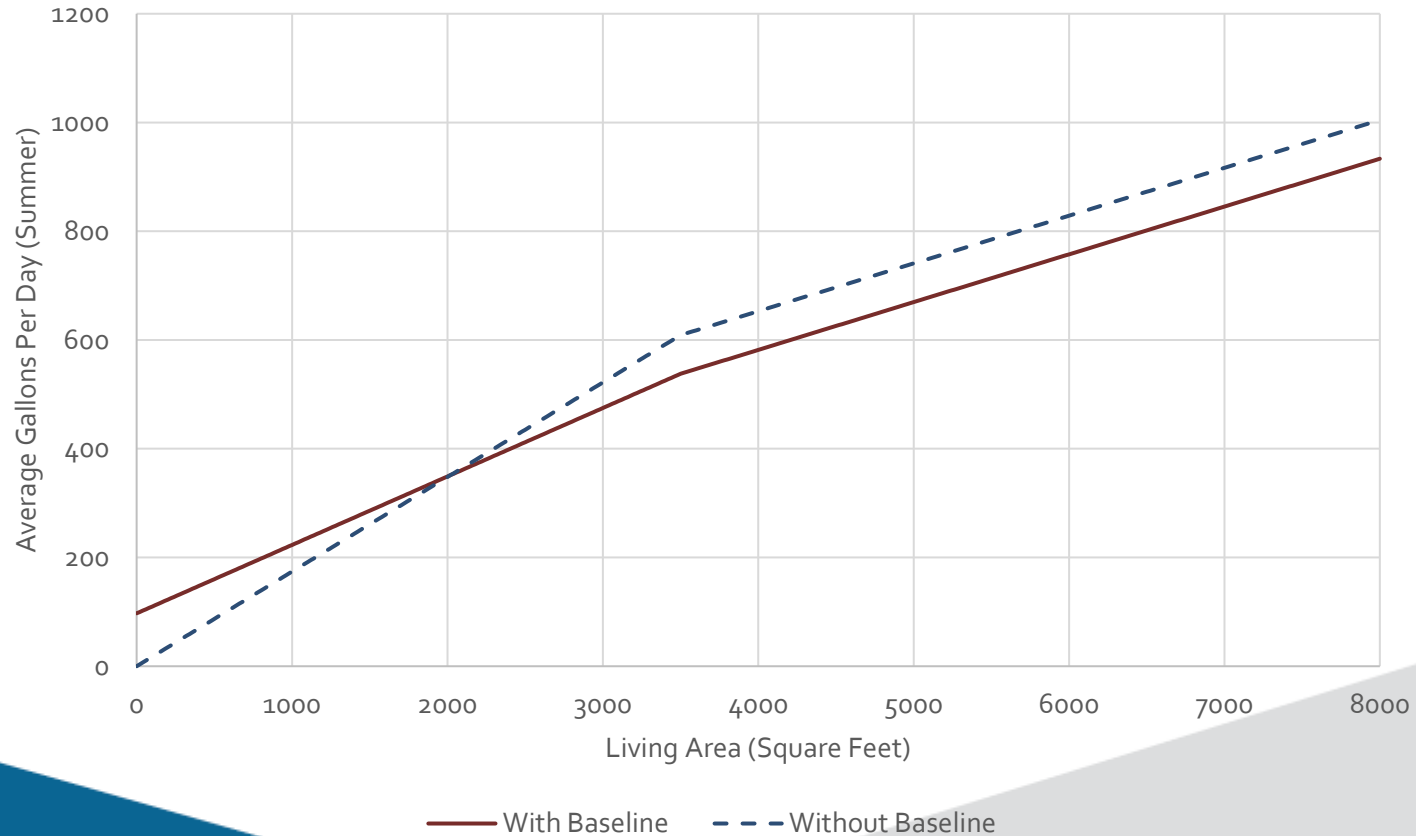


WATER USE/HOUSE SIZE RELATIONSHIP IS NON-LINEAR



Breakpoints at (square feet): - - - 3000 — 3500 - - - 3700 — No Breakpoint

ROLE OF BASELINE VALUE



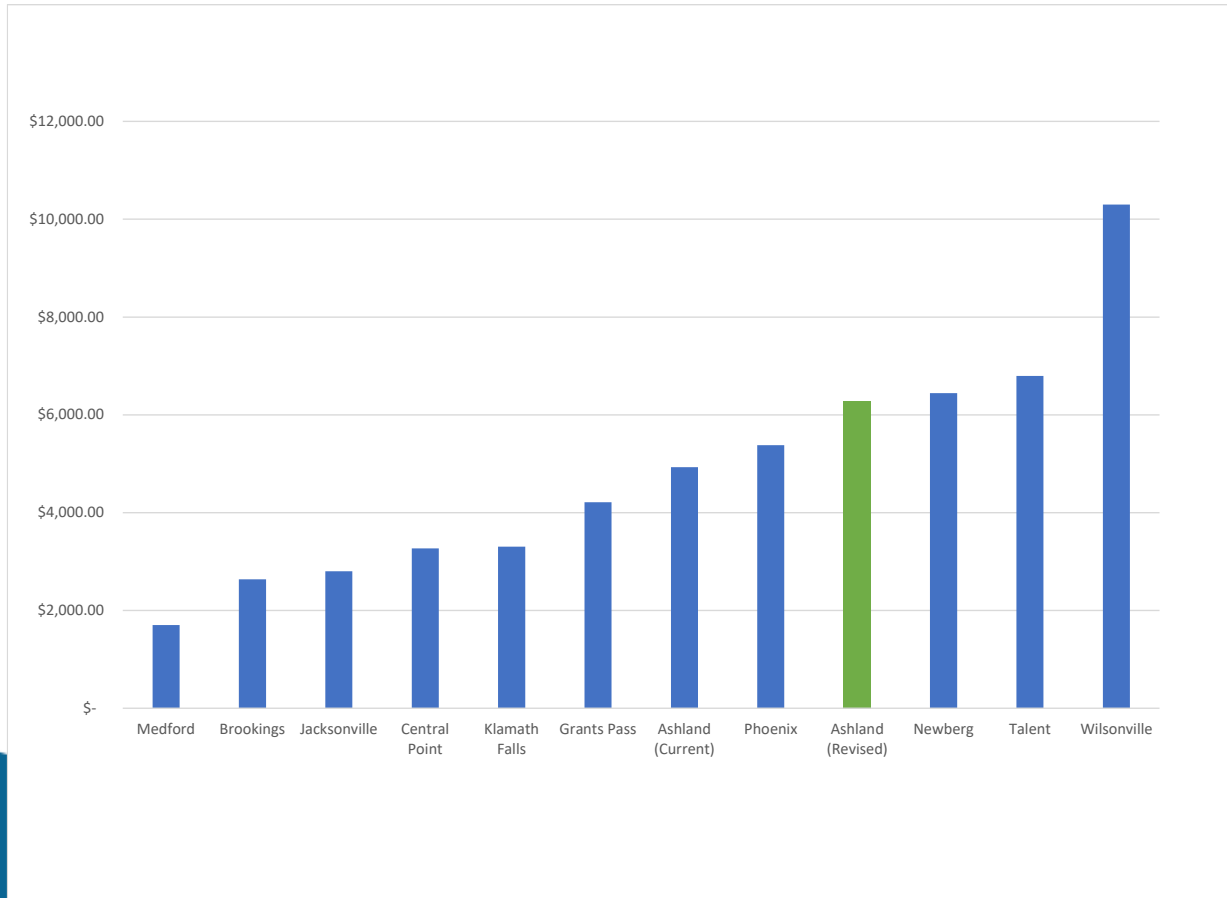
STORMWATER SDCS AND COSTS

- Stormwater SDCs not increased since 2002
- Improvement SDC only

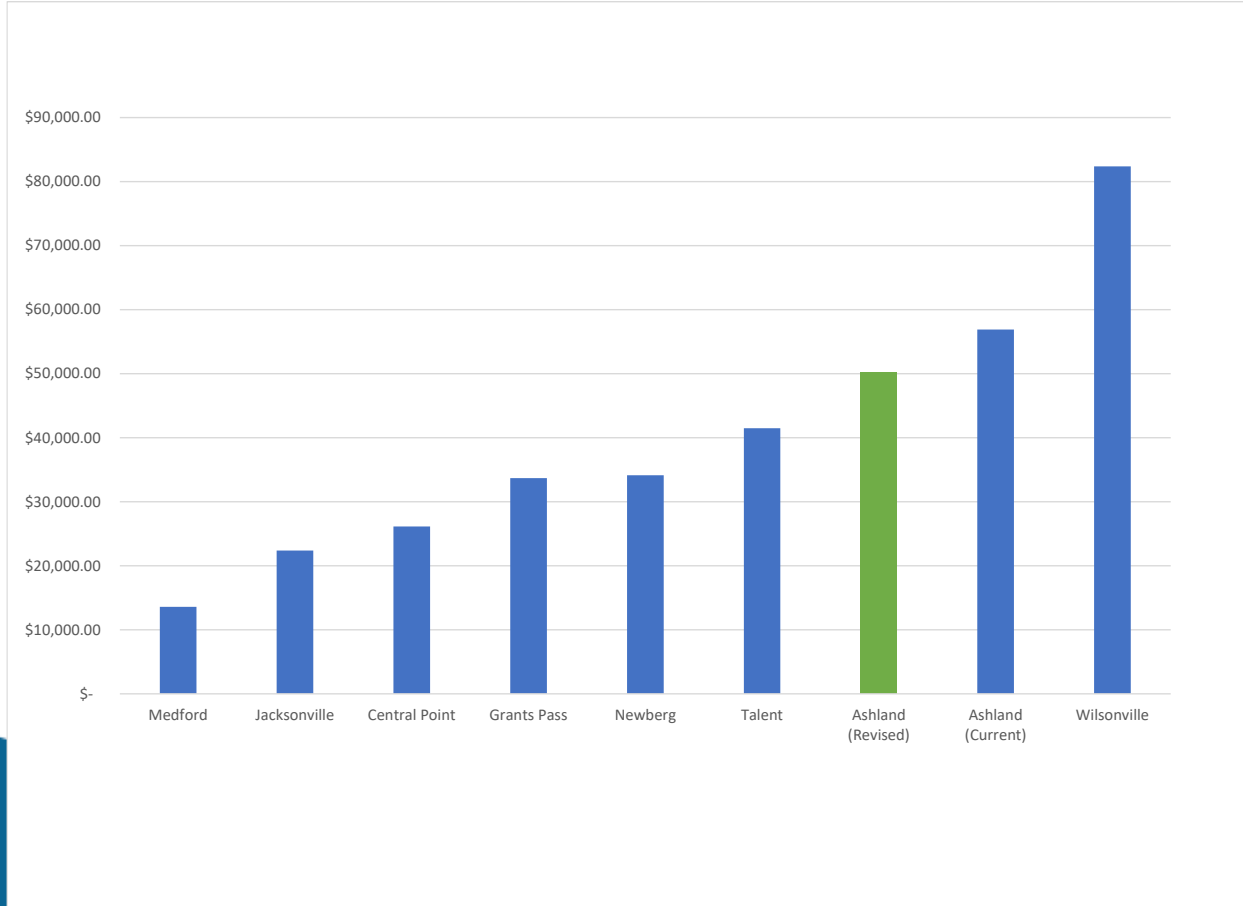
Scenario/Component	Total \$	Growth \$ ¹	Avg. SF SDC ²
2040 List			
Improvement	\$6,945,986	\$816,848	\$2,042
Reimbursement	\$0	\$0	\$0
Compliance ³	\$440,000	\$87,040	\$218
Total	\$7,385,986	\$903,888	\$2,260
¹ Inflation adjusted through April 2022			
² Based on 3,000 square feet impervious area			
³ Includes master planning, SDC methodology updating and SDC administration for 20-year period.			

SDC COMPARISON

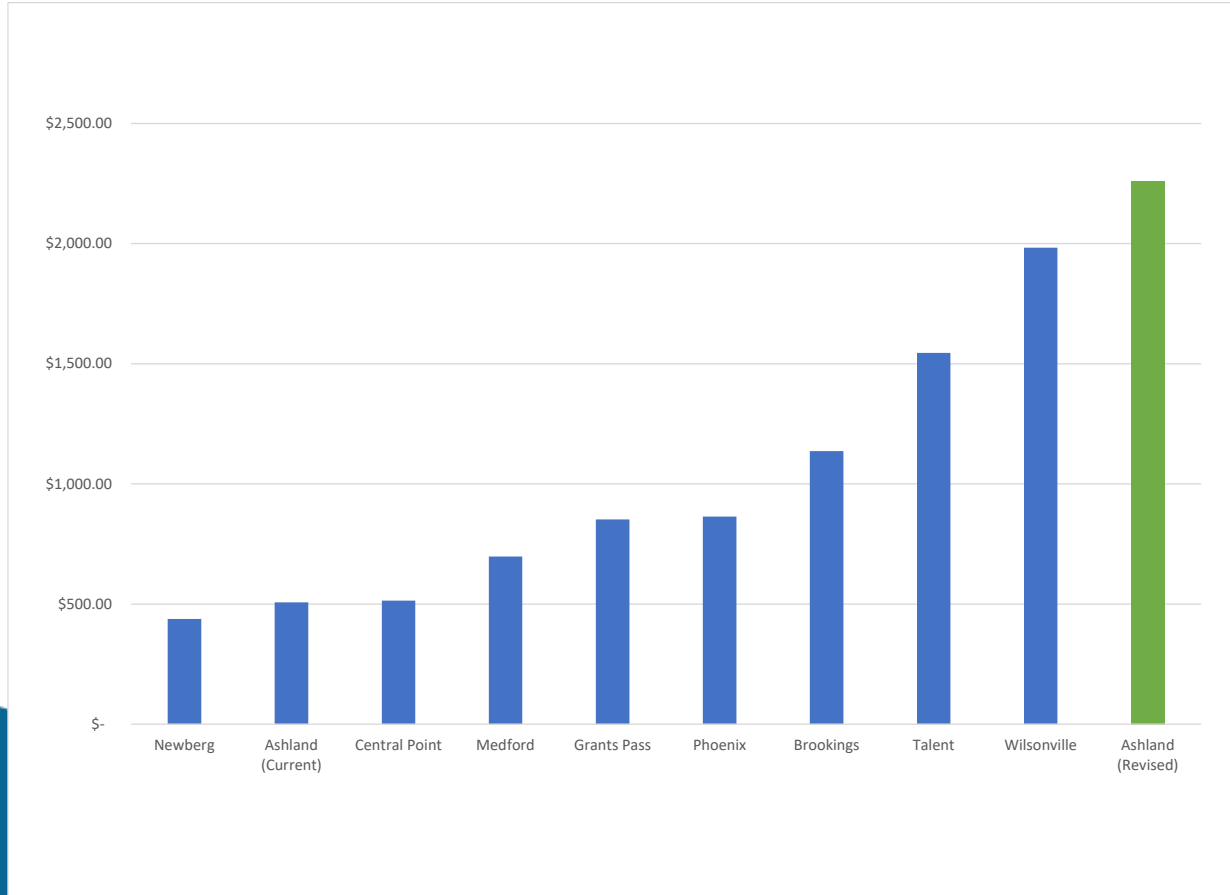
RESIDENTIAL WATER SDC COMPARISON



COMMERCIAL WATER SDC COMPARISON (2" METER)



RESIDENTIAL STORMWATER SDC COMPARISON (3,000 SQ FT)



Other SDC Policies

SDC FINANCING – INSTALLMENT PAYMENTS

	Number of Payments	Interest Rate/Fees	Eligibility
Current	Up to 10 (per year)	6% (5-year loan); 7% (10-year loan)	>\$1,000; <\$200,000
Recommended	Up to 30 years	Tie to prime rate	No maximum

*Subject to lien on property

DISCUSSION