

To: Jolynn Becker, City of Banks **Date:** August 16, 2019
From: Todd Chase & Zech Hazel, FCS GROUP
CC: Stacey Goldstein, Siegel Planning
RE: Banks System Development Charge Updates

TABLE OF CONTENTS

Introduction	1
SDC Rates and projects.....	1
Water	2
Parks	3
Transportation	4
Periodic SDC Adjustments.....	6

INTRODUCTION

FCS GROUP is providing technical assistance to the City by preparing products that will comprise an up-to-date system development charge schedule and project list for the Water, Parks, and Transportation utilities. According to ORS 223.304, a change in the amount of an improvement fee is not a modification of the system development charge methodology if the change in amount is based on the periodic application of one or more specific cost indexes or other periodic data sources.

FCS GROUP reviewed prior adopted capital project lists and related public facility master plans to document current SDC policies and cost estimates for SDC eligible projects. Next, FCS GROUP escalated the SDC-eligible costs for each project list as well as the rates for each SDC. This was done using the 20-City Average of the ENR Construction Cost Index. For transportation, an additional estimate for the SDC eligible costs and schedule was made using the Washington County TDT Index.

Finally, the analysis was summarized in a series of tables that are outlined in the next section.

Once all key assumptions have been refined, the Banks City Council will have the option of adopting a current set of SDC rates and projects for FY 2019-20.

SDC RATES AND PROJECTS

The following sections provide background on former SDC schedules and project lists for the Water, Parks, and Transportation utilities. Each section also contains the updated SDC schedule and project list for each utility.

Banks SDC Update

Water

The first SDC for water was established in 1995. It was last updated in 2001. The table below compares the SDC amount from 2001 with the SDC amount escalated to 2019 costs using the 20-City Average of the ENR Construction Cost Index.

Water System Development Charges				
	Adopted		Updated ¹	
	2001		2019	
¾" Service	\$	2,825	\$	4,999 per lot
1" Service	\$	5,023	\$	8,886 per lot
1 ½" Service	\$	11,301	\$	19,994 per lot
2" Service	\$	20,090	\$	35,546 per lot
3" Service	\$	45,203	\$	79,977 per lot
4" Service	\$	80,361	\$	142,182 per lot
6" Service	\$	180,813	\$	319,910 per lot
8" Service	\$	321,445	\$	568,728 per lot

¹ Inflated using the ENR CCI - 20 City Average

In addition, the connection charge adopted in 2001 was escalated using the 20-City Average of the ENR Construction Cost Index. **It is recommended that the City adopt the new water SDC rates based on the updated ENR-CCI Index.**

Water Connection Charge				
	Adopted		Updated ¹	
	2001		2019	
Charge	\$	1,300	\$	2,300 per lot

¹ Inflated using the ENR CCI - 20 City Average

The list of water projects for the City of Banks has gone through many revisions; in 2009, 2011, 2014, and 2019. Using the Water System Capital Improvement Plan adopted on February 12, 2019, FCS GROUP escalated all costs to 2019 dollars using the 20-City Average of the ENR Construction Cost Index. **It is recommended that the City adopt the water SDC Public Improvements list, as required by ORS 223.309, shown in the following table.**

Banks SDC Update

Water SDC Public Improvements				
Description	Original Cost Estimate	Original Cost Estimate Year	Original SDC Eligible Costs	2019 SDC Eligible Costs
Water Conservation Management Plan Update	\$ 35,000	2019	\$ -	\$ -
W-6D : Commerce Street Waterling Looping	\$ 652,000	2018	\$ -	\$ -
W-6A/6B : Park/Woodman Street	\$ 580,000	2017	\$ -	\$ -
Banks Road Line Replacement	\$ 650,000	2018	\$ -	\$ -
W-6F : Cedar Canyon Line Replacement	\$ 500,000	2018	\$ -	\$ -
W-2 : Transmission Pipeline Replacement	\$ 2,000,000	2018	\$ 400,000	\$ 405,751
Woollen Road Pipeline Replacement	\$ 200,000	2019	\$ -	\$ -
Source Water Protection Plan	\$ 60,000	2019	\$ -	\$ -
W-11A : Quail Valley Golf Course Study, Design, and Construction	\$ 1,550,000	2019	\$ 1,550,000	\$ 1,550,000
W-11B : Sellers Rd Well Field Study, Design, and Construction	\$ 2,230,000	2019	\$ 2,230,000	\$ 2,230,000
Well 2: ASR Modifications	\$ 310,000	2018	\$ 310,000	\$ 314,457
West Dairy Creek Diversion and Water Treatment Plant	\$ 4,440,000	2018	\$ 4,440,000	\$ 4,503,834
Southwest Well ASR Expansion	\$ 2,900,000	2018	\$ 2,900,000	\$ 2,941,694
W-2.1a : Carsten Reservoirs Rehabilitation: Reservoir No 1	\$ 650,000	2018	\$ -	\$ -
W-2.1b : Carsten Reservoirs Rehabilitation: Reservoir No 2	\$ 1,100,000	2019	\$ -	\$ -
W-5 : 1.0-MG New Main Zone Reservoir	\$ 2,520,000	2019	\$ 2,520,000	\$ 2,520,000
W 10 : Leak Detection Survey	\$ 35,000	2019	\$ -	\$ -
Water Master Plan Update	\$ 60,000	2019	\$ -	\$ -
W-8 : Automatic Meter Reading	\$ 480,000	2019	\$ -	\$ -
Security System Upgrades	\$ 120,000	2019	\$ -	\$ -
W-3.3 : SSF Inlet Control	\$ 6,000	2019	\$ -	\$ -
Totals	\$ 21,078,000		\$ 14,350,000	\$ 14,465,736

Parks

The last update to the Parks System Development Charge in Banks occurred in 2007. The table below compares the SDC amount from 2001 with the SDC amount escalated to 2019 costs using the 20-City Average of the ENR Construction Cost Index. The parks SDCs apply only to net new residential units requiring building permits. **It is recommended that the City adopt the new parks SDC rates based on the updated ENR-CCI Index. It is also recommended that the City allow a SDC reduction factor that accounts for fewer people per dwelling unit with respect to apartments and other non-single-family detached housing, as indicated below.**

Dwelling Type	Parks System Development Charge, City of Banks		SDC adjustment factor ²	SDC charge
	Adopted 2007	Updated ¹ 2019		
Single Family Detached	\$ 1,800	\$ 2,535	n/a	per net new dwelling unit
Apt./Other Housing	\$ 1,800	\$ 2,242	0.884	per net new dwelling unit

¹ escalated using the ENR CCI - 20 City index average.

² reflects lower avg. number of people for dwelling unit (2.63) in comparison to total housing units (2.98), per estimates provided by the U.S. Census, American Community Survey, 2013-2017 data for City of Banks.

Banks SDC Update

The most recent comprehensive plan for the parks in the City of Banks was adopted in 2010. Using the Parks and Recreation Master Plan adopted on October 12, 2010, the following table lists all current SDC eligible projects for parks, with costs escalated to 2019 dollars using the 20-City Average of the ENR Construction Cost Index. **It is recommended that the City adopt the parks SDC Public Improvements list, as required by ORS 223.309, shown in the following table.**

Parks SDC Public Improvements				
Description	Original Cost Estimate	Original Cost Estimate Year	Original SDC Eligible Costs	2019 SDC Eligible Costs
Log Cabin Park : Restroom	\$ 73,077	2006	\$ 73,077	\$ 105,787
Greenville City Park : Parking lot	\$ 57,010	2006	\$ 57,010	\$ 82,529
Greenville City Park : Community building	\$ 967,140	2006	\$ 967,140	\$ 1,400,047
Greenville City Park : Play area	\$ 50,480	2006	\$ 50,480	\$ 73,076
Greenville City Park : Tot lot	\$ 13,910	2006	\$ 13,910	\$ 20,136
Greenville City Park : Swimming pool	\$ 708,750	2006	\$ 708,750	\$ 1,025,997
Greenville City Park : Basketball courts	\$ 57,590	2006	\$ 57,590	\$ 100,000
Greenville City Park : Landscaping	\$ 63,030	2006	\$ 63,030	\$ 91,243
Greenville City Park : Site Amenities (Picnic Tables, Benches, ...)	\$ 22,680	2006	\$ 22,680	\$ 32,832
Greenville City Park : Setup Cost, Engineering, Contingencies	\$ 584,272	2006	\$ 584,272	\$ 845,801
Trails : City Trails	\$ 96,113	2006	\$ 96,113	\$ 139,135
Trails : Boy Scout Log Cabin	\$ 77,400	2019	\$ 77,400	\$ 77,400
Totals	\$ 2,771,452		\$ 2,771,452	\$ 3,993,983

Transportation

The last update to the Transportation System Development Charge (TSDC) in Banks occurred in 2016. At that time, the City of Banks chose TSDC Scenario B, which included a fiscally constrained capital project list in comparison with Scenario C.

The table below compares the adopted TSDC amount from 2016 with the same TSDC amount escalated to 2019 costs using the 20-City Average of the ENR Construction Cost Index, and provides an alternative calculation using the Washington County Transportation Development Tax (TDT) Index. **It is recommended that the City adopt the new TSDC rates based on the updated ENR-CCI Index, which is consistent with the recommendations contained in the TSDC Methodology Report adopted in 2016.**

	Transportation System Development Charges		
	Adopted	Updated	Updated
	2016	(Using ENR-CCI) 2019	(Using TDT Index) 2019
Per Person Trip	\$ 657	\$ 713	\$ 715
Per P.M. Peak Trip	\$ 7,156	\$ 7,767	\$ 7,782

The most recent comprehensive plan for the Bicycle and Pedestrian System in the City of Banks was adopted in 2015. For transportation, the most recent project list was adopted in 2016 as part of the TSDC Methodology Report. Using these plans, FCS GROUP escalated all costs to 2019 dollars using the 20-City Average of the ENR Construction Cost Index, and provided an alternative calculation using the Washington County TDT Index. **It is recommended that the City adopt the transportation SDC Public Improvements list, as required by ORS 223.309, shown in the following table.**

Banks SDC Update

Transportation SDC Public Improvements				
Description	Original Cost Estimate	Original Cost Estimate Year	Original SDC Eligible Costs	2019 SDC Eligible Costs (Escalated using ENR-CCI)
TSP 1 : Realign Wilkesboro Rd.	\$ 1,057,236	2016	\$ 832,691	\$ 905,437
TSP 2 : Realign Washington Ave.	\$ 1,484,340	2016	\$ 1,169,083	\$ 1,271,216
TSP 3b** : Construct At-grade of Railroad	\$ 4,500,000	2016	\$ 4,500,000	\$ 4,893,126
TSP 4 : Install Advanced Warning Signage on Banks Road	\$ 17,332	2016	\$ 17,332	\$ 18,846
TSP 5 : Reconstruct Banks Rd.	\$ 10,193,542	2016	\$ 10,193,542	\$ 11,084,064
TSP 6a : Extend SB Left Turn Lane on Main St.	\$ 11,142	2016	\$ 11,142	\$ 12,115
TSP 6b : Extend EB Left Turn Lane on OR 6 Ramp Terminal	\$ 11,142	2016	\$ 11,142	\$ 12,115
TSP 8A: Construct Westside Circulator Road (north segment)	\$ 5,229,648	2016	\$ 5,229,648	\$ 5,686,517
TSP 8B: Construct Westside Circulator Road (central segment)	\$ 5,229,648	2016	\$ 5,229,648	\$ 5,686,517
TSP 8C: Construct Westside Circulator Road (south segment)	\$ 5,229,648	2016	\$ 5,229,648	\$ 5,686,517
TSP 9 : Construct Wilkes Road Extension	\$ 574,424	2016	\$ 574,424	\$ 624,606
TSP 10 : Construct Eastside Circulator Road	\$ 5,497,877	2016	\$ 5,497,877	\$ 5,978,180
TSP 11 : Construct Bicycle/Pedestrian RR crossing	\$ 760,000	2016	\$ 760,000	\$ 826,395
TSP 12 : NW Aerts Road / Highway 6 Improvement *	\$ 5,800,000	2019	\$ 4,568,146	\$ 4,568,146
BPP 1 : Main Street Sidewalk Infill	\$ 50,000	2015	\$ 50,000	\$ 55,931
BPP 2 : Main Street Bicycle Lanes	\$ 15,000	2015	\$ 15,000	\$ 16,779
BPP 3 : Sidewalk and Curb at Five Star Complex	\$ 30,000	2015	\$ 30,000	\$ 33,559
BPP 4 : NW Banks Road/Main Street Crosswalk	\$ 5,000	2015	\$ 5,000	\$ 5,593
BPP 5 : Enhanced NW Banks Road Trailhead Crossing	\$ 35,000	2015	\$ 35,000	\$ 39,152
BPP 6 : Parking Management Study	\$ 75,000	2015	\$ 75,000	\$ 83,897
BPP 7 : UGB Expansion Area	\$ 75,000	2015	\$ 75,000	\$ 83,897
BPP 8 : Railroad Trail	\$ 825,000	2015	\$ 825,000	\$ 922,864
BPP 9 : West Side Multi-Use Connection	\$ 600,000	2015	\$ 600,000	\$ 671,174
BPP 10 : School Circulation Study	\$ 75,000	2015	\$ 75,000	\$ 83,897
BPP 12 : NW Oak Way Bicycle Lane	\$ 3,000	2015	\$ 3,000	\$ 3,356
BPP 13 : Way-Finding Signs	\$ 12,000	2015	\$ 12,000	\$ 13,423
BPP 16 : Dynamic Radar-Activated Speed Limit Sign2	\$ 60,000	2015	\$ 60,000	\$ 67,117
BPP 17 : Bicycle Parking along Main Street	\$ 3,250	2015	\$ 3,250	\$ 3,636
BPP 18 : Pedestrian/Bicycle Access between Wilkes St and the Schools	\$ 20,000	2015	\$ 20,000	\$ 22,372
BPP 19 : School Bicycle Parking	\$ 2,000	2015	\$ 2,000	\$ 2,237
BPP 20 : Sight Distance and Lighting on NW Oak Way	\$ 14,000	2015	\$ 14,000	\$ 15,661
BPP 21 : Pedestrian-Scale Lighting on Main Street	\$ 165,000	2015	\$ 165,000	\$ 184,573
BPP 22 : Pedestrian Amenities on Main Street	\$ 17,000	2015	\$ 17,000	\$ 19,017
BPP 23 : NW Banks Road Multimodal Improvements	\$ 3,400,000	2015	\$ 2,677,879	\$ 2,994,670
BPP 24 : NW Banks Road and NW Aerts Road Warning Signage	\$ 5,000	2015	\$ 5,000	\$ 5,593
BPP 25 : Resurface Commerce Street	\$ 100,000	2015	\$ 100,000	\$ 111,862
BPP 27 : Commerce Street Sidewalk Fill	\$ 80,000	2015	\$ 80,000	\$ 89,490
BPP 28 : Arbor Village Sight Distance Improvements	\$ 20,000	2015	\$ 20,000	\$ 22,372
BPP 29 : Trail to Highway 6	\$ 90,000	2015	\$ 90,000	\$ 100,676
BPP 30 : Separated Trail on Main Street	\$ 375,000	2015	\$ 375,000	\$ 419,484
BPP 31 : Highway 6 Multi-Use Path	\$ 450,000	2015	\$ 450,000	\$ 503,380
Totals	\$ 52,197,229		\$ 49,703,451	\$ 53,829,459

* reflects Kennedy Jenks preliminary design cost estimate; assumes 78.76% SDC eligible share based on Banks TSDC Methodology Report, Exhibit 2.1 .

TSDC charges for specific land use types will be based on the current TSDC rate per P.M. Peak Hour trip and continue to utilize the Institute for Traffic Engineers (ITE) Trip Generation Handbook use classifications, trip reduction estimates and credit procedures consistent with the adopted 2019 Banks TSDC Methodology Report.

Banks SDC Update

PERIODIC SDC ADJUSTMENTS

At any time the Banks City Council may amend the list of “qualified public improvements” for water, parks and transportation per ORS 223.309, by ordinance or resolution and provide credit against such fee for the construction of a qualified public improvement.

It is also recommended that the City Council review and consider updates to the SDCs annually, according to ORS 223.304, based on the 20-City Average of the ENR Construction Cost Index.

DRAFT