



Staff Report – Public Hearing for Ordinance

November 21, 2022 Council Regular Meeting

Public Hearing for Ordinance No. 22-026 Amending Camas Municipal Code 13.72 and adopting new Sewer System Development Charges

Presenter: Steve Wall, Public Works Director

Time Estimate: 5 minutes

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INTRODUCTION/PURPOSE/SUMMARY: The 2022 update to the City’s General Sewer Plan has been completed, which includes the Capital Facilities Plan element that provides for a schedule of capital improvements necessary to provide continued sewer service through the planning horizon and consistent with the City’s Comprehensive Plan. As part of the City’s financial plan to complete the necessary capital improvements, the City has also elected to move forward with adoption of a new Sewer System Development Charge (SDC). The basis for the proposed Sewer SDC is the General Sewer Plan that has been prepared by Carollo Engineers, will be submitted to the Washington State Department of Ecology for review and approval before the end of 2022, and is anticipated to be adopted at the November 21, 2022 Regular City Council Meeting (subject to any Ecology revisions). FCS Group, the City’s financial consultant, has completed the necessary calculations to determine the “Maximum Allowable” Sewer SDC. Ordinance No. 22-026 amends Chapter 13.72 of the Camas Municipal Code. The revised chapter includes the following general amendments:

- Section 13.72.020 (Definitions) – Removal of reference to and definitions for what was once referred to as the North Urban Growth Area (“NUGA”) and non-North Area Urban Growth Area. These definitions are no longer necessary.
- Section 13.72.040 (Credits) – Removal of sub-sections 1 and 2 that reference outdated credits for connections made prior to 1972 and for properties that were paying penalties.
- Section 13.72.070 (Rates) –
 - Inserted a new table implementing Council’s direction to have a “system-wide” SDC that is equal to \$7,120 (for a 3/4-inch meter, or residential home). As such, beginning in 2020, the City will no longer have a North Zone and a South Zone.
 - Section 13.72.070(B) has been modified to clarify the process to determine the Sewer SDC for industrial and unique commercial customers that discharge a high volume or high strength of waste to the City’s system.
 - Section 13.72.020(C) has been added to apply an index to the Sewer SDC to ensure the charge keeps up with the cost of inflation and to maintain consistency with the code adoptions for Park Impact Fees and Water System Development Charges.

In prior discussions with Council, considerations affecting the outcome of the maximum allowable charge were presented and discussed. Specifically, Council elected to use a "system wide" approach moving forward. Under the existing code provisions there are two areas, or Zones, included in the charge, each with their own unique Sewer SDC. Under a system-wide approach, development across the entire City will be charged the same amount. Among other things, it will be better administratively for both the City and Developers when paying SDCs and tracking or issuing SDC Credits.

Additionally, in determining the maximum allowable charge, the City Council also considered the differences between charging based on a water Meter Capacity Equivalent (MCE) or based on the estimated flows, or Equivalent Residential Units (ERU), for each development. The pros and cons of each were discussed and Council elected to use the MCE approach as a review of historical data indicates that over the review period, one MCE is approximately equal to one ERU. Also, using the MCE approach is easier to understand and provides more certainty for prospective developers. Ultimately, the proposed revisions to CMC 13.72 include a system-wide Sewer SDC based on water Meter Capacity Equivalents that is less than the maximum allowable.

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item?

Hold a public hearing on the changes to CMC Chapter 13.72 and on the potential increase of the Sewer System Development Charges.

What's the data? What does the data tell us?

The Capital Facilities Plan element included in the 2022 update to the General Sewer Plan includes a significant number of new projects that will be necessary to serve future growth. As part of the financial strategy, adoption of a new Sewer SDC will provide additional revenues to support the projects.

How have communities been engaged? Are there opportunities to expand engagement?

Council considered options at a regularly scheduled Council Workshop and a Public Hearing is being held prior to any adoption of a new Sewer SDC.

How does this item support a comprehensive plan goal, policy or other adopted resolution?

This item directly supports implementation of the sewer capital facilities element of the City's Comprehensive Plan.

BUDGET IMPACTS: Adoption of this ordinance does not have an immediate or direct impact on the adopted budget. However, adoption of a new Sewer SDC will potentially lessen the burden on the sewer system monthly rates to pay for new capital improvements necessary to serve future growth. It is noted that adoption of the Sewer SDC as recommended will increase the SDC on the South side of Lacamas Lake by \$4,627 (from \$2,493 to \$7,120) and on the North side of Lacamas Lake by \$2,700 (from \$4,420 to \$7,120).

RECOMMENDATION: Staff recommends the City Council hold a public hearing on Ordinance No. 20-026 and adopt the Ordinance as presented.

Alternatively, if Council would like to make changes after the public hearing is held, Council may request that staff revise the Ordinance and bring it back to a future meeting for adoption.