



# STAFF REPORT

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**Meeting Type:** City Council  
**Meeting Date:** April 6, 2026  
**From:** Tyler Deems, City Manager  
**Subject:** PUBLIC HEARING: Resolution 2026-06 - Adopting Revised Water and Wastewater SDC Methodologies

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## DECISION TO BE MADE:

Update Water and Wastewater System Development Charges (SDCs) Methodologies.

## APPLICABLE COUNCIL GOAL:

- **Goal 7.5.1:** Update Water system development charges
- **Goal 7.9.2:** Update Wastewater system development charges

## BACKGROUND / CONTEXT:

On [March 17, 2025](#), the City Council adopted updated methodologies for Water and Wastewater System Development Charges (SDCs), which incorporated the most current project information at that time for the various water and wastewater capital projects. On [April 7, 2025](#), the City Council adopted Resolution 2025-13, revising the Water and Wastewater SDC rates.

Since that time, staff has worked with our legal team from Beery, Elsner & Hammond, LLP and consultants from FCS Group to revise the methodologies for both the Water and Wastewater SDCs to ensure that the methodologies are clear and defensible. This resolution would adopt those newly revised methodologies. The revisions relate to the analysis and explanations in the methodologies, and entail including additional supporting information, but do not result in a change in the calculated maximum defensible SDC rates for either water or wastewater.

The revised methodologies incorporate the best available data at the time they were drafted. However, after the revised methodologies were prepared and notice of this hearing was provided pursuant to ORS 223.304, additional information became available that may support revising the Capital Improvement Plan (CIP) list for water, which would result in a reduction in the maximum defensible Water SDC. Consideration of those revisions is scheduled as part of a subsequent agenda item for tonight's meeting. Additionally, staff is recommending adoption of a Wastewater SDC that is less than the maximum defensible amount reflected in the revised methodology. Consideration of revised SDC rates is also scheduled as part of a subsequent agenda item for tonight's meeting.

**KEY CONSIDERATIONS / ANALYSIS:**

As noted above, the revisions to the Water and Wastewater SDC methodologies do not result in a change in the maximum defensible Water and Wastewater SDCs compared to the methodologies that were adopted on March 17, 2025. Instead, the newly revised methodologies improve clarity and defensibility of the analysis and explanations, and involve providing additional supporting information.

That additional supporting information includes the following and is attached or linked as follows:

1. [City of Sandy 2022 Water System Master Plan](#) (link)
2. [City of Sandy 2019 Wastewater System Facilities Plan](#) (link)
3. November 18, 2024 Presentation regarding Water and Wastewater SDCs (attached)
4. Water Fund Assets List (attached)
5. Water SDC eligibility percentage calculation (storage percentage & growth percentage) (attached)
6. Wastewater SDC eligibility percentage calculation (capacity percentage & growth percentage) (attached)
7. Sandercock Reservoir Inspection and Recommendations Report (attached)
8. Notice of SDC Hearing and Posting of Methodology Document

**BUDGET IMPACT:**

None.

**RECOMMENDATION:**

Hold a public hearing for the Water and Wastewater SDC methodologies. Staff recommends adopting the revised Water and Wastewater SDC methodologies as identified in Resolution 2026-06.

**SUGGESTED MOTION LANGUAGE:**

"I move to adopt Resolution 2026-06."

**LIST OF ATTACHMENTS / EXHIBITS:**

- Resolution 2026-06
  - Exhibit A: February 2026 Water & Waster SDC Methodology
- Additional Supporting Information (as listed above, #1–8)