



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: September 4, 2025		Subject: Sewer & Storm System Development Charge Update	
		Staff Member: Zach Weigel, P.E., City Engineer Keith Katko, Finance Director	
		Department: Community Development and Finance	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		Comments: N/A	
Staff Recommendation: N/A			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input checked="" type="checkbox"/> Adopted Master Plan(s): 2015 Wastewater Collection System Master Plan, 2023 Wastewater Treatment Plant Master Plan, 2024 Stormwater Master Plan		<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Staff will provide a briefing on the updated sewer and storm System Development Charge (SDC). This work session serves as the final scheduled discussion with the City Council prior to a public hearing to adopt the new sewer and storm SDC methodology rates on September 15, 2025.

EXECUTIVE SUMMARY:

System Development Charges (SDCs) are one-time charges assessed on development at the time of building permit issuance. The SDC fees pay for expansion and extension of utility infrastructure that is needed to accommodate future growth. Growth related infrastructure improvements include upsizing pipelines, expansion of pumping and treatment facilities, and extension of pipelines to serve new development areas. The SDC fee provides a mechanism for which new growth pays for its share of infrastructure costs rather than existing taxpayers or utility ratepayers, ensuring “growth pays for growth.”

The City of Wilsonville’s stormwater SDC was last updated in April 2012 by Resolution No. 2353. The current Stormwater SDC based on the adopted implementation schedule and annual inflation adjustments is \$2,442 per Equivalent Residential Unit (ERU), which includes a 0.4% inflationary adjustment that went into effect on July 1, 2025.

In April 2006, the Wilsonville sewer SDC was last updated by Resolution No. 1987. The current Sewer SDC including annual inflation adjustments is \$7,130 per ERU, which also includes the 0.4% inflationary adjustment on July 1, 2025.

On January 18, 2024, City Council adopted the 2023 Wastewater Treatment Plant Master Plan (Ordinance No. 888). Also, the 2024 Stormwater Master Plan was adopted by City Council on April 1, 2024 (Ordinance No. 890). Adoption of both Master Plan documents included new Capital Improvement Project (CIP) lists, which consist of utility improvements that will be needed over the next twenty years to meet projected growth, operation and maintenance needs, and regulatory requirements. Both Master Plan documents identify the projects or portions of projects that are needed to support anticipated growth within Wilsonville.

With the updated twenty-year project list, review of the stormwater and sewer SDC is necessary to ensure development is paying its share of infrastructure costs needed. Beginning in July 2024, the City entered into a Professional Services Agreement with FCS Group to perform a sewer and storm rate and SDC fee study that will result in a recommended update to the sewer and storm utility rate and SDC fee.

On June 2, 2025, the project team held a work session with City Council regarding the proposed sewer and storm SDC adjustments. Since that time, the project team has issued both the 90-day notice and 60-day notice to interested parties, as required by Oregon law, prior to the first public hearing for adoption of a SDC methodology. As part of the 60-day notice, the proposed SDC methodology was made available for public review and comment and is attached as **Exhibit A**.

The project team also held an SDC stakeholder meeting with interested parties on August 5, 2025. Two interested members from the local development community attended the meeting, a summary of which is attached as **Exhibit B**.

The maximum defensible stormwater and sewer SDC for each utility as presented at the June 2, 2025, City Council work session remains unchanged and is summarized as follows:

Stormwater SDC

SDC Type	Fee per ERU
Improvement Fee	\$1,636
Reimbursement Fee	\$1,884
Compliance Fee	\$12
Total	\$3,532
Increase	\$1,090

Sewer SDC

SDC Type	Fee per ERU
Improvement Fee	\$13,069
Reimbursement Fee	\$2,277
Compliance Fee	\$12
Total	\$15,358
Increase	\$8,228

Refer to **Exhibit A** for detailed explanation of SDC Types noted above.

EXPECTED RESULTS:

The updated stormwater and sewer SDC fee will provide the estimated funding required for completing the infrastructure projects needed to accommodate future growth within Wilsonville. The recommended SDC fees will ensure that growth will pay for its share of infrastructure costs rather than existing taxpayers and utility ratepayers.

TIMELINE:

Adoption of the proposed sewer and stormwater SDC methodology is scheduled for a public hearing on September 15, 2025. If adopted by City Council, the updated sewer and stormwater SDC methodology and rates will go into effect on January 1, 2026.

CURRENT YEAR BUDGET IMPACTS:

The consultant work is included in the Fiscal Year (FY) 2024-25 CIP budget. Funds not spent in the FY 2024-25 budget will be rolled over to the FYn2025-26 fiscal year to ensure adequate funds are available for the completion of this work.

COMMUNITY INVOLVEMENT PROCESS:

The project team has held two work sessions with City Council to discuss sewer and stormwater SDC methodology and rates on June 2, 2025, and September 4, 2025. On June 24, 2025, the project team met with representatives from the Home Builders Association of Greater Portland to discuss the proposed SDC updates. In addition, a 90-day and 60-day notice that included the proposed SDC methodology report was sent to interested parties, consisting of local developers, engineering consultants, and land use applicants conducting business in Wilsonville. The project team held an SDC stakeholder meeting on August 5, 2025, with a meeting summary included as **Exhibit B**. A project webpage with up to date SDC information is maintained and information shared with the community via articles in the Boones Ferry Messenger.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The updated SDC methodology and fee will provide the funding necessary to support planned growth, maintain existing utility assets, and meet regulatory requirements, helping to maintain a financially sound sewer and storm utility program.

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

- A. Wilsonville Wastewater and Stormwater SDC Methodology Report
- B. Sewer and Storm SDC Stakeholder Meeting Notes