



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: September 15, 2025		Subject: Resolution No. 3209 Adopting the Sewer System Development Charge Methodology Report and Establishing the Charge Rates and Amending Resolution No. 1987. Staff Member: Zach Weigel, P.E., City Engineer Keith Katko, Finance Director Department: Community Development & Finance	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: September 15, 2025 <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input 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: Staff recommends Council adopt Resolution No. 3209.			
Recommended Language for Motion: I move to adopt Resolution No. 3209.			
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	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

A City of Wilsonville resolution adopting the Sewer System Development Charge Methodology Report, establishing the charge rates and amending Resolution No. 1987, Capital Improvement Project (CIP) #2066.

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 sewer SDC was last updated in April 2006 by Resolution No. 1987. The current Sewer SDC including annual inflation adjustments is \$7,130 per Equivalent Residential Unit (ERU), which also includes the 0.4% inflationary adjustment that went into effect on July 1, 2025.

On January 18, 2024, City Council adopted the 2023 Wastewater Treatment Plant Master Plan (Ordinance No. 888). Adoption of the Master Plan document included a new Capital Improvement Project (CIP) list, which consists of utility improvements that will be needed over the next twenty years to meet projected growth, operation and maintenance needs, and regulatory requirements.

With the updated twenty-year project list, review of the sewer SDC is necessary to ensure development is paying its share of needed infrastructure costs. In July 2024, the City engaged FCS Group to reassess the sewer SDC methodology and charge rate. The final sewer SDC methodology report based on City Council feedback at the September 4, 2025 Work Session is attached as **Exhibit A**.

The maximum defensible sewer SDC is summarized as follows:

Sewer SDC Type	Fee per ERU
Improvement Fee	\$11,860
Reimbursement Fee	\$2,277
Compliance Fee	\$12
Total	\$14,149
Increase	\$7,019

For High Strength Sewer Customers, the maximum defensible sewer SDC is summarized as follows:

Sewer SDC Type	Collection Flow (PHF gpd)	Treatment Flow (PHF gpd)	Treatment BOD (MM ppd)	Treatment TSS (MM ppd)
Improvement Fee	\$6.04	\$0.51	\$1,884.10	\$2,647.94
Reimbursement Fee	\$0.74	\$0.32	\$882.13	\$12.03
Compliance Fee	\$0.00	\$0.00	\$2.28	\$2.88
Total	\$6.78	\$0.83	\$2,768.51	\$2,662.85

PHF – Peak Hourly Flow

gpd – Gallons per Day

MM – Maximum Month

ppd – Pounds per Day

The new sewer SDC charge will go into effect on January 1, 2026 and will be updated annually on July 1st based on a construction cost index, allowing for regular inflationary adjustments.

EXPECTED RESULTS:

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

TIMELINE:

If adopted by City Council, the updated sewer SDC methodology and charge 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 FY 2025-26 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 the sewer SDC methodology and charge rates on June 2, 2025 and September 4, 2025. On June 24, 2025, the project team met with representatives from the Home Building Association of Greater Portland to discuss the proposed SDC updates. In addition, a 90-day and 60-day notice to interested parties, as required by Oregon law, prior to the first public hearing for adoption of a SDC methodology, was issued on June 9, 2025, and July 15, 2025 respectively. The 60-day notice included the proposed SDC methodology report and 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. 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 utility program.

ALTERNATIVES:

Council could choose to adopt a sewer SDC rate less than the maximum defensible amount. However, doing so would require additional sources of revenue to fund the necessary sewer infrastructure to serve projected growth, most likely from increased utility rates paid for by existing residents and businesses.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 3209
 - A. Wilsonville Wastewater and Stormwater SDC Methodology Report
 - B. 90-Day Notice of System Development Charge Methodology
 - C. 60-Day Notice of System Development Charge Methodology