CITY COUNCIL MEETING

Monday, October 19, 2026 at 6:00 PM
Sandy City Hall and via Zoom

AGENDA

TO ATTEND THE MEETING IN-PERSON:
Come to Sandy City Hall (lower parking lot entrance) - 39250 Pioneer Blvd., Sandy, OR 97055

TO ATTEND THE MEETING ONLINE VIA ZOOM:
Please use this link: https://us02web.zoom.us/j/87235000271
Or by phone: (253) 215-8782; Meeting ID: 87235000271

WORK SESSION – 6:00 PM

1. Housing Snapshot Map: Information to Inform Council Goal 6.3

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT (3-minute limit)

The Council welcomes your comments at this time. The Mayor will call on each person when it is their turn to speak for up to three minutes.

-- If you are attending the meeting in-person, please submit your comment signup form to the City Recorder before the regular meeting begins at 7:00 p.m. Forms are available on the table next to the Council Chambers door.

-- If you are attending the meeting via Zoom, please complete the online comment signup webform by 4:00 p.m. on the day of the meeting: https://www.ci.sandy.or.us/citycouncil/webform/council-meeting-public-comment-signup-form-online-attendees.

RESPONSE TO PREVIOUS COMMENTS

CONSENT AGENDA

2. City Council Minutes: October 5, 2026

OLD BUSINESS

3. Follow Up Discussion: Council Chambers Audio/Visual Project

NEW BUSINESS

4. Council Discussion: Wastewater System Development Charge Rates
5. Proposed Property Purchase: 17650 Meinig Ave.

REPORT FROM THE CITY MANAGER

6. Revised Draft Flavored Tobacco Letter

COMMITTEE / COUNCIL REPORTS

STAFF UPDATES

Monthly Reports: https://reports.cityofsandy.com/

ADJOURN

Americans with Disabilities Act Notice: Please contact Sandy City Hall, 39250 Pioneer Blvd. Sandy, OR 97055 (Phone: 503-668-5533) or (Email: recorder@ci.sandy.or.us) at least 48 hours prior to the scheduled meeting time if you need an accommodation to observe and/or participate in this meeting.

STAFF REPORT

Meeting Type:	City Council Meeting
Meeting Date:	October 19, 2026
From:	Molly Thompson, Engineering Technician
	Kelly O'Neill Jr., Development Services Director
Subject:	Housing Snapshot Map: Information to Inform Council Goal 6.3

DECISION TO BE MADE:

No decision needs to be made at this time; this is an information-sharing work session discussion.

APPLICABLE COUNCIL GOAL:

- **Goal 6.3:** Take action to update the City's zoning map.

BACKGROUND / CONTEXT:

During the 2025-2027 City Council goal setting meeting, the Council established a goal to take action to update the City's zoning map. At the City Council work session on November 17, 2025, the City Manager asked the City Council for clarification on what specific actions the Council would like to see to accomplish this goal. After discussion, the consensus of the Council was that staff should create a map of developed residential properties to display what has actually been built within the community, regardless of the underlying zoning designations. The intention was to provide the Council with information with which future legislative land use decisions could be made. City staff, including City Administration, have met on several occasions since November 17, 2025 to discuss the project, identify how to best gather and analyze the desired information, and how to present the information in the most usable manner possible.

KEY CONSIDERATIONS / ANALYSIS:

Detailed information is included in the slide presentation, attached as Exhibit B. Below are several notable findings:

- Residential Zone Densities

  Staff have spatially illustrated the current distribution of existing housing, by type, within each of Sandy's residential zoning districts. The analysis reveals that Sandy has the following built densities in the four existing residential zoning districts:

  - Single Family Residential (SFR): 3.66 dwelling units per net site acre
  - Low Density Residential (R-1): 5.85 dwelling units per net site acre
  - Medium Density Residential (R-2): 6.86 dwelling units per net site acre
  - High Density Residential (R-3): 12.48 dwelling units per net site acre

- Total Number of Units per Group

  The housing type classifications were divided into three groups. Group 1 consists of single family/dwelling homes. Group 2 consists of duplexes, dwellings with ADUs, and row homes. Group 3 consists of manufactured home parks, condominiums, and apartments. Within the four residential zoning districts the three groups comprise of the following percentages:

  - Group 1: 64 percent of Sandy's dwelling units
  - Group 2: 11 percent of Sandy's dwelling units
  - Group 3: 25 percent of Sandy's dwelling units

The presentation provides additional key considerations and analysis regarding the distribution of existing housing in Sandy.

BUDGET IMPACT:

Considerable staff time was spent gathering data and creating maps, tables, and graphics, but all the work was completed within the existing approved budgets for the Public Works Department and Development Services Department. A consultant was not hired to perform any of the work related to this work session.

RECOMMENDATION:

Staff recommend that the City Council discuss the developed properties map and the presentation and ask clarifying questions of City staff.

LIST OF ATTACHMENTS / EXHIBITS:

- Exhibit A. Developed Properties Map
- Exhibit B. Presentation

EXHIBIT A. Developed Properties Map

SANDY OREGON

Housing Type

- Single Family Home
- Duplex, Row Home, or Home + ADU
- Apartments, Condos, or Mobile Home Park
- Vacant
- School, House of Worship, or City Property
- Tract, Utility, or Otherwise Restricted
- Urban Growth Boundary
- City Limits
- Parcels

Zoning

- Parks & Open Space (POS)
- Single Family Residential (SFR)
- Low Density Residential (R1)
- Medium Density Residential (R2)
- High Density Residential (R3)
- Central Business District (C1)
- General Commercial (C2)
- Village Commercial (C3)
- Industrial Park (I1)
- Light Industrial (I2)
- General Industrial (I3)

N W E S

0 ¼ ½ 1 Miles

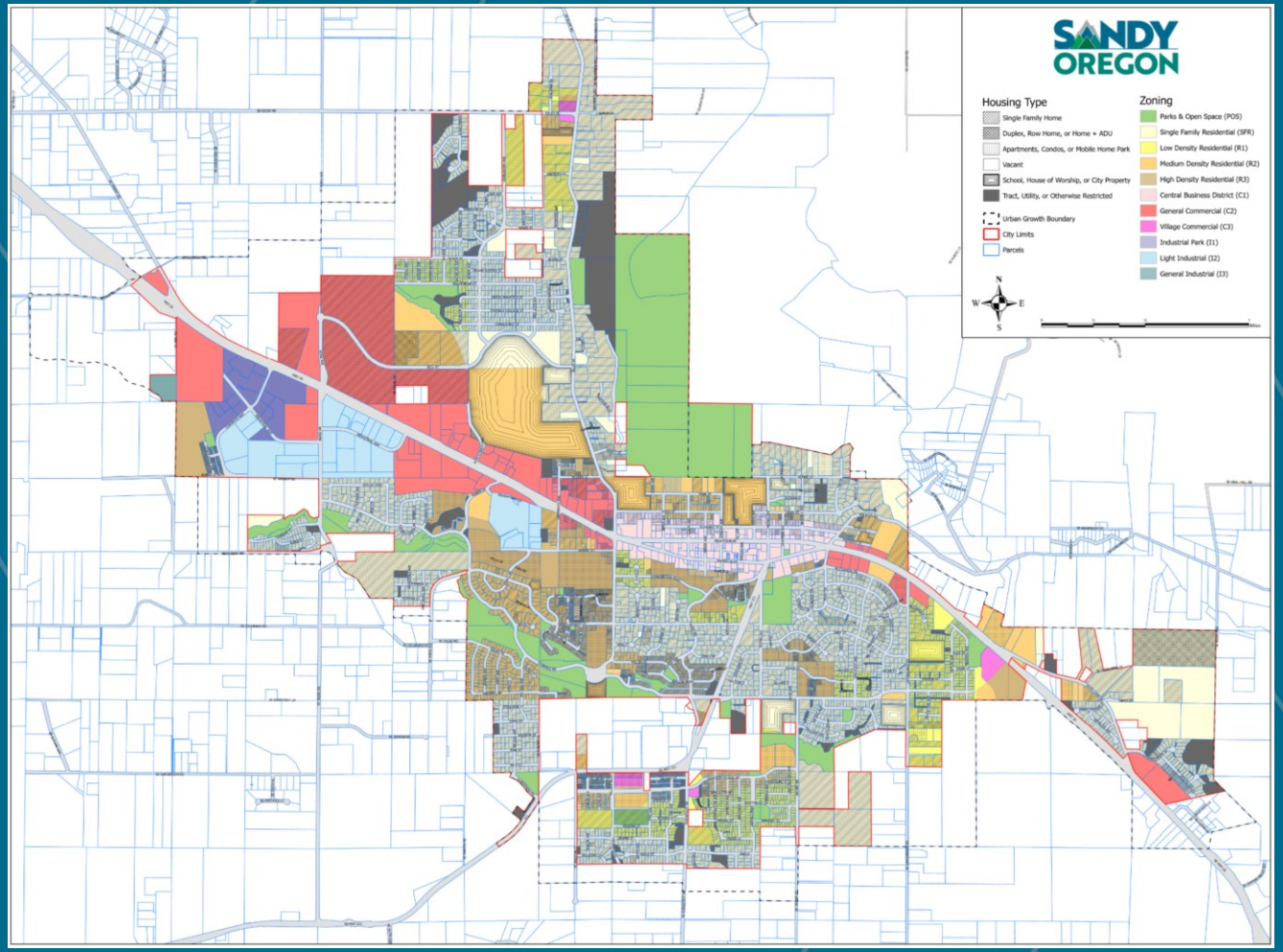
SANDY
GATEWAY TO MT. HOOD

Housing Snapshot
Sandy, Oregon

October 2026

Purpose Statement

Help to inform Goal 6.3, Take action to update the City's zoning map, by spatially illustrating the current distribution of existing housing, by type, within each of Sandy's residential zones.


SANDY OREGON
Housing Type
Single Family Home
Duplex, Row Home, or Home + ADU
Apartments, Condos, or Mobile Home Park
Vacant
School, House of Worship, or City Property
Tract, Utility, or Otherwise Restricted
Urban Growth Boundary
City Limits
Parcels
Zoning
Parks & Open Space (POS)
Single Family Residential (SFR)
Low Density Residential (R1)
Medium Density Residential (R2)
High Density Residential (R3)
Central Business District (C1)
General Commercial (C2)
Village Commercial (C3)
Industrial Park (I1)
Light Industrial (I2)
General Industrial (I3)
N
W
E
S

Information Collection

- County taxlot data
- Sandy GIS
- Google Earth
- Institutional knowledge
- Observations while driving/walking

Limitations

- Work done without permits
- Properties that have annexed in without reporting additional units
- Parcels that span multiple zones

Housing Type Classifications

- Single Family Home → Group 1
- Duplex → Group 2
- Home + ADU → Group 2
- Row Home → Group 2
- Manufactured Home Park → Group 3
- Condos → Group 3
- Apartments → Group 3

Sandy Home Definitions & Examples



Single Family Home

Free-standing, independent residential building designed to house a single household or family.



Duplex

Residential building divided into two separate living units, on one or split between two parcels.

Duplexes created through a Middle Housing Divide







Row Home

Single family home that shares a side wall and roofline with identical or similar neighboring houses in a continuous line.



Home + ADU

Single family home with a subdivided, attached unit or additional free-standing home on a single parcel.

Apartments

Residential structure with 3 or more units on a single parcel.



Apartments, cont.





Residential Zones within Sandy

- Single Family Residential (SFR): zone allowing single-family dwellings and duplexes. Density shall not be less than three or more than 5.8 units per net acre.
- Low Density Residential (R1): zone allowing low-density residential development in transitional areas between the Single-Family Residential zone and the higher density zones. Density shall not be less than five or more than eight units per net acre.

Residential Zones within Sandy, cont.

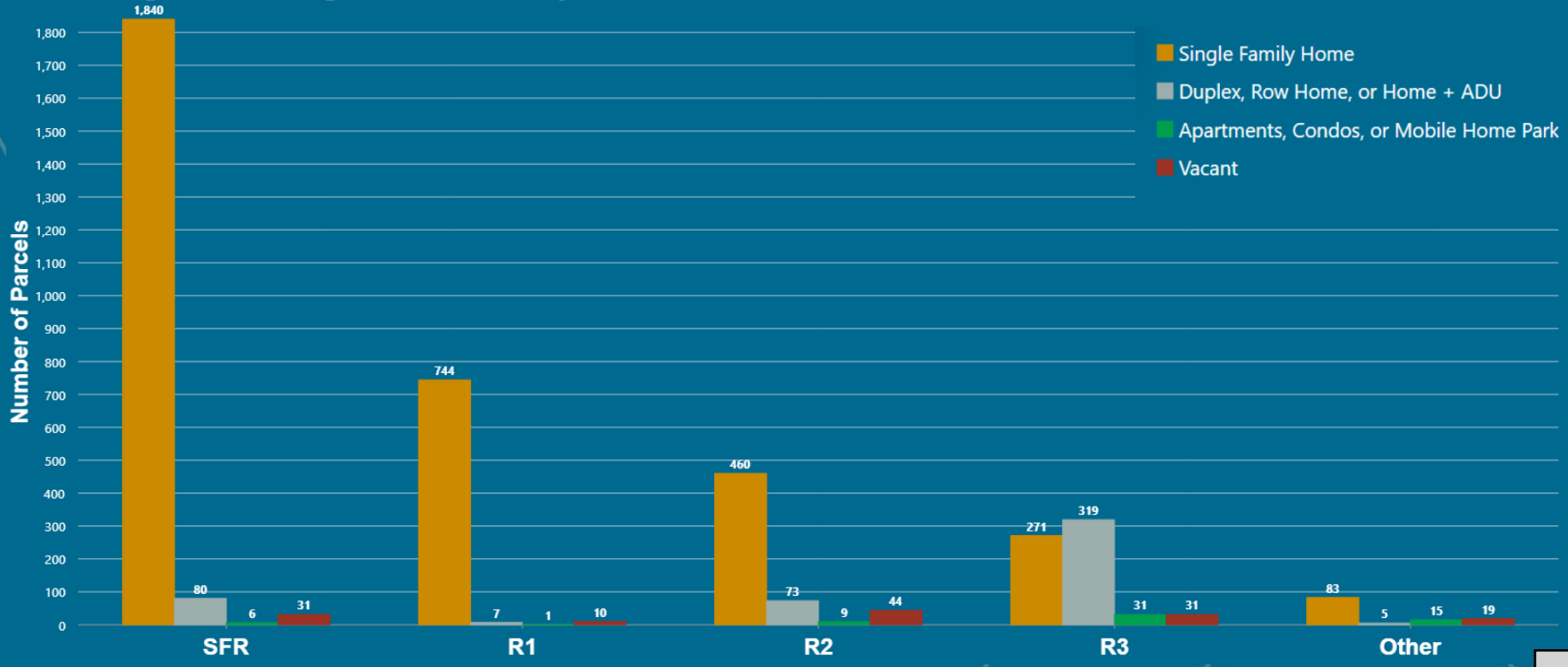
- Medium Density Residential (R2): zone allowing for medium density single-family and multi-family uses in suitable locations. Density shall not be less than eight or more than 14 units per net acre.

- High Density Residential (R3): zone allowing for housing in close proximity to retail, public amenities, major transportation routes and transit services in transitional areas between commercial and industrial uses and low density single family uses. Density shall not be less than ten or more than 20 units per net acre.

*Note: for the purpose of this map, all parcels smaller than the minimum lot size for their respective zone have been excluded from the “Vacant” category.

Data Compiled

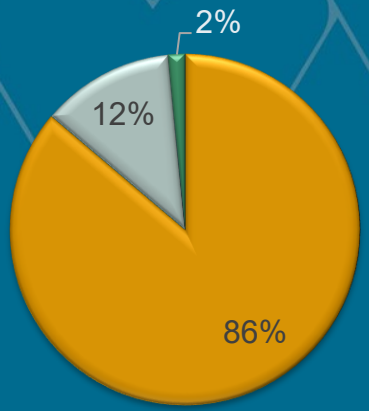
Residential Parcel Distribution by Zone



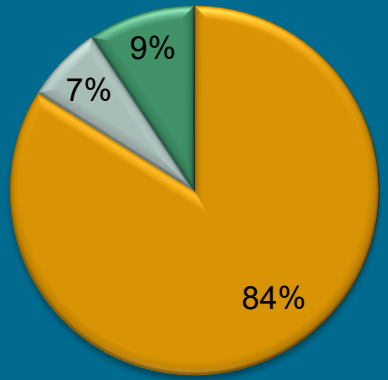
*Note: “Other” includes parcels with residential dwellings in non-residential zones.

Sandy's Housing Makeup

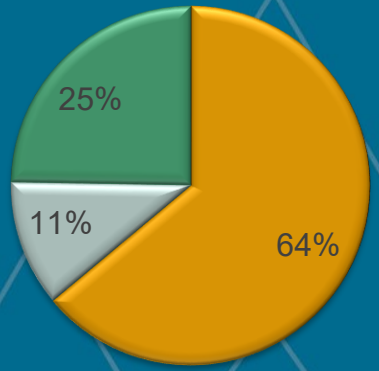
Parcel Count



Acres



Units



Single Family Home Duplex, Row Home, or Home + ADU Apartments, Condos, or Mobile Home Park

Housing Types in Non-Residential Zones

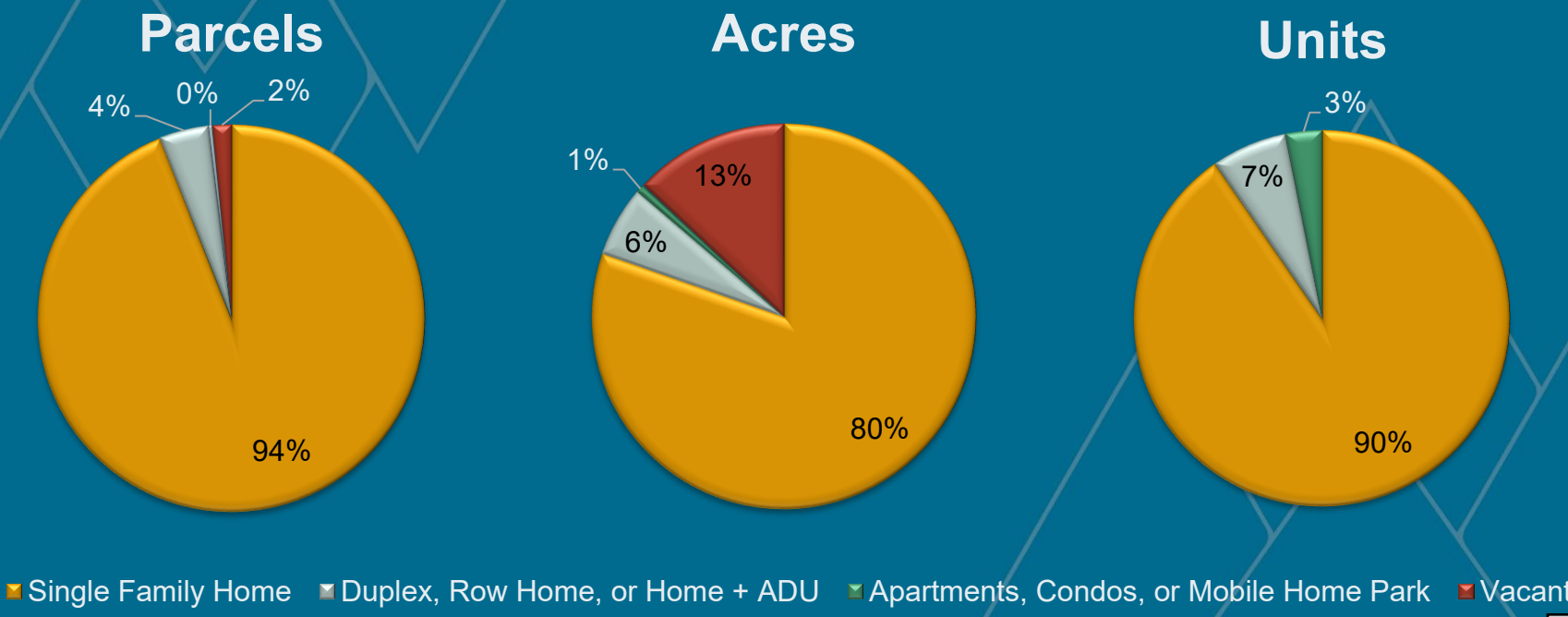
Zoning Designation	Type	Acres	# Parcels	# Units
Central Business District (C1)				
	Single Family Home	9.44	56	56
	Duplex, Row Home, or Home + ADU	0.65	5	10
	Apartments, Condos, or Mobile Home Park	2.08	11	43
General Commercial (C2)				
	Single Family Home	90.53	20	20
	Apartments, Condos, or Mobile Home Park	3.57	3	78
Village Commercial (C3)				
	Single Family Home	2.37	2	2
	Apartments, Condos, or Mobile Home Park	2.26	1	32
Parks & Open Space (POS)				
	Single Family Home	3.85	1	1

Parcels in Multiple Zones

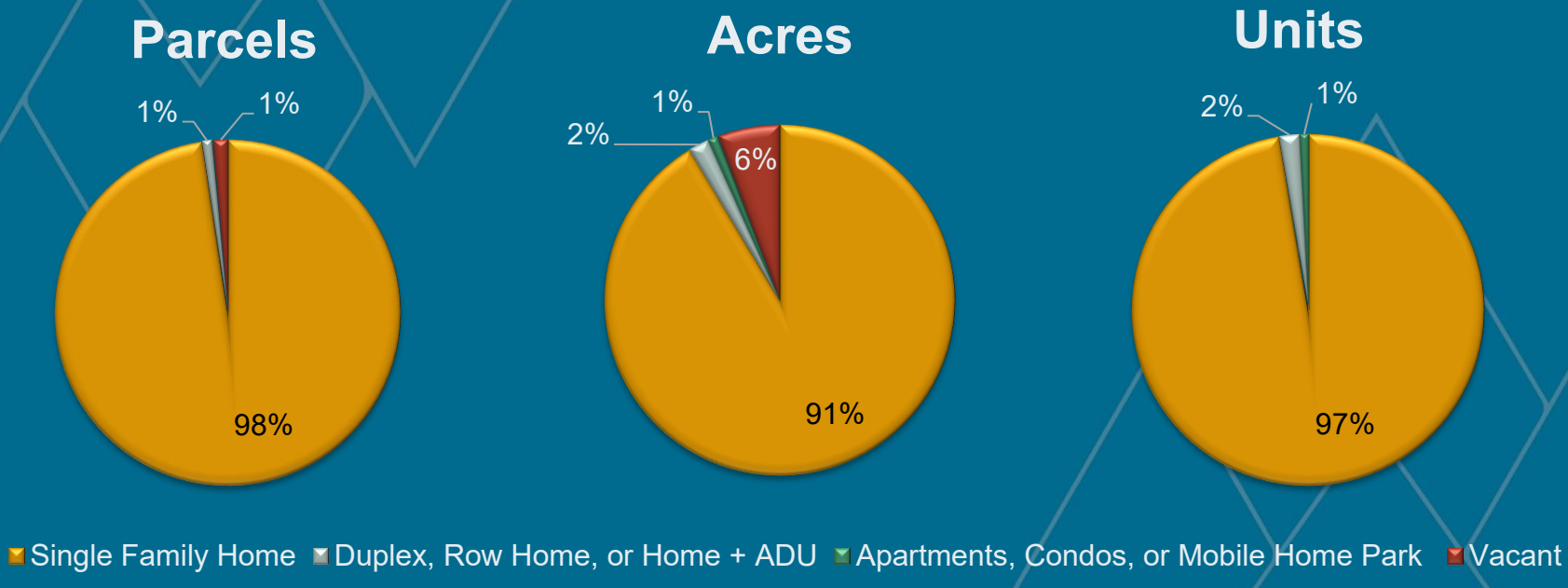
Six parcels of considerable size contain multiple zones and have been excluded from the upcoming charts:

Zoning Designation	Housing Type	Address	Acres	Units
Multiple (R1/R2)	Single Family Home	14365 Bluff Road	1.76	1
Multiple (SFR/R3)	Single Family Home	18545 Tupper Road	2.05	1
Multiple (SFR/R2)	Single Family Home	38001 SE Highway 211	2.76	1
Multiple (SFR/R2)	Single Family Home	16200 Bell Street	7.16	1
Multiple (R2/R3)	Vacant	Not addressed	5.87	0
Multiple (R1/R2/R3/C3)	Vacant	40808 Highway 26	10.95	0

Single Family Residential (SFR)

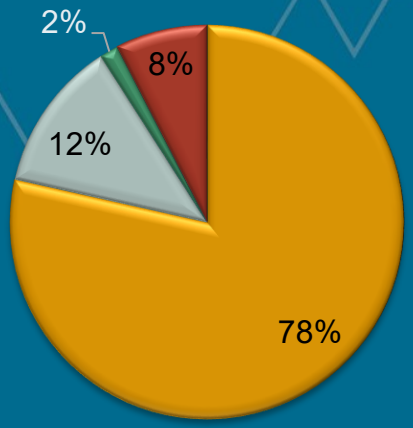


Low Density Residential (R1)

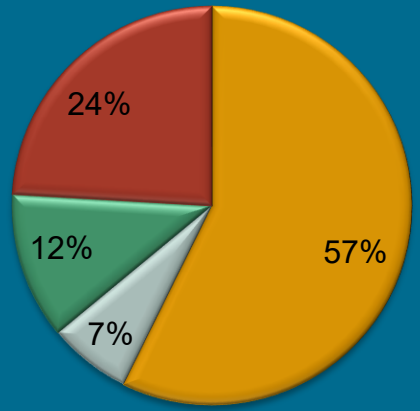


Medium Density Residential (R2)

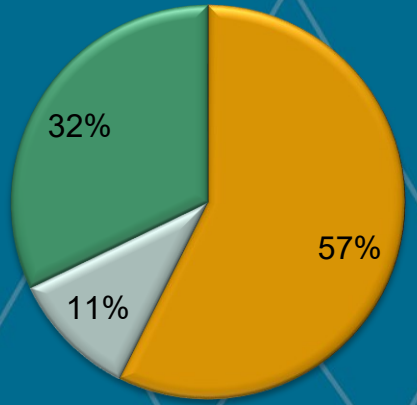
Parcels



Acres



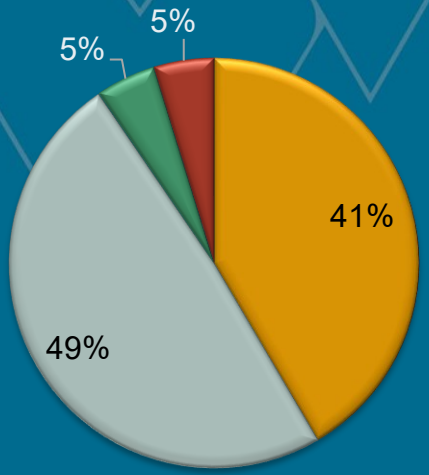
Units



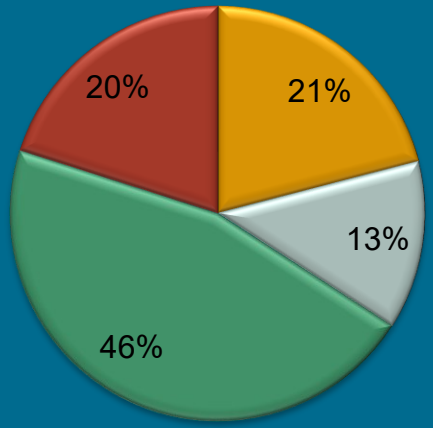
Single Family Home Duplex, Row Home, or Home + ADU Apartments, Condos, or Mobile Home Park Vacant

High Density Residential (R3)

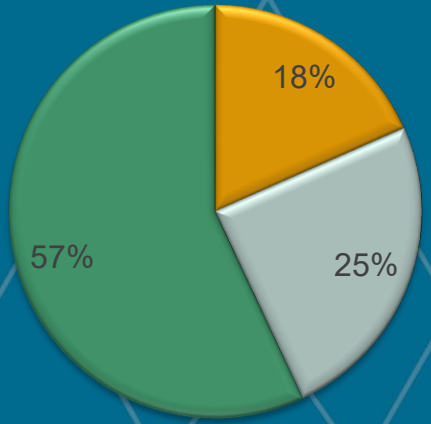
Parcels



Acres



Units



Single Family Home Duplex, Row Home, or Home + ADU Apartments, Condos, or Mobile Home Park Vacant

Housing Density per Zone

Housing Density per Zone by Type: Single Family Residential (SFR)

Single Family Home Parcels:	3.58 units per acre
Duplex, Row Home, or Home + ADU	3.48 units per acre
Apartments, Condos, or Mobile Home Parks	14.44 units per acre

Overall density of parcels (NSA) within the SFR zone, occupied by housing: 3.66 units per acre
Additional vacant land: 83.45 acres on 31 parcels

Housing Density per Zone by Type: Low Density Residential (R1)

Single Family Home Parcels:	5.88 units per acre
Duplex, Row Home, or Home + ADU	5.23 units per acre
Apartments, Condos, or Mobile Home Parks	4.59 units per acre

Overall density of parcels (NSA) within the R1 zone, occupied by housing: 5.85 units per acre
Additional vacant land: 7.92 acres on 10 parcels

Housing Density per Zone by Type: Medium Density Residential (R2)

Single Family Home Parcels:	5.21 units per acre
Duplex, Row Home, or Home + ADU	8.13 units per acre
Apartments, Condos, or Mobile Home Parks	14.07 units per acre

Overall density of parcels (NSA) within the R2 zone, occupied by housing: 6.86 units per acre
Additional vacant land: 37.08 acres on 44 parcels

Housing Density per Zone by Type: High Density Residential (R3)

Single Family Home Parcels:	8.73 units per acre
Duplex, Row Home, or Home + ADU	18.77 units per acre
Apartments, Condos, or Mobile Home Parks	12.40 units per acre

Overall density of parcels (NSA) within the R3 zone, occupied by housing: 12.48 units per acre
Additional vacant land: 29.71 acres on 31 parcels

Thank you

CITY COUNCIL MEETING

Monday, October 05, 2026 at 6:00 PM
Sandy City Hall and via Zoom

MINUTES

WORK SESSION – 6:00 PM

1. Pleasant Street Improvements Work Session

The City Manager summarized the staff report in the meeting packet and provided context about the original Pleasant Street planning concept and the economic development goals that existed concurrently with the purchase of the former Cedar Ridge property. It was noted that the original plaza street concept is no longer under consideration, that improvements to Bruns and Smith Streets are now being recommended, and power poles that do not meet ADA access standards are being recommended to be addressed. Presentation slides were also included in the meeting packet.

Council discussion ensued on the following topics:

- Desire for PGE to pay to move power poles that were placed within sidewalks, impairing ADA access
- Clarification on the need to bring ADA ramps up to code standards if work is proceeding on the adjacent streets; concerns about cost containment
- Clarification on the proposed improvements to Strauss for connectivity purposes; concern about limiting downtown parking opportunities if spaces are removed on Strauss
- Explanation of the original design and planning goals of the Pleasant Street Master Plan concept
- Details of the project map attached to the staff report, and the associated cost estimates
- Details on street improvement projects that would occur anyway under the pavement management program regardless of whether a special project is undertaken in the Pleasant Street area
- Clarification on the ADA ramp needs surrounding Sandy Grade
- Note that the projects that would fall beyond the scope of the pavement management program would total approximately $1.6 million
- Suggestion to address only the most egregious needs throughout the city, with Pleasant Street improvements naturally being prioritized
- Suggestion that Pleasant Street will eventually be improved when surrounding properties develop, including the former community campus property
- Possibilities for future parking options along Strauss south of Pioneer adjacent to the future vet clinic property; note that the City will be undertaking a stormwater master planning process soon that will affect the area

DRAFT

- Concern about not being able to use projects as a match for a future Safe Routes to School grant
- Suggestion that investment in Pleasant Street is needed now, regardless of whether the City receives a Safe Routes to School grant, because of the importance of student safety and the need to connect the elementary and middle schools with safe sidewalks and crosswalks
- Details of the Safe Routes to School grant and matching requirements
- Suggestion to focus on improvements to Pleasant Street adjacent to Sandy Grade, and not side streets or any kind of special streetscape design
- Discussion related to bus and parent pickup areas for Sandy Grade; suggestion to potentially allow vehicles to use the City's adjacent property as was done in the past
    - History and context for why the City discontinued this use on its property
    - Concerns for safety and the integrity of the equipment stored on the property
    - Emphasis on OTSD's responsibility to provide an adequate pickup location and process

It was the consensus of the Council that Pleasant Street improvements should no longer be treated as a holistic master plan; rather, pavement improvements should be rolled into the city-wide pavement management program, and student safety and access to schools should be prioritized by addressing sidewalk, crosswalk, and ADA ramp deficiencies. A full city-wide inventory of sidewalk, crosswalk, and ADA ramp deficiencies should be developed, and projects within the Safe Routes to School project area should be specifically identified and included in a new grant application. Staff should also work with PGE to ensure the utility financially contributes as much as possible to fixing the ADA access problems created by pole placement.

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT
Mayor Kathleen Walker
Councilor Laurie Smallwood (virtually)
Councilor Rich Sheldon
Councilor Kristina Ramseyer
Councilor Lindy Hanley

ABSENT
Council President Don Hokanson

CHANGES TO THE AGENDA

PUBLIC COMMENT (3-minute limit)

Angela Davis: manager with AntFarm who works with at-risk kids; tries to keep kids away from substance abuse but flavored tobacco makes it difficult especially with sweet flavors etc.; is a

mother of four, all of whom work blue collar jobs, and knows tobacco is marketed as an easy answer to stress; is glad the draft letter aims to protect kids while also being mindful of impacts to businesses

RESPONSE TO PREVIOUS COMMENTS

(none)

PROCLAMATIONS

2. Domestic Violence Awareness Month

The Mayor read the proclamation aloud and emphasized the importance of preventing domestic violence, especially in light of the events that occurred in Sandy on May 31, 2026. Erin Ritchie with A Safe Place expressed thanks for the proclamation and summarized the work of her organization in Clackamas County and upcoming community conversation events; she acknowledged the victims of the May 31st tragedy

CONSENT AGENDA

3. City Council Minutes: September 21, 2026

MOTION: Adopt the Consent Agenda

Motion made by Councilor Ramseyer, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

ORDINANCES

4. PUBLIC HEARING: Ordinance 2026-23 - Civil Infractions Code Amendments

Abstentions
(none)

Conflicts of Interest
(none)

Staff Report
The Development Services Director summarized the staff report included in the meeting packet. It was noted these changes are consistent with the new fine structure instituted in 2024. Consistent with Council direction at the previous meeting, chronic nuisance fines are designated as Class A while others are designated as Class B.

Public Testimony
(none)

DRAFT

Recap and Recommendation
Staff recommended approval of the ordinance

MOTION: Close the public hearing

Motion made by Councilor Ramseyer, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

***

Council Discussion
The Council thanked staff for their work on the code amendments

MOTION: Approve the first reading of Ordinance 2026-23

Motion made by Councilor Ramseyer, Seconded by Councilor Sheldon.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

***

MOTION: Approve the second reading of Ordinance 2026-23

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

5. PUBLIC HEARING: Ordinance 2026-22 - Bornstedt Views FSH Overlay Map Amendment

Abstentions
(none)

Conflicts of Interest
(none)

Ex Parte Contacts
(none)

DRAFT

Challenges
(none)

Staff Report
The Development Services Director summarized the staff report and presented slides that were included in the meeting packet. Details were provided regarding the photos included in the slides. Staff also indicated that they are following up with the neighbor who submitted written testimony regarding his stormwater concerns on his property.

Applicant Presentation
(none)

Public Testimony
(none)

Recap and Recommendation
Staff recommended adoption of the ordinance

Applicant Rebuttal
(none)

MOTION: Close the public hearing

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

***

Council Discussion
It was noted that the zoning map amendment will not affect the neighbor on Jerger Street with stormwater concerns. Staff also indicated where the large retaining wall sits on the subject property, and summarized the process that would be followed pursuant to the FSH overlay should the owner of Lot 11 want to develop the property in the future.

MOTION: Approve the first reading of Ordinance 2026-22

Motion made by Councilor Sheldon, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

***

MOTION: Approve the second reading of Ordinance 2026-22

DRAFT

Motion made by Councilor Hanley, Seconded by Councilor Sheldon.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

NEW BUSINESS

6. Contract Amendment Authorization: Pump Storage and Maintenance

The Public Works Director summarized the staff report in the meeting packet, and also provided additional updates on the City's progress with regard to its drinking water improvement projects. It was noted that the City's pump station land use hearing is about to occur with Multnomah County; details were provided about the hearing process, the subsequent facility design process, and anticipated dates for construction bidding and completion. Other discussion points included the recent bilateral compliance agreement extension, the need for PWB to finish its construction work before Sandy's pump station can be used, the completion of the City's transmission line, plans to complete the dechloramination infrastructure, and the anticipated completion of the work at the Alder Creek treatment plant. The Council emphasized the importance of completing the Alder Creek work to minimize the reliance on PWB water.

MOTION: Authorize the City Manager to execute a contract amendment with Triangle Pump for storage and maintenance of the pumps for the Bull Run Pump Station, as included in the meeting packet

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 5-0

REPORT FROM THE CITY MANAGER

7. Draft Flavored Tobacco Letter

The City Manager explained the issue at hand and the request from Oregon City for other cities to sign on to their draft letter. The Council discussed whether the draft in the meeting packet reflected their position on the issue. It was suggested that the letter should take a more neutral stance, emphasizing that this is a question that voters should decide instead of the County Commission. It was also suggested that businesses should be held responsible for selling tobacco products to minors. The Council requested that staff develop another draft of the letter stating that while youth use of tobacco is undesirable, it is ultimately an issue that should be put to the voters.

Further City Manager Report items included:

- Update on the upcoming Bull Run pump station land use hearing

DRAFT

- Update on the MBR treatment plant design process
- Note that the revised wastewater SDC methodology will be published on October 8th and a check in discussion with the Council on rates is scheduled for October 19th.
- Note that staff have been informed that Lennar may have chosen not to move forward with a significant property purchase because of ERU allocation expirations and rising interest rates
- Note of an upcoming meeting with Skyview regarding wholesale water rates

COMMITTEE / COUNCIL REPORTS

Councilor Hanley

- Praise for the landscaping work at City Hall and other care and attention being paid by staff
- Reminder of the Library casino night fundraiser
- Reminder of the Trick or Treat Trail and CamoCon

Councilor Ramseyer

(none)

Councilor Sheldon

- Recap of the recent Community Livability Task Force meeting; thanks to Police for their ongoing work related to homelessness
- Acknowledgement of the domestic violence proclamation and all the work being done to assist victims

Councilor Smallwood

(none)

Mayor Walker

- Thanks to those who attended in support of the domestic violence proclamation and the acknowledgement of the May 31st victims; reminder of the resources available to assist victims
- Note that planning is underway for a Kobyn McClure memorial
- Note that community members in Boring would like an update regarding their concerns about the City's wastewater discharge planning but planning is only in the early stages; additional conversation and outreach will ensue as more information becomes available
- Note of the upcoming meeting with Skyview and the importance of rate fairness
- Recap of the recent meeting with Representative Dexter
- Recap of the recent C-4 meeting related to buildable land inventories
- Recap of the recent Community Livability Task Force meeting and suggestions to update code around car towing and abandoned shopping carts
- Suggestion that when wastewater SDC rates are next addressed, projects that already have land use approval should be exempt from any rate increases, and even new projects should have an on-ramp to any new higher rates

DRAFT

STAFF UPDATES

Monthly Reports: https://reports.cityofsandy.com/

ADJOURN

EXECUTIVE SESSION – The City Council met in executive session pursuant to ORS 192.660(2)(e)

DRAFT

STAFF REPORT

Meeting Type:	City Council Meeting
Meeting Date:	10/19/2026
From:	Gregory Brewster, IT Director
Subject:	Follow Up Discussion: Council Chambers Audio/Visual Project

DECISION TO BE MADE:

Provide direction to staff and determine a path forward for upgrading the Council Chambers audio/visual system

APPLICABLE COUNCIL GOAL:

- **Goal 9.2**: Improve the audio and visual technology in the Council Chambers

BACKGROUND / CONTEXT:

The goal to improve the audio and visual (AV) technology was identified during the City Council Goal Setting that took place on February 1, 2025. Staff posted a request for information (RFI) in April 2026 and that RFI closed on May 1, 2026. Staff received four responses.

The issues with the existing AV system include: microphone feedback; difficulty projecting audio among councilors and audience members; dissatisfaction with the existing monitors on the dais; and a lack of appropriate ADA accommodations for participants and audience.

Staff met with three vendors to evaluate the Council Chamber's existing layout/setup and develop a quote that would resolve any current or outstanding issues. Staff received back four quotes from three firms to complete the work.

Follow Up from September 21, 2026 Meeting

Staff brought forward two quotes from CTI during the September 21, 2026 City Council meeting and asked the Council to determine which quote would best resolve the issues related to monitors and presentations. It was determined that monitors on the dais were preferred.

Staff were also asked to come back with additional information:

- Staff were to separate the audio and video portions of the existing quote for AV upgrades
    - Revise the quote to reduce the number of monitors from nine to four

- Staff were to provide additional choices on room improvements and their estimated costs
    - Estimate costs to recess monitors into the existing dais
    - Estimate costs to replace the dais
    - Estimate costs to reconfigure the entire room, see *Exhibit B*

KEY CONSIDERATIONS / ANALYSIS:

A combination of technology and strategic equipment placement would be used to resolve the previously identified AV issues. Any physical room changes or upgrades would be independent from the AV project.

All AV considerations from the September 21st staff report remain unchanged with any room upgrades. AV costs would remain unchanged if any room improvements were to be implemented. Any room upgrades would also need to accommodate the other public meetings that take place in the room, such as Planning Commission and Municipal Court, and the need for the room to act as a secondary conference room.

Separated AV Quote

CTI has provided a revision to their existing quote that reduces the number of monitors from nine to four; includes a missing necessary item for the hearing accommodation that was previously discussed on September 21; and a breakout of the costs for the audio and visual sections of the project and their necessary control systems. The audio portion of the project is almost twice the cost of the video portion, largely because the backend controller can run both audio and visual systems but must be purchased and implemented for any audio upgrades. Given that audio upgrades are essential, the cost of the controller is allocated under the audio section of the quote.

	Materials	**Labor and Implementation**	**Total**
Audio System with Controller	**$23,890.02**	**$18,872.97**	**$42,762.99**
Video System	**$10,866.26**	**$11,837.81**	**$22,704.07**
Totals	**$34,756.28**	**$30,710.78**	**$65,467.06**

Council Chambers Layout

Staff have consulted with a general contractor to identify cost estimates for three separate renovations. The following scope and costs are not official but are intended to provide the Council with a baseline for any of the proposed work.

Recess Monitors into Dias. Current estimates are around **$5,000** to construct four 6” deep boxes into the existing dais to allow for the monitors to be recessed and visible for Councilors and not obstruct the Council’s view of the Audience or Staff.

Replacement of the Entire Dias. This option includes the removal and replacement of the existing dais. The cost to replace everything with a similar style wood veneer, recessed monitors and an open tray at the end of the countertop that runs the entire distance of the dais for cables, and other storage is estimated to be **$25,000 to $35,000**. Additional considerations for a dais include extending the steps up to the dais and creating arched support for the countertop, which will increase the amount of leg room for seats three and five.

Entire Room Redesign. This option includes an entire reconfiguration of the room, similar to the layout represented in *Exhibit B*. This option is the most expensive, estimated to be over **$100,000** to complete. This would include at a minimum the replacement of the rooms floor, including the ramp leading to the audience; relocation of the dais and its raised floor; as well as the reconfiguration of the lights and other electrical circuits.

Other Considerations

- Minimizing wear and tear: In order to reduce any likelihood of tampering, or breaking of cables, ports or screens, staff recommend not placing dais monitors on a mounting arm or proposing a configuration that would require moving the dais monitors. Rather, staff favor recessing monitors into the dais or replacing monitors with a smaller size, but keeping them fixed in order to reduce movement.
- Costs to reconfigure in the future: Should the room layout change any time after the implementation of the AV project, the cost to reconfigure the AV equipment is estimated to be about half of the implementation costs for both the audio and video systems. This takes into account work or line items that would not be incurred for reconfiguration, such as freight, but includes costs for additional materials and the work needed to relocate items like microphones, cameras and wiring.
- Electrical work with room redesign: The electrical work that would be needed for each of the three room redesign options are included in their respected estimates.

BUDGET IMPACT:

The costs for AV installation and setup are broken down into their two smallest sections with a maximum cost of **$65,467.08**, excluding any electrical work.

The cost to perform work to the room and layout range from **$5,000** to over **$100,000** depending on configuration, features and scope of work. Any of these options would likely include the costs to perform any necessary electrical work for the AV project.

RECOMMENDATION:

Staff respectfully request that Council review the options provided in this report and provide staff direction on which of the following options should be pursued:

AV Systems

A. Upgrade only the audio system
B. Upgrade both the audio and video systems

Dais Enhancements

A. Recess monitors into the dais
B. Replace the entire dais
C. Leave the dais as-is

Renovation

A. Pursue a full renovation/redesign of the room
B. Do not renovate the full room at this time

SUGGESTED MOTION LANGUAGE:

N/A

LIST OF ATTACHMENTS / EXHIBITS:

- Exhibit A – CTI Proposal Revision 2A
- Exhibit B – Council Chambers Reconfiguration Concept Design

PROPOSAL

City of Sandy, OR

Council AV r2a



Date
Monday, September 28, 2026

Prepared by
Brad Robison
Design Consultant

Scope of Work

Proposal Number: J26390192
Proposal Date: 9/14/2026

Prepared for: City of Sandy, OR
Attn: Gregory Brewster
Phone: (503) 489-0937
Email: gbrewster@ci.sandy.or.us

Prepared by: Brad Robison
Phone: (503) 573-0314
Email: brad.robison@cti.com

Bill to:
City of Sandy, OR
39250 Pioneer Blvd.
Sandy, OR 97055-8016

Ship to:
City of Sandy, OR
39250 Pioneer Blvd.
Sandy, OR 97055-8016

Executive Summary

The new audiovisual (A/V) system is designed to support both in-room and remote meeting participants. Multiple cameras provide clear views of council members and speakers at the public testimony lectern, while strategically configured microphones and speakers deliver high-quality sound with minimal noise and other audio artifacts.

System operation is automated wherever practical to reduce operator interaction and provide a seamless, professional presentation of council proceedings.

System

Audio

Microphones at each council position and at the testimony lectern are routed through a digital signal processor (DSP). The DSP provides the audio processing required for in-room sound reinforcement and acoustic echo cancellation (AEC), supporting clear audio and video conferencing.

Audio is distributed through dedicated amplifier channels serving different speaker zones. Sound near active microphones is reduced to help prevent feedback.

Microphone activity is continuously monitored and used to select the appropriate camera by recalling predefined camera presets.

An Assistive Listening System (ALS) provides audio support for the hearing impaired.

Components:

- Dais Microphones (audio over IP)
- Lectern Wireless Microphone
- Ceiling Microphone Array (worktable)
- Ceiling Speakers (zoned)
- Audio Processing and Amplification

Control

An intuitive touch-panel graphical user interface (GUI) at the clerk's position provides control of audio levels, video-source selection, and system power. A smaller control panel at the council president's position allows muting of audio and/or video enables the president to take control of a meeting if necessary.

Components:

- Control Touch panel (clerk)
- Control Panel (council president)
- Control System Processor (networked)

Video

Cameras operate and receive power over standard network cabling. Two cameras provide left and right views of the dais, while a third covers the public testimony position. The system automatically selects and positions cameras based on microphone activity.

A video input at the dais allows content from a locally connected PC to be displayed through the system when selected by the clerk.

Video conferencing is supported through a laptop connected at the clerk's position. A single USB-C connection provides local display of incoming video and audio from remote participants, transmission of local camera feeds and audio, and audio/video content shared from the clerk's laptop.

Components:

- Pan/Tilt/Zoom Cameras
- Video Conversion and Distribution
- Network Switching
- Audience Video Monitor
- Dais Video Monitors

Your Investment

Below is the cost of this solution based on the outlined scope of work. If you have questions about the complete solution, please let us know how we can help align this investment with additional needs or changes in scope.

Audio & Control Summary

Description	Price
Equipment	$23,890.02
Implementation Services	$14,955.51
Installation Materials	$750.00
Freight	$1,313.95
CTI Complete	$1,853.51
Audio & Control Sub-Total	$42,762.99

Video Summary

Description	Price
Equipment	$10,866.26
Implementation Services	$9,766.34
Installation Materials	$500.00
Freight	$597.64
CTI Complete	$973.83
Video Sub-Total	$22,704.07

Proposal Summary

Description	Price
Equipment	$34,756.28
Implementation Services	$30,710.78
Grand Total	$65,467.06

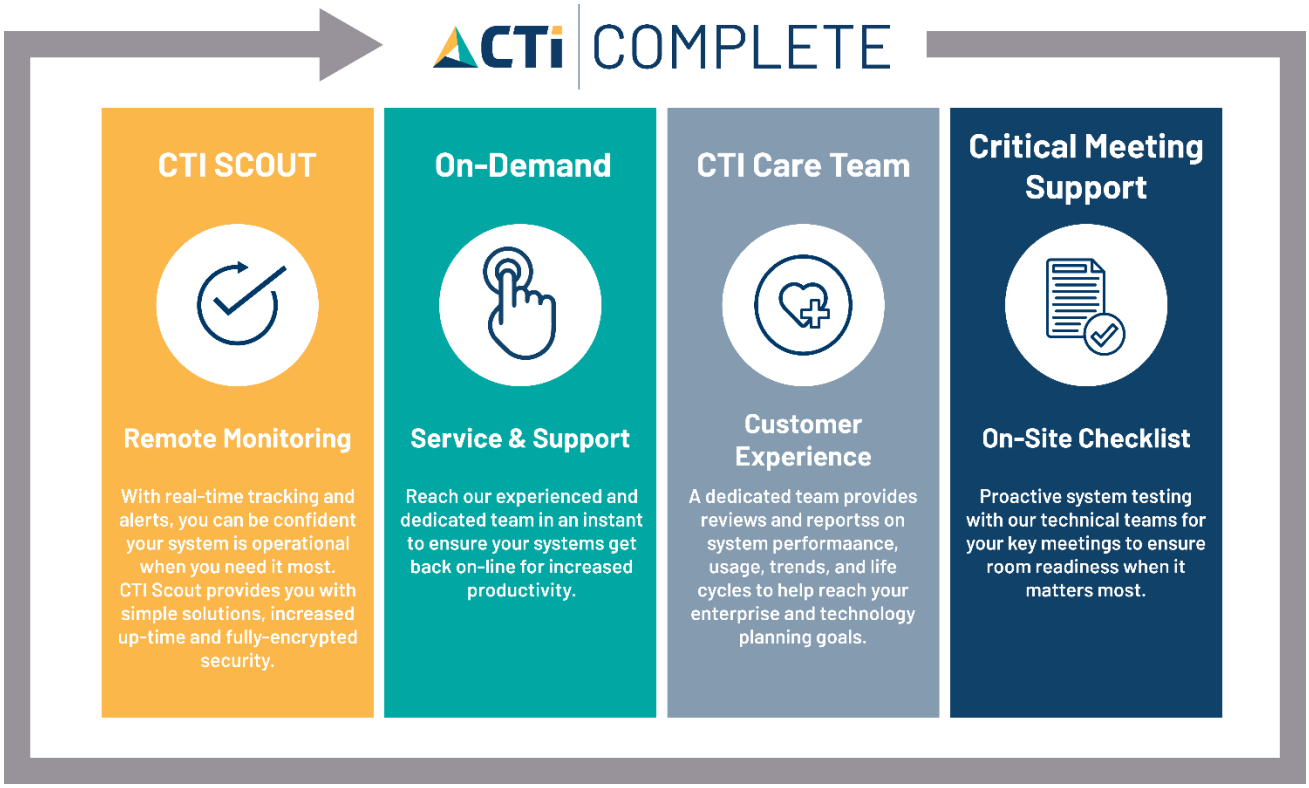
Down Payment Requirements

Down payment of 60% required to initiate order.

CTI Complete

Your **relationship with CTI** doesn't end when the integration is finished: every CTI integration includes a year of CTI COMPLETE support from our CTI CARE Team

- Built around your team and your needs!
- Proactive Monitoring and Preventive Maintenance
- On-Demand Service & Support
- CTI Care Team
- Critical Meeting support



AV Managed Services and Support

- Service plans tailored to your environment, goals, and systems
- Preventive maintenance, along with proactive monitoring and service
- Available for all systems, not just those integrated by CTI
- From on-call to fully managed with embedded staff. Let's talk about what you need.

Standard Disclaimer

CTI provides for twelve (12) months of **CTI Complete** on all system purchases. CTI warrants the system implemented is free from defects in material and workmanship, in accordance with the contract, drawings, specifications, alterations and additions thereto, for a period of twelve (12) months from the date of commencement of use, substantial completion, or date of notice of completion, whichever occurs first. This coverage does not protect against consumables, severe weather, and acts of God.

Terms

Terms are NET 30 with approved credit. For orders that exceed ten thousand dollars; 60% to initiate order, 30% upon substantial completion, and 10% upon completion, or progress billing based on purchase agreement at time of order. Payments made by credit card are subject to a 3.0% fee. All applicable taxes are the responsibility of the purchaser and will be added to the final invoice. Any cancelled orders or returns are subject to manufacturer acceptance; shipping and restocking fees may apply. This proposal is valid for fourteen (14) days.

Taxes and Tariffs

City of Sandy, OR is responsible for all applicable taxes, including but not limited to sales tax, value-added tax (VAT), and goods and services tax (GST), as well as any import duties, tariffs, and customs fees imposed by the destination location. These charges are not included in the product price or freight and must be paid by City of Sandy, OR. The Seller will provide all necessary documentation for customs clearance, and both parties agree to comply with all relevant laws and regulations regarding these charges.

Installation Description and Requirements

Provided by CTI: If installation is purchased, CTI will install all A/V components. CTI will also perform all programming, alignments, and end-user training. CTI will provide A/V project management, and provide drawings as required. This install price assumes a Monday through Friday 8:00am to 5:00pm install time. Room availability must be in consecutive 8-hour blocks. Any required changes or rushes may affect the final price.

Provided by Others

Electrical requirements are to be provided by others unless specifically included in CTI Scope of Work.

Statement

This system proposal is the property of CTI and is delivered with the sole intent of being viewed by management of City of Sandy, OR for evaluation purposes only. This proposal or any part of this proposal is not to be presented to, or viewed by any other party, vendor, or CTI competitor without the written consent of CTI. Any effort to do so will be considered a violation of copyright law.

Next Steps

1. Upon Notice to Proceed, CTI will begin executing the project plan with an internal handoff of the project to our operations team.

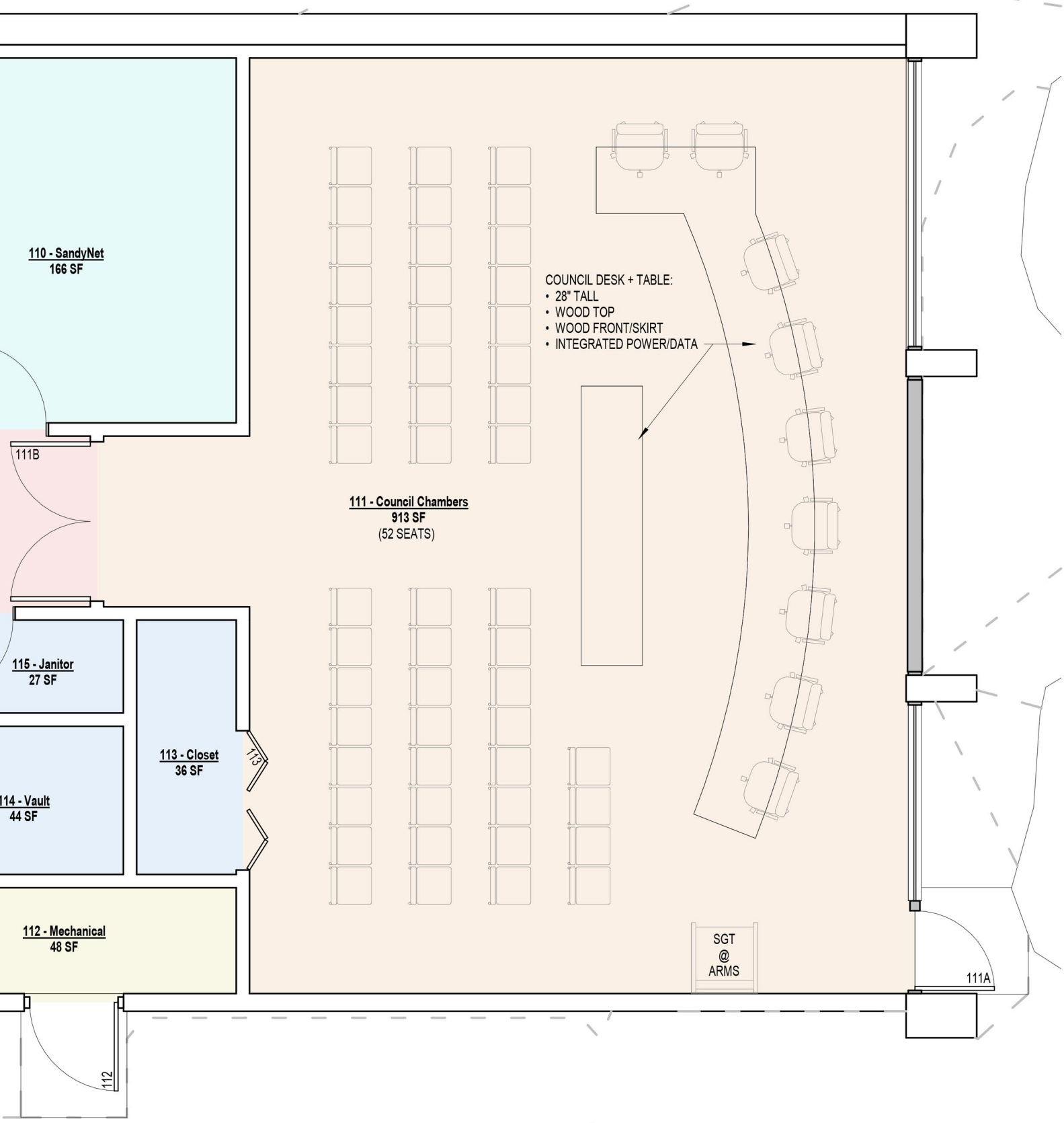
2. If you have questions about the process as we move forward, please contact me at brad.robison@cti.com or .

3. You will be contacted by a CTI Project Manager to schedule a project kickoff meeting to review the project scope and schedule.

Total
J26390192 - $65,467.06

Customer Signature	CTI Signature
Printed Name	Printed Name
Title	Title
Date	Date

Exhibit B


110 - SandyNet
166 SF
111B
111 - Council Chambers
913 SF
(52 SEATS)
COUNCIL DESK + TABLE:
• 28" TALL
• WOOD TOP
• WOOD FRONT/SKIRT
• INTEGRATED POWER/DATA
115 - Janitor
27 SF
113 - Closet
36 SF
113
114 - Vault
44 SF
112 - Mechanical
48 SF
112
SGT
@
ARMS
111A
0'
2'
4'
8'
16'

STAFF REPORT

Meeting Type:	City Council
Meeting Date:	October 19, 2026
From:	Tyler Deems, City Manager
Subject:	Council Discussion: Wastewater System Development Charge Rates

DECISION TO BE MADE:

Information, discussion, and direction on future wastewater system development charge (SDC) rates.

APPLICABLE COUNCIL GOAL:

- **Goal 7.9.2**: Update [wastewater] system development charges.

BACKGROUND / CONTEXT:

The Council last adopted a revised wastewater SDC methodology in April 2026. This revision reflected some minor changes in language but did not impact the maximum defensible charge as outlined in the methodology. At the time of adoption, the Council had not yet adopted the 2026 Wastewater Facility Plan Amendment, so the wastewater SDC methodology was based on the 2019 wastewater facilities plan. The current maximum defensible wastewater SDC is $14,952. The current rate that is in effect is $13,163.

In June 2026, the Council adopted the 2026 Wastewater Facility Plan Amendment. The preferred alternative identified in this plan calls for a membrane bioreactor (MBR) treatment plant and discharge of treated effluent to different locations depending on the season and amount of flow. The multiple discharge locations include a local nursery partner in the summer months, Tickle Creek in the winter months, and a new groundwater recharge option during peak flow times. The wastewater SDC methodology needs to be updated to reflect the change in scope with the newly adopted plan amendment.

The City contracted with FCS Group to complete the revision of the SDC methodology. The analysis shows that the plan amendment includes a greater share of project costs that are attributable to growth compared to the 2019 plan.

KEY CONSIDERATIONS / ANALYSIS:

Staff will be recommending that the Council adopt the wastewater SDC methodology as presented in December but we are in need of feedback from the Council on how to best implement any SDC rate changes. We believe the most prudent course of action would be to allow the current queue of approved development projects to operate under the existing SDC rates and increase the rate for future

projects when additional equivalent residential units (ERUs) are allocated to the City. The current SDC rate is $14,952 and the new maximum defensible charge is $18,639. There are a variety of implementation options, including:

1. Adopt the methodology and make no changes at this time to the rate that is currently in effect
2. Adopt the methodology and make no changes to the rate that is currently in effect for projects that have already obtained land use approval; but adopt the maximum defensible SDC rate for any new projects
3. Adopt the methodology and make no changes to the rate that is currently in effect for projects that have already obtained land use approval; but adopt a series of gradual increases up to the maximum defensible SDC rate for any new projects

Staff is seeking feedback on these three potential options, and is open to feedback on any other implementation strategy the Council feels would align with their current priorities for development.

BUDGET IMPACT:

N/A

RECOMMENDATION:

Provide staff with direction on which proposed path to move forward with. Staff will be returning to Council on December 7, 2026 for a public hearing to adopt the revised SDC methodology and any desired changes to the wastewater SDC rate.

SUGGESTED MOTION LANGUAGE:

None.

LIST OF ATTACHMENTS / EXHIBITS:

- Wastewater SDC Methodology for December 7, 2026 public hearing

FCS
a Bowman company

CITY OF SANDY

Sewer SDC Update

Submitted by:

FCS, a Bowman company
7525 166th Ave NE
Ste D-215
Redmond, WA 98052
P: 425.867.1802

Submitted to:

City of Sandy
39250 Pioneer Blvd
Sandy, OR 97065
P: 503.668.5533

September 2, 2026

Contents

1 Project Overview 1

Background 1

Policy 1

State Statutes 1

Local Ordinance 2

United States Constitution 2

Calculation Overview 2

2 Sewer SDC Analysis 4

Growth 4

Unit of Measurement 4

Growth in Demand 4

Improvement Fee 5

Eligibility 5

Calculated Improvement Fee Cost Basis 6

Calculated Sewer SDC 6

3 Implementation 8

Setting the SDC 8

Indexing 8

Comparisons 8

1 Project Overview

Background

The City of Sandy ("the City") is located in Clackamas County and serves almost 14,000 residents. The City is undergoing major improvements to its wastewater system to accommodate growth and to solve existing deficiencies.

In 2024, the City contracted with FCS to update its water and wastewater system development charges (SDCs). On March 17, 2025, the City adopted a higher wastewater SDC amount based on the updated methodology. On June 1, 2026, the City adopted a revised Wastewater Facility Plan Amendment that revised the project list along with its associated capacity estimates, and which provided a revised growth forecast. This update reflects the figures provided in that amendment.

Policy

SDCs are enabled by state statute, authorized by local ordinance, and constrained by the United States Constitution.

State Statutes

Oregon Revised Statutes (ORS) 223.297 to 223.316 enable local governments to establish SDCs, which are one-time fees on development that are paid at the time of development or redevelopment that creates additional demand for system facilities. SDCs are intended to recover a fair share of the cost of existing and planned facilities that provide capacity to serve future users (growth).

ORS 223.299 allows for two types of SDC:

- A reimbursement fee that is designed to recover "costs associated with capital improvements already constructed, or under construction when the fee is established, for which the local government determines that capacity exists"
- An improvement fee that is designed to recover "costs associated with capital improvements to be constructed"

ORS 223.304(1) states, in part, that a reimbursement fee must be based on "the value of unused capacity available to future system users or the cost of existing facilities" and must account for prior contributions by existing users and any gifted or grant-funded facilities. The calculation must "promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities." A reimbursement fee may be spent on any capital improvement related to the system for which it is being charged (whether cash-financed or debt-financed).

ORS 223.304(2) states, in part, that an improvement fee must be calculated to include only the cost of projected capital improvements needed to increase system capacity for future users. In other words, the cost of planned projects that correct existing deficiencies or that do not otherwise increase capacity for future users may not be included in the improvement fee calculation. An improvement fee may be spent only on capital improvements (or portions thereof) that increase the capacity of the system for which it is being charged (whether cash-financed or debt-financed).

In addition to the reimbursement and improvement fees, ORS 223.307(5) states, in part, that "system development charge revenues may be expended on the costs of complying" with state statutes concerning SDCs, including "the costs of developing system development charge methodologies and providing an annual accounting of system development charge expenditures."

Local Ordinance

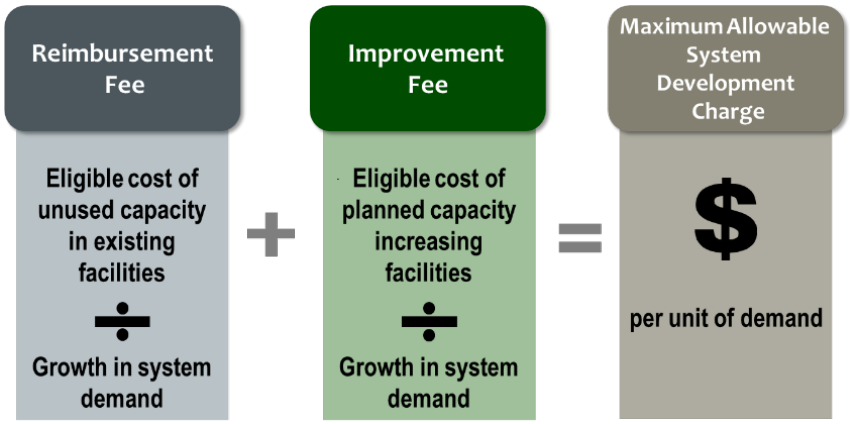
Chapter 15.28 of the Sandy Municipal Code authorizes and governs the imposition and expenditure of SDCs in Sandy.

United States Constitution

The United States Supreme Court has determined that SDCs, impact fees, or other exactions that comply with state and/or local law may still violate the United States Constitution if they do not meet requirements regarding nexus and proportionality to the impact of the development. The SDCs calculated in this report are designed to meet all constitutional and statutory requirements. Specifically, this report calculates the maximum allowable wastewater SDC based on an analysis of the impacts of future development on those systems (achieved via units of growth in system demand which will be assigned to each future development) and the costs of the infrastructure necessary to serve that growth. In so doing, this report ensures that the SDCs any given future development will be required to pay will have both nexus and proportionality to the impacts of that development.

Calculation Overview

In general, SDCs are calculated by adding an existing facilities fee component (called the reimbursement fee) and a future facilities fee component (called the improvement fee)—both with potential adjustments. Each component is calculated by dividing the eligible cost by growth in units of demand. The unit of demand becomes the basis of the charge. The diagram below summarizes the basic outline of an SDC calculation, and more detail is provided in the following bullets.



- **The eligible cost of capacity in existing facilities** is the cost of existing facilities that will serve growth. The cost of those facilities are usually found in a city's schedule of fixed assets which records the original cost of assets purchased by the city. System capacity information, usually found in a comprehensive plan, can provide estimates of the available capacity in the system.

- **The eligible portion of capacity increasing projects** is the cost of future projects that will serve growth. Some projects are intended to only serve growth, some projects do not increase system capacity, and some serve the City's current *and* future populations. Only the share that is allocable to growth is includable.
- **The growth in system demand** is the anticipated growth in the demand associated with each system. Growth is measured in different ways for different systems. For example, growth for wastewater SDCs is often measured in meter capacity equivalents. The unit of growth becomes the charging basis for the SDC.

Finally, summing the reimbursement fee and the improvement fee with a small allowance for compliances costs yields the full SDC.

2 Sewer SDC Analysis

This section describes the detailed calculations of the maximum allowable sewer SDC for the City of Sandy based on the 2026 Wastewater Facility Plan Amendment.

Growth

The calculation of projected growth begins with defining the units by which current and future demand will be measured. Then, using the best available data, we quantify the current level of demand and estimate a future level of demand. The difference between the current level and the future level is the growth in demand that will serve as the denominator in the sewer SDC calculation.

Unit of Measurement

For sewer SDCs, the meter size necessary for a development is broadly used as a measure of its potential water demand, and thus the potential sewage flow. In order to compare meters and calculate the total demand of the system, meters are often compared by their flow rates and measured by their meter capacity equivalents (MCEs). In this system, the smallest meter employed by the City is one MCE, and every larger meter is a larger number of MCEs based on their relative flow rates. Flow rates are based on the American Water Works Association (AWWA) flow capacity assuming either a 5/8" meter or 3/4" base. As the City will install both 5/8" and 3/4" meters, a 5/8" base for the MCE calculations was selected for the sewer SDC calculation.

Growth in Demand

According to the 2026 Wastewater Facility Plan Amendment (upon which the results of this document are based), the population of Sandy is expected to grow to 22,600 by 2040 (the design year). Portland State University lists the 2023 population of the City as 12,986. It is assumed that as the population increases, so will sewer flow.

Based on the City's water meter records, there are an estimated 4,859 sewer MCEs in 2023. If MCEs grow proportional to population, the City will have 8,457 MCEs in the design year. That means that the total growth in demand will be 3,598 MCEs, which will serve as the denominator of the SDC calculation.

In addition, max month wet weather flow (MMWWF) will grow by 1.5 MGD from 2.0 MGD in 2023 to 3.5 MGD in the design year if the effects of growing inflow and infiltration (I&I) in the existing system are ignored. Removing the effects of increasing I&I isolates the change in MMWWF to just what occurs due to growth. Total MMWWF in the design year (including increased I&I) is 3.6 MGD, which means growth's contribution to the total MMWWF in the design year is 1.5 MGD divided by 3.6 MGD, or 41.67 percent, which will be relevant to the improvement fe.

Exhibit 2.1 below summarizes these calculations:

Exhibit 2.1 – Growth in MCEs and Max Month Wet Weather Flow

	2023	Design Year	Design Year (with Added I&I)	Growth (2023-Design)	Growth Share (2023-Design)
Max Month Wet Weather Flow	2.0	3.5	3.6	1.50	41.67%
Population	12,986	22,600	22,600	9,614	42.54%
Estimated Sewer MCEs	**4,859**	**8,457**	**8,457**	**3,598**	**42.54%**

Source: *2026 Wastewater Facility Plan Amendment (flow); City staff (MCE estimates); Portland State University (population estimates)*

It is important to note that the timing of when the City reaches 8,457 sewer MCEs is unimportant. Indeed, as the City is currently under a development moratorium, it is unclear when it will reach planned sewer MCEs of 8,457. In fact, the 2026 Wastewater Facility Plan Amendment anticipates that the City may reach this point at any time from 2040 to 2050. However, ORS 223.304(2) requires that the SDCs be "calculated to obtain the cost of capital improvements for the projected need for available system capacity for future users". The need to expand capacity for future users (as planned for in the 2026 Wastewater Facility Plan Amendment) exists regardless of whether those future users arrive by 2040, 2050, or by some other year, and the cost per unit of growth similarly remains the same regardless of the timing of growth.

Improvement Fee

An improvement fee is the eligible cost of planned projects per unit of growth that such projects will serve. Since we have already calculated growth above, we will focus here on the improvement fee cost basis.

Eligibility

A project's eligible cost is the product of its total cost and its eligibility percentage. The eligibility percentage represents the portion of the project that creates capacity for future users. Where possible, specific details about a project can provide an eligibility percentage. This section discuss the eligibility of each project on the City's improvement fee cost basis, which is summarized in **Exhibit 2.2**

The City's primary project is labelled the "Groundwater Discharge Improvements" which includes all of the elements and costs summarized under the "RO" (reverse osmosis) column of Table 10-1 in the 2026 Wastewater Facility Plan Amendment. These costs total to $147 million. According to the description of this project provided in Section 10.8.5, this project is sized to serve 3.6 MGD of MMWWF. As discussed in the previous section, growth's share of MMWWF is 1.5 MGD, meaning that growth's share of this project is 41.67 percent.

The City's "Basins 3, 9, and 10 Rehabilitation" project is described in Section 4.2 of Appendix A.2 in the 2026 Wastewater Facility Plan Amendment. It is described that the trunk sewer serving these basins is projected to be under capacity "due to increased flows from development." As this project will reduce I&I in those areas, and because growth's contribution to the MMWWF is 1.5 MGD out of a future 3.6 MGD, growth's share of these projects were also assigned as 41.67 percent. Similar logic was applied to the "Northside Pump Station Upgrades" and the "Pump Station Condition and Capacity Upgrades" projects.

The other projects were determined not to add capacity for growth, and so their eligibility was set to 0 percent.

Note that each project has both an "eligible" portion and an "in-eligible" portion. Only the eligible portion – that is, the portion of the project that provides capacity for future users – is included in the improvement fee. The in-eligible portion is that portion related to providing capacity for existing users or curing existing deficiencies. For example, any projects or portions of projects which address deficiencies with the City's current treatment plant which would need to be corrected (e.g. to comply with the City's NPDES permit requirements or the requirements of the Consent Decree entered into between the City, EPA, and Oregon DEQ) even in the absence of any future growth are considered in-eligible and are not included in the calculation of the improvement fee.

In theory, the City could have sized the new plant to accommodate only the existing demand of 2.0 MGD; and thereby have provided no capacity for additional users. The eligibility percentage for the treatment plant upgrades under that condition would be 0 percent. However, the City is instead sizing it to accommodate 3.6 MGD, which is 1.6 MGD above existing demand. The portion of the project that provides capacity for future users

(1.5 MGD as a share of 3.6 MGD, or 41.67 percent) is included in the SDC, and the funding for the in-eligible portion (58.33 percent) must come from other sources.

Calculated Improvement Fee Cost Basis

Projects in the improvement fee cost basis were provided by Kennedy Jenks (the City's consulting engineer on the 2026 Wastewater Facility Plan Amendment) with further details taken from the plan. These projects are summarized in **Exhibit 2.2** below in 2026 dollars. The eligibility for each project is shown in the SDC Eligibility column based on the discussion of the previous section. Other funding will be needed to complete the project list, likely from utility rates or future grant awards. While the City is also expecting to issue debt to fund its improvements, it plans to use sewer SDCs to pay for that debt. Finally, the SDC-Eligible Cost column shows that the full amount of the improvement fee cost basis is approximately $67 million.

Exhibit 2.2 – Improvement Fee Cost Basis

Project Type	Project	Completion Year	Project Costs (2026 Dollars)	SDC Eligibility	SDC-Eligible Cost
Treatment	Groundwater Discharge Improvements	2031	$ 147,300,000	41.67%	$ 61,375,000
Collection	Northside Pump Station Upgrades	2031	490,000	41.67%	204,167
Collection	Pump Station Capacity Evaluation	2026	170,000	0.00%	-
Collection	Flow Monitoring and Model Recalibration	2026	220,000	0.00%	-
Collection	Citywide Manhole Grouting	2028	440,000	0.00%	-
Collection	Basins 3, 9, 10 Rehabilitation	2035	10,800,000	41.67%	4,500,000
Collection	Pump Station Condition and Capacity Upgrades	2035	2,200,000	41.67%	916,667
Total			**$ 161,620,000**		**$ 66,995,833**

Source: *2026 Wastewater Facility Plan Update (SDC Eligibility); Kennedy Jenks (other project details)*

Calculated Sewer SDC

For the sewer SDC, no reimbursement fee was calculated. The City is facing numerous capacity issues across its system, and as such has little if any unused capacity to include in a reimbursement fee. While capacity may exist in limited areas of town or for specific developments underway, the existing plans and discussions with City staff do not support the existence of overall system capacity. This section calculates the sewer SDC using the improvement fee cost basis and a small additional compliance cost basis of $58,319 for the costs related to calculating the SDC and administering the SDC program. The estimate was based on the cost of the SDC methodology, assumed to occur once every five years from 2024 through 2040. **Exhibit 2.3** below summarizes the sewer SDC calculation.

Exhibit 2.3 – Calculated Sewer SDC

Calculated SDC	
Improvement Fee Cost Basis	$ 66,995,833
Reimbursement Fee Cost Basis	-
Compliance Costs	58,319
Total	**$ 67,054,152**
Growth in MCEs	**3,598**
Improvement Fee per MCE	$ 18,623
Reimbursement Fee per MCE	-
Compliance Fee per MCE	16
Total SDC per MCE	**$ 18,639**

Source: *City (fund balances); FCS (compliance cost estimates); previous tables (other data)*

As shown above, the maximum allowable SDC is $18,639 per MCE. The City may adopt any SDC up to that amount. The rate per MCE can be applied to the City's different meter sizes using the schedule shown in **Exhibit 2.4** below.

Exhibit 2.4 – Sewer SDC Schedule

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 18,639
3/4	1.50	27,958
1	2.50	46,597
1.5	5.00	93,194
2	8.00	149,111
3	16.00	298,222
4	25.00	465,971
6	50.00	931,943

3 Implementation

This section addresses practical aspects of implementing SDCs and provides comparisons to other jurisdictions.

Setting the SDC

The maximum legally defensible sewer SDC is $18,639 per MCE. The City has the liberty to set the SDC at any level up to the maximum defensible charge by resolution. The City may also decide to phase in SDCs to the maximum or a lower target charge over a period of time.

Indexing

ORS 223.304 allows for the periodic indexing of SDCs for inflation, as long as the index used is:

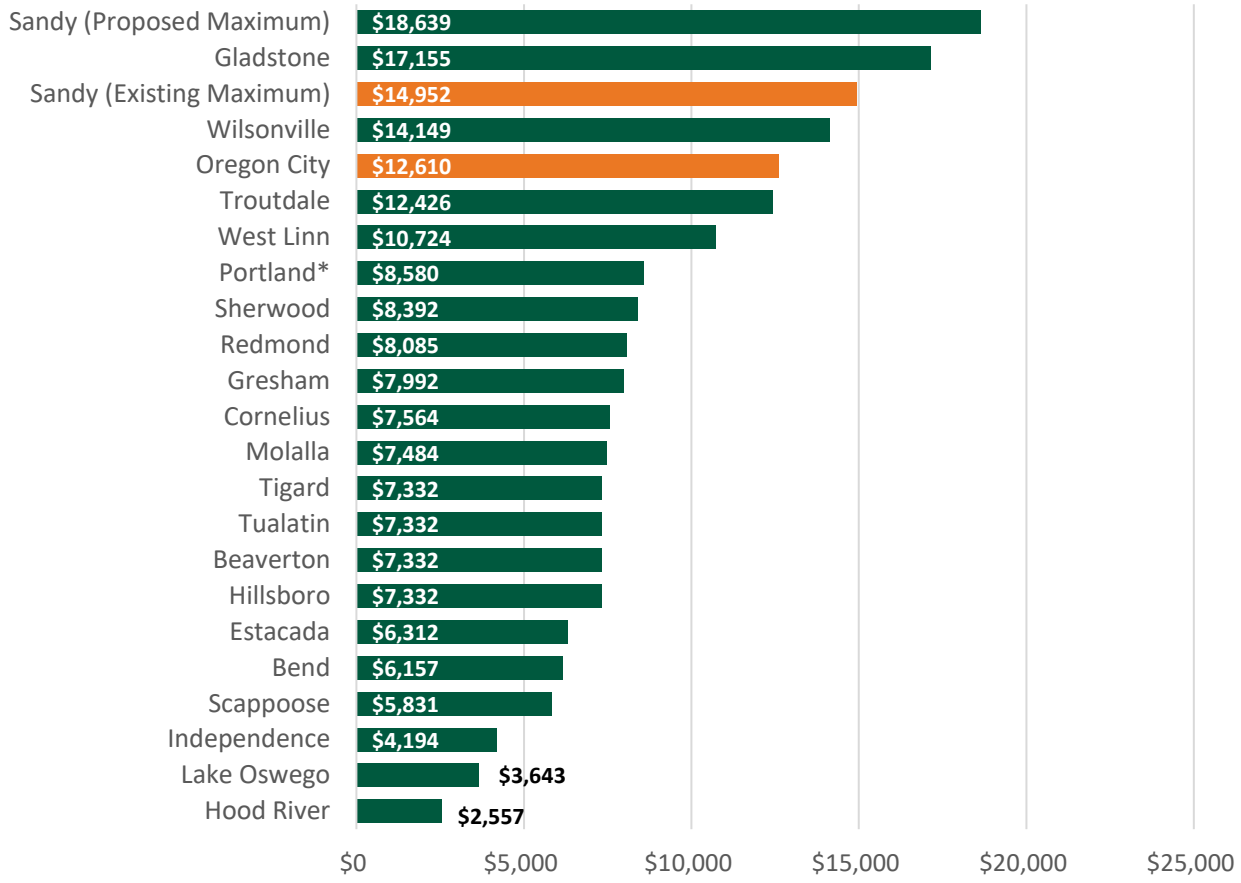
> (A) A relevant measurement of the average change in prices or costs over an identified time period for materials, labor, real property or a combination of the three;
> (B) Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
> (C) Incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution or order.

In accordance with Oregon statutes, we recommend that the City index its charges to the *Engineering News Record* Construction Cost Index for the 20-City Average and adjust its charges annually. This will help to mitigate – if not fully eliminate – the burdens of construction cost inflation. The August 2026 value of that index was 14,350.29.

Comparisons

Exhibit 3.1 below shows a comparison of sewer SDCs calculated for single-family homes for some relevant jurisdictions. As shown, if the City adopted the maximum defensible SDC, its charge would exceed many of the relevant comparison jurisdictions.

Exhibit 3.1 – Sewer SDC Comparisons



SANDY
GATEWAY TO MT. HOOD

39250 [illegible]
Sandy, OR 97[illegible]
503-668-5533

October 20, 2026

Board of County Commissioners
Clackamas County
2051 Kaen Road
Oregon City, OR 97045

Dear Commissioners:

The Sandy City Council recognizes the serious public health concerns associated with the use of flavored tobacco and nicotine products by young people, and appreciates the County's efforts to address this important topic.

However, rather than decide this issue at the Commission level, we urge the Board to consider whether placing a countywide prohibition directly before Clackamas County voters would be a more appropriate course of action. While protecting youth from harmful products is important, referring the question to the voters would provide an opportunity for broader public discussion and participation in this significant decision.

Additionally, it is important to note that a sales prohibition would have meaningful impacts on businesses that currently sell such items. We encourage the County to work with affected retailers as a proposal is developed, giving particular consideration to clear requirements, adequate notice, and a reasonable implementation period to ensure the transition is fair and workable for local businesses. It may also be appropriate to consider more significant penalties on businesses that do not comply with established sales restrictions.

Thank you for your continued leadership and consideration of these important matters; we appreciate your service.

Sincerely,

Kathleen Walker, Mayor of Sandy

On behalf of the Sandy City Council