CITY COUNCIL MEETING

Monday, April 06, 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/82508746405
Or by phone: (253) 215-8782; Meeting ID: 82508746405

WORK SESSION – 6:00 PM

1. City Hall Safety and Capacity Improvements

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: March 16, 2026

PRESENTATIONS

3. Fire District Annexation Presentation

PROCLAMATIONS

4. Arbor Month 2026

RESOLUTIONS

5. PUBLIC HEARING: Resolution 2026-06 - Adopting Revised Water and Wastewater SDC Methodologies
6. Resolution 2026-07 - Amending Water SDC CIP List
7. PUBLIC HEARING: Resolution 2026-08 - Adopting Revised Water and Wastewater SDC Rates

NEW BUSINESS

8. Discussion: ODOT Speed Investigation

REPORT FROM THE CITY MANAGER

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 Work Session
Meeting Date:	April 6, 2026
From:	Tyler Deems, City Manager
Subject:	City Hall Safety and Capacity Improvements

DECISION TO BE MADE:

None at this time.

APPLICABLE COUNCIL GOAL:

- **Goal 9.3**: Address the City's immediate space needs; develop a long-term integrated space management plan that anticipates and plans for future needs.

BACKGROUND / CONTEXT:

For many years City Hall has served as the main hub of City services. Currently, City Hall houses the Administration, Municipal Court, Finance, Human Resources, Planning, Building, Code Compliance, and Public Works Administration staff. As the City has grown, the demand for services has also increased. Unfortunately, no material capacity enhancements have been implemented to the existing building, resulting in a serious shortage of space. Furthermore, the existing configuration does not adequately address many safety concerns that staff have.

Staff has been exploring options for addressing these challenges for some time, and is now prepared to formally propose a set of improvements. The package of improvements being recommended to the Council will increase safety for City Hall staff, as well as provide additional office space for both existing and future staff members. In addition, fully enclosing a few offices will allow for confidential meetings for both human resources and city administration purposes, and more efficient workspaces.

It should also be noted that staff is concurrently working on addressing Council Goal 9.2: Improve the audio and visual technology in the Council Chambers. Staff currently has a request for information (RFI) published to obtain a better understanding of what types of solutions are available to be implemented in the City Council Chambers. This RFI closes on May 1, 2026. Staff will bring back information to the Council to consider. Once the information is evaluated, staff will move forward with a request for proposals (RFP) to implement the preferred solution.

KEY CONSIDERATIONS / ANALYSIS:

When initially constructed, City Hall served as the Sandy Public Library, administrative offices, and the Sandy Police Department. Over time additional facilities were constructed and the Sandy Public Library

and Sandy Police Department relocated to other locations to accommodate their increased footprints. As noted above, no material improvements have been made to City Hall to address the significant capacity issues for existing and future staff, and no safety improvements have been implemented to provide additional security. A copy of the existing layout of City Hall is provided as Exhibit A.

Initial Approach: Comprehensive Remodel

In 2025 Council adopted Goal 9.3, which aims to address immediate space needs. Staff has been working on determining how to best go about this for several years. A little over one year ago staff engaged an architect to evaluate opportunities for a remodel of City Hall. This comprehensive rehab concept, which included safety and capacity improvements, reorganizing the layout of Council Chambers, installing additional ADA features (a new elevator, for example), and additional archive and storage space was estimated to cost $1.5 million. A copy of the plan set for this concept is provided as Exhibit B. Staff quickly determined that a project of that size and cost was not feasible at this time and pivoted to exploring lower cost opportunities that would address our most critical needs: safety and capacity.

Revised Approach: Targeted Safety and Capacity Improvements

The revised concept to address safety and capacity is provided as Exhibit C. These plans accomplish a variety of goals, including:

- Creating safe and secure front counter workspaces for both Administration and Development Services
- Increasing the usable space within the bounds of the existing square footage
- Adding workstations for 3 bodies
- Fully enclosing two offices for privacy and confidentiality purposes

The targeted safety and capacity improvements reorient the front counter on the administration side of the building to align with the setup of the development services side of the building. This will allow for staff from both sides of City Hall to have visibility of both lobbies. In addition, the proposal includes the installation of safety glass to provide another layer of protection for our staff (an example image is included in Exhibit C).

This concept was put out to bid to get an accurate cost estimate in early 2026. Several bids were received, with the lowest responsive bid coming in at around $150,000. Additional information regarding funding can be found below in the ‘Budget Impact’ section.

Should the Council agree to these modifications, staff would like to return to the Council on April 20th to seek authorization to enter into an agreement with the lowest responsive bidder to begin work on these improvements. As noted above, staff will be returning later this spring with options to accomplish Goal 9.2, which relates to the accessibility improvements for audio and visual technology in the Council Chambers.

BUDGET IMPACT:

Approximately $150,000. This amount can be absorbed within the existing budget between a variety of funding sources, including the Asset Replacement Fund, Urban Renewal Fund, and General Fund.

RECOMMENDATION:

N/A

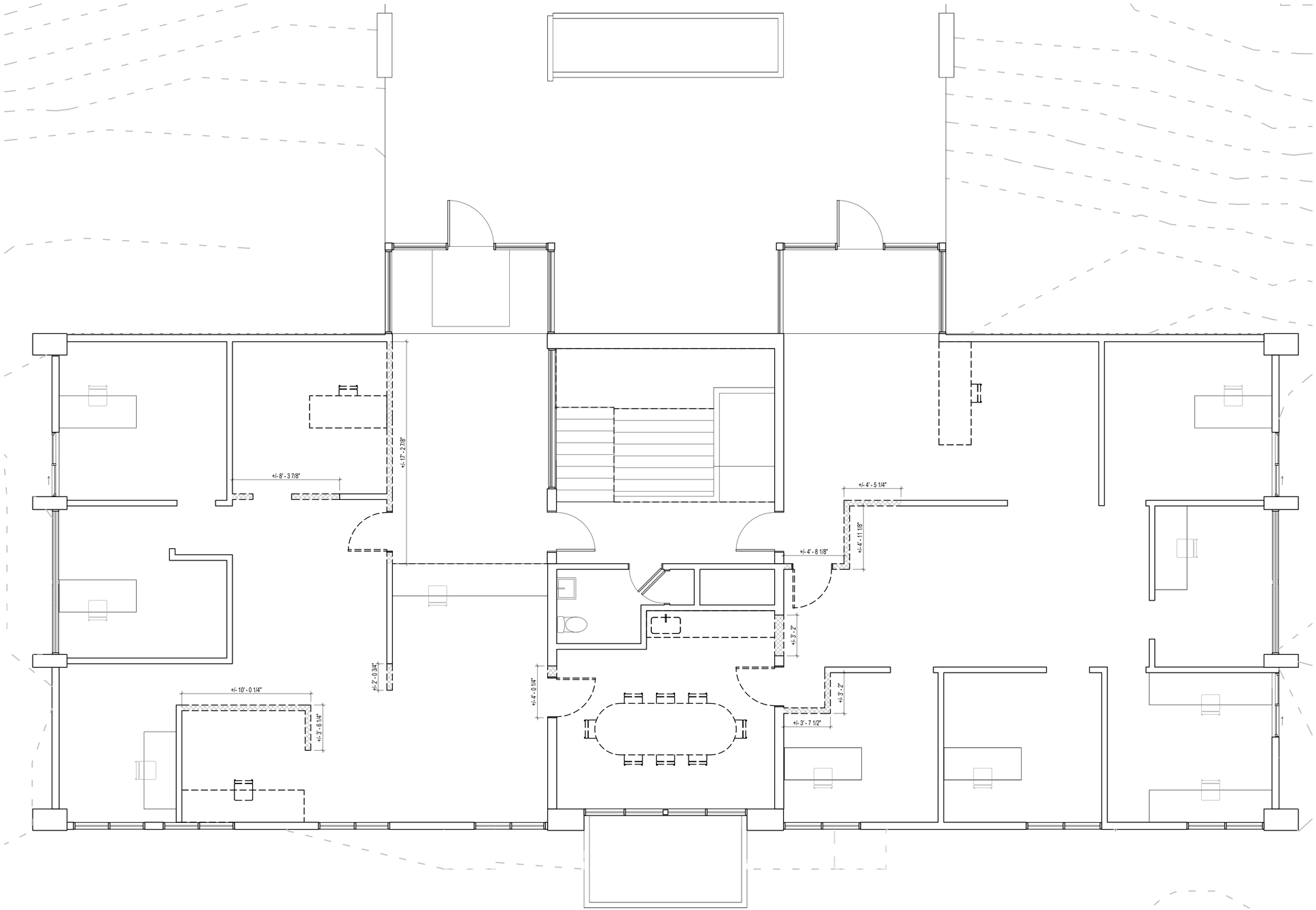
SUGGESTED MOTION LANGUAGE:

N/A

LIST OF ATTACHMENTS / EXHIBITS:

- Exhibit A: Existing City Hall Plans
- Exhibit B: Comprehensive Redesign Plans
- Exhibit C: Recommended Targeted Safety and Capacity Improvements Plans

EXHIBIT A



DEMOLITION PLAN LEGEND

EXISTING WALL / COMPONENT TO REMAIN

EXISTING WALL / COMPONENT BE REMOVED

REMOVE DOOR AND FRAME

DEMOLITION PLAN NOTES

1. WHERE (E) WINDOWS AND DOORS ARE DEMOLISHED AND REPLACED WITH SOLID WALL, REMOVE ADJACENT SIDING SUFFICIENT TO TIE IN WRB.
2. ALL DIMENSIONS ARE TO BE VERIFIED IN FIELD BASED ON FINISHED DIMENSIONS.
3. CONSULT WITH ARCHITECT PRIOR TO DEMOLITION OF ANY ELEMENTS NOT SHOWN.

POLYMATH

Polymath Studio Architecture, LLC
2505 SE 11th Ave, #212
Portland, Oregon 97202
503.593.0954 © 2024

PRELIMINARY NOT FOR CONSTRUCTION

SANDY CITY HALL SECURITY IMPROVEMENTS

Project # 2516

39250 Pioneer Blvd
Sandy, Oregon 97055
Client: City Of Sandy

Revisions

Revision #	Revision Date

05 January 2026

This Drawing Formatted for 22" x 34" Paper

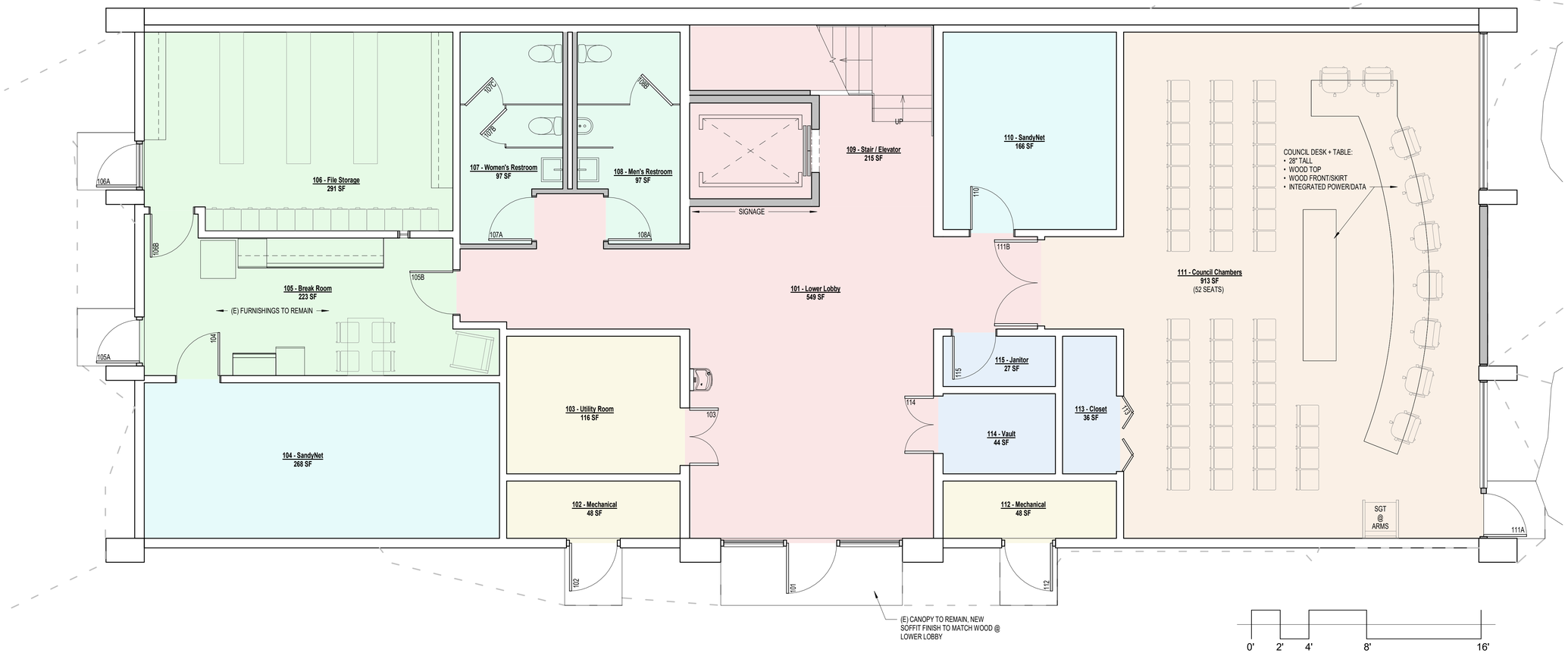
Demo Plan - 1st Floor

1/4" = 1'-0"

N

D2.1

EXHIBIT B



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PRELIMINARY
NOT FOR
CONSTRUCTION

SANDY CITY HALL

Client: City Of Sandy

Revisions

Revision #	Revision Date

22, January 2025

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Proposed Lower Floor Plan

1/4" = 1'-0"

P3

POLYMATH

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PRELIMINARY
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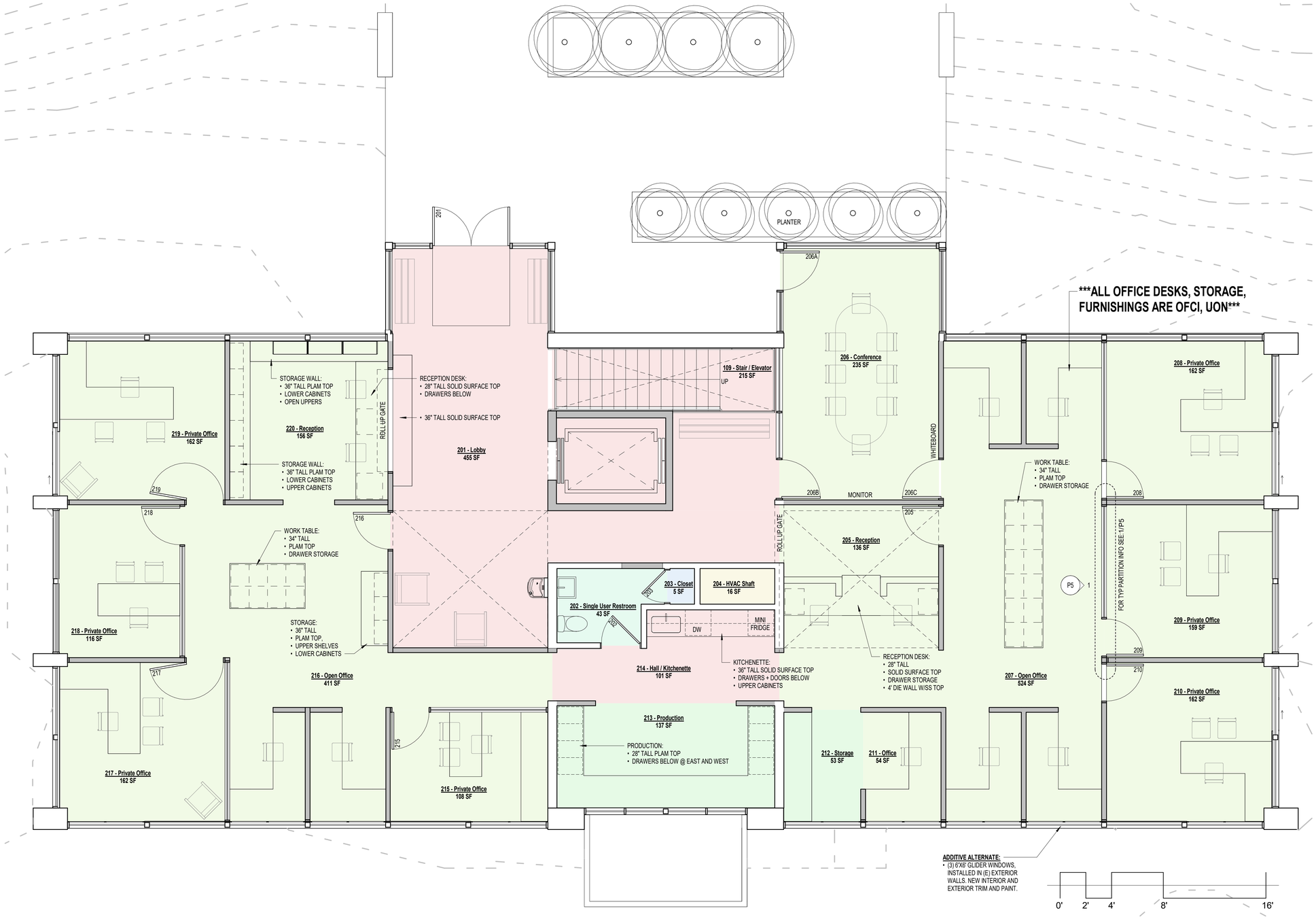
SANDY CITY HALL

Client: City Of Sandy



Revisions

Revision #	Revision Date

22, January 2025

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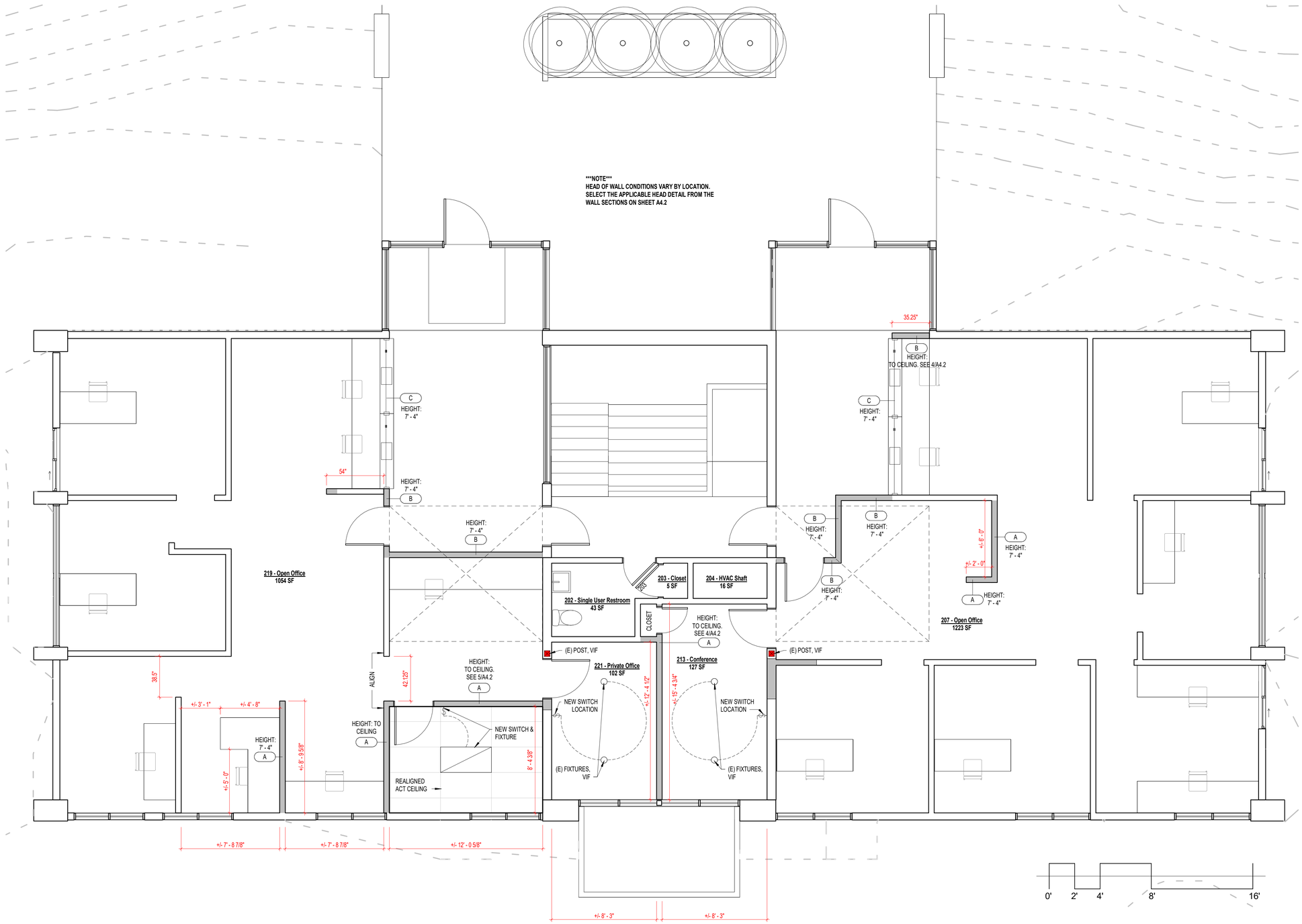
Proposed Upper Floor Plan

1/4" = 1'-0"

P4

EXHIBIT C



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PRELIMINARY
NOT FOR
CONSTRUCTION

SANDY CITY HALL SECURITY IMPROVEMENTS

Project # 2516

39250 Pioneer Blvd
Sandy, Oregon 97055
Client: City Of Sandy

Revisions

Revision #	Revision Date

05 January 2026

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Proposed Upper Floor Plan

1/4" = 1'-0"

A2.1

EXAMPLE FOR ILLUSTRATION ONLY

CITY COUNCIL MEETING

Monday, March 16, 2026 at 6:00 PM
Sandy City Hall and via Zoom

MINUTES

WORK SESSION – 6:00PM

1. Chapter 17.74 Work Session

The Development Services Director summarized the staff report in the meeting packet. Presentation slides were also included in the packet.

Discussion related to the following topics:

Temporary Used or Structures

- Considerations related to the impact to the Mt Hood Farmers Market and the desire to ensure they are not adversely impacted by the code language
    - Suggestion to provide a 90 day use limit but give the Farmers Market an explicit exemption, similar to language in the sign code
    - Discussion of road closures as a separate process
    - Agreement for staff to confer with the City Attorney on potential options in keeping with consistency and fairness
- Discussion related to Tickle Creek Condos and challenges related to recreational vehicles being lived in on the property
    - Suggestion that large developments might prefer to have someone living on-site during construction
    - Concern that allowing RV living on-site could have united consequences related to homelessness
- Discussion related to utility service plans and when utilities are 'needed'
- Suggestion to remove 'President of the United States' from the emergency declaration portion of the code language
    - Concern about delving into politics
    - Suggestion to refer to the federal government generally
    - Concern about contrived emergencies being declared to advance political agendas

Fences and Retaining Walls

- Explanation of the diagrams included in the slides
- Concern that an eight foot retaining wall is too high and could create an unsafe condition for people trying to perform maintenance and/or remove vegetation
    - Suggestion that preventing unsafe conditions is not within the City's purview

    - Suggestion to make the combined maximum height for walls and fences 14 feet to accommodate a six foot fence atop an eight foot retaining wall
        - Suggestion to develop language to allow such high combined fences on land with topography justifying it
    - Discussion related to allowable wall materials; agreement on disallowing tires and refuse as materials
- Concern that 'front yard' definitions could create problematic consequences; street-facing should be the operative term
- Discussion regarding the desirability of chain link
- Discussion regarding the need to refer to a specific edition of state specialty codes in order for the reference to have legal effect
- Suggestion to update the proposed code to accommodate interior park sidewalks/paths

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT
Mayor Kathleen Walker
Council President Don Hokanson
Councilor Chris Mayton
Councilor Laurie Smallwood
Councilor Rich Sheldon
Councilor Kristina Ramseyer
Councilor Lindy Hanley

CHANGES TO THE AGENDA

It was agreed that the Mt Festival Carnival item would be discussed after the Consent Agenda, followed by a government relations update.

PUBLIC COMMENT (3-minute limit)

Art O'Leary: Inquired as to the veracity of the assertion that some Sandy Bluff homes had sewer laterals connected to the stormwater system, thereby polluting a local pond, which was recently discussed on social media. Staff responded that according to City records, two homes indeed had a cross connection, which was quickly discovered by staff and remedied by the developer. Procedures are now in place to inspect before and ensure this does not happen again. It was also noted that stormwater for the neighborhood does not drain to the pond.

RESPONSE TO PREVIOUS COMMENTS

(none)

CONSENT AGENDA

2. City Council Minutes: March 2, 2026

MOTION: Adopt the Consent Agenda

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

Voting Abstaining: Councilor Smallwood

MOTION CARRIED: 6-0-1

NEW BUSINESS

3. Noise Exemption & Road Closure Request: 2026 Mt Festival Carnival

Staff summarized the staff report in the meeting packet. It was suggested that signs should be installed to notify the public of the upcoming street closure. Discussion also ensued related to sanitation and bathrooms at the laydown yard on Pioneer, and the need to notify surrounding property owners. It was suggested that the Mt Festival might look at alternative sites for the carnival in the future; Mt Festival staff stated that visibility for the carnival is important, but if the former Cedar Ridge property were to be made safe and available as a site they would be very interested.

MOTION: Approve both the noise exception request and the Scales Avenue road closure during the 2026 City of Sandy Mountain Festival Carnival to be held at 38600 Proctor Blvd. between the dates of July 6, 2026, and July 13, 2026, as detailed in the meeting packet

Motion made by Councilor Sheldon, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

MOTION CARRIED: 7-0

4. Government Relations Update

Nellie deVries provided an update on the serial communications bill passed by the Legislature, which may not be signed into law by the Governor. She provided observations on political motivations related to the upcoming governor race. The Mayor reflected on the inappropriateness of OGEC staff advocating against passage of the bill.

OLD BUSINESS

5. Follow Up Discussion: Sign Code Modifications

The Development Services Director summarized the changes to the proposed code language following the past Council discussion in February. It was noted that additional direction is needed regarding the allowable duration of temporary signs.

Discussion ensued on the following topics:

- Note that student graduation signs are not a major source of complaints, nor are they an enforcement priority
- Suggestion to leave the temporary sign duration period at 180 days and rely on prudent enforcement discretion
- Suggestion that property owners should be allowed to place signs as they wish
- Concern that sign placement by neighbors may become excessive
- Clarification related to address number signs and similar signs required by law
- Clarification on proposed language related to flags
- Discussion regarding lighting for Cedar Park and Josnrud Viewpoint signs; concern related to dark sky regulations; concern about attracting visitors to parks that are closed at night
- Suggestion to ensure wayfinding signs are not adversely impacted by code language
- Discussion related to regulation of feather flags; summary of the City's policy history of disallowing such flags; discussion as to whether such a policy is still warranted or appropriate, given the importance of economic development

After discussion, it was the consensus of the Council that the temporary sign duration period should remain at 180 days. It was also agreed that staff should reach out to local businesses to advise them on the impending changes to the sign code.

6. "Bin List" Discussion Follow-Up

The City Manager provided an introduction, and the Mayor summarized the several methods currently by Councilors to advance ideas onto upcoming agendas. She suggested deferring any potential update of the Council Rules until after any changes to state ethics and meetings laws take effect.

It was suggested that review and potential updates to the bin list should occur once per month during Council meetings. Alternatively, it was suggested that bin list suggestions could be made via email, though the City Attorney cautioned any such deliberations need to be conducted during a noticed meeting. Further discussion included the need for a bin list in the first place, and whether Council Reports discussions might be sufficient. The challenges presented by recent strict meetings law interpretations by the OGEC were raised; it was suggested that being able to legally float or pitch ideas with fellow Councilors is of high importance.

After discussion, it was the consensus of the Council that Council Reports will be used as the proper time for Councilors to suggest agenda items, and that the City Manager will suggest

quick ‘straw polls’ in the moment, as appropriate, to verify majority Council support for suggested items before staff time is expended.

It was also noted that the City Manager will continue to list future agenda items in weekend update emails.

REPORT FROM THE CITY MANAGER

- Note that ordinances updating the municipal code related to excess noise and solicitation will be brought to the Council for consideration before summer
- Note that an RFI is being released soon to gather information form potential vendors related to technological enhancements in the Council Chambers
- Reminder of the upcoming CCA dinner in Estacada

COMMITTEE / COUNCIL REPORTS

Council President Hokanson

(none)

Councilor Hanley

- Praise for the upcoming Mountain Festival carnival
- Praise for the Mountain Storm youth basketball program and Parks staff
- Suggestion to potentially reorient the Council Chambers to improve acoustics

Councilor Ramseyer

- Note of upcoming Transit Advisory Board meeting
- Note of upcoming Planning Commission meeting

Councilor Sheldon

- Recap of recent C-4 meeting
- Discussion related to the County’s transportation system plan update

Councilor Smallwood

(none)

Councilor Mayton

- Update on the Parks and Trails Advisory Board
- Note of upcoming Mt. Hood Economic Alliance meeting

Mayor Walker

- Note of upcoming LOC water/wastewater policy committee meeting and opportunities to pursue reuse solutions

- Note of forthcoming wastewater facilities plan amendment and groundwater reuse approaches that will be included
- Praise for the Energize Sandy program; suggestion to convene an Economic Development Advisory Board meeting soon

STAFF UPDATES

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

ADJOURN

Arbor Month Proclamation

Whereas, the State of Oregon recognizes the month of April as Arbor Month, and

Whereas, trees reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and

Whereas, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and

Whereas, trees, wherever they are planted, are a source of joy and spiritual renewal, and

Whereas, the City of Sandy is recognized as a Tree City USA by the National Arbor Day Foundation and desires to expand its tree-planting and stewardship practices.

NOW, THEREFORE, I, Kathleen Walker, Mayor of the City of Sandy, do hereby proclaim April 2026 as

ARBOR MONTH

In the City of Sandy, and urge all citizens to celebrate Arbor Month and support efforts to protect our trees and woodlands, and

Further, I urge all citizens to plant trees to gladden the heart and promote the well being of this and future generations.

Dated, this 6th day of April, 2026 Mayor: _____

STAFF REPORT

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

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 was 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)

WHERE INNOVATION MEETS ELEVATION

RESOLUTION NO. 2026-06

A RESOLUTION ADOPTING UPDATED METHODOLOGIES FOR WATER AND WASTEWATER SYSTEM DEVELOPMENT CHARGES

WHEREAS, Section 15.28.050 of the Sandy Municipal Code requires that methodologies used to establish Systems Development Charges (SDCs) be approved by a resolution adopted by the Council; and

WHEREAS, previously, on March 17, 2025, the City Council adopted methodologies for Water and Wastewater SDCs; and

WHEREAS, subsequently, the City engaged FCS Group, Inc. to work with the City Attorney to revise those methodologies to ensure that they are clear and defensible; and

WHEREAS, after consideration of all of the information in the record for the April 6, 2026 City Council meeting, the City Council finds that the revised methodologies developed by FCS Group, attached as Exhibit A, equitably apportion the cost of the projects attributable to new development and that the methodologies and procedures used for adopting them comply with the requirements of Sandy Municipal Code Chapter 15.28 and ORS 223.297, et seq.; and

WHEREAS, the existing Water and Wastewater SDCs currently in effect do not exceed the amounts that said methodologies would support; and

WHEREAS, the Sandy City Council desires to adopt said methodologies at this time and to separately consider revisions to the Water and Wastewater SDC amounts.

NOW, THEREFORE, THE CITY OF SANDY RESOLVES AS FOLLOWS:

Section 1. The methodologies for establishment of Water and Wastewater System Development Charges as set forth in Exhibit A, attached hereto and incorporated herein by this reference, are hereby adopted. Any associated revisions to the system development charge amounts will be established by a separate resolution of the City Council.

Section 2. The methodologies adopted by this Resolution replace all existing methodologies for water and wastewater system development charges previously adopted by the City Council.

This Resolution shall be effective on the date it is adopted by the City Council. This Resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 6th day of April, 2026.

_____

Kathleen Walker, Mayor

ATTEST:

_____

Jeffrey Aprati, City Recorder

FCS a Bowman company

CITY OF SANDY

Water and Sewer SDCs

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

February 5, 2026

Contents

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 both its water and wastewater systems to accommodate growth and to solve existing deficiencies in its systems. In 2024, the City contracted with FCS to update its water and wastewater system development charges (SDCs) to help provide partial funding for the construction of its planned facilities. This report documents the results of those SDC calculations.

Policy

SDCs are enabled by state statutes, 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

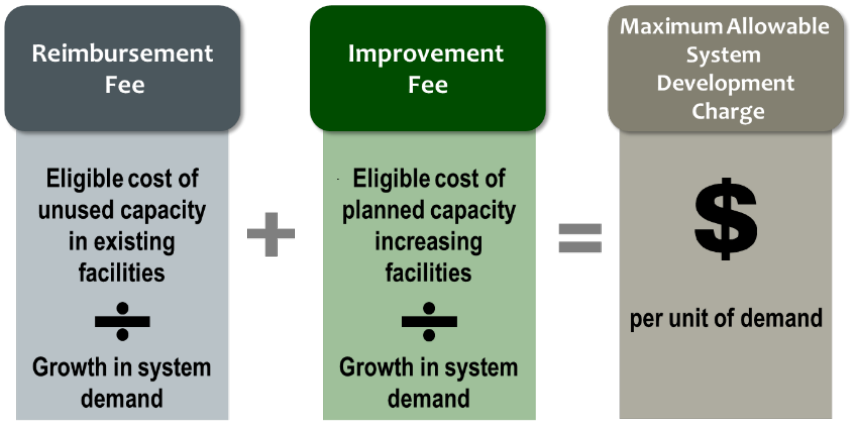
Chapter 15.28 of the Sandy Municipal Code authorizes and governs the imposition and expenditure of SDCs in Sandy. The City may need to modify its code to allow for the proposed changes to the SDCs.

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 SDCs for water and wastewater 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 water SDCs is 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 Water SDC Analysis

This section describes the detailed calculations of the maximum allowable water SDC for the City of Sandy.

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 water SDC calculation.

Unit of Measurement

For water SDCs, the meter size necessary for a development is broadly used as a measure of its potential water demand. 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 assigned a larger number of MCEs based on their relative flow rates. Flow rates are most often based on the American Water Work Association (AWWA) flow rates assuming either a 5/8" or 3/4" base meter. As the City will install both 5/8" and 3/4" meters, a 5/8" base for the MCE calculations was selected for the water SDC calculation.

Growth in Demand

According to the 2022 Water Master Plan (master plan), the 2023 peak season maximum day water demand is 2.59 million gallons per day (MGD). According to City staff, the repair of a large leak reduced that demand by 0.29 MGD, resulting in a 2023 demand of 2.30 MGD. That number serves as the measure of maximum water usage in 2023. It is assumed that as the number of customers measured in MCEs increases, system demand in MGD will increase proportionally. The planning period for water supply capacity extended through 2050, so 2050 was used as the planning horizon to allow for the inclusion of water supply projects. According to the master plan, demand is expected to increase to 4.21 MGD by 2050, or 3.92 MGD after adjusting for the leak.

Based on the City's water meter records, there was a total of 5,195 MCEs in 2023. If MCEs grow proportionally with peak season maximum day demand, the City will have 8,854 MCEs in 2050. That means that the total growth in demand will be 3,659 MCEs, which will serve as the denominator of the SDC calculation. In addition, growth's share of final demand will be 3,659 MCEs divided by 8,854 MCEs, or 41.33 percent. That proportion will be useful for the eligibility calculations of projects in the improvement fee cost basis.

Exhibit 2.1 below summarizes these calculations:

Exhibit 2.1 – Growth in Water Demand

	2023	2050	Growth CAGR*	Growth (2023-2050)	Growth Share
Peak Season Maximum Day Demand (MGD)	2.30	3.92	1.99%	1.62	41.33%
Total MCEs	5,195	8,854	1.99%	3,659	41.33%

Source: *2022 Water System Master Plan, (maximum day demand projections); City staff (2023 MCEs, leak adjustment of 0.29 MGD)*

**CAGR = compound annual growth rate*

It is important to note that the timing of when the City reaches 8,854 water MCEs is unimportant. Indeed, as the City is currently under a development moratorium, it is unclear when it will reach planned water MCEs of 8,854. 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 master plan) exists regardless of whether those future users arrive by 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 (denominator) above, we will focus here on the improvement fee cost basis (numerator).

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. Such specific details were available for some of the projects on the project list. However, when this is not possible, projects can still be sorted into three broad categories.

The first category is for projects that do not provide capacity for future users. Such projects may be purely replacement projects, or they may be solving a deficiency in the water system. Projects in this category are zero percent eligible. The second category is for projects that are purely for future users, such as when new pipe is laid to provide for a new development. These projects are 100 percent eligible. Finally, projects that provide capacity that will be roughly equally shared between current and future users are eligible at the growth share percentage discussed in the previous section, or 41.33 percent.

For projects related to storage capacity, specific details were used to calculate the eligibility. The planned projects will together add 5.0 MG to the capacity of the system. Current demand for storage is 7.56 MG, meaning that the current capacity (4.75 MG) is insufficient, according to Table 4-1 of the master plan. Further, by 2050, demand will grow by 1.94 MG to 9.50 MG. So, growth's share of the increased capacity is 1.94 MG divided by 5.00 MG, or 38.80 percent. That will be the eligibility for projects related to storage.

The calculations for the eligibility of planned storage facilities are shown in **Exhibit 2.2** below.

Exhibit 2.2 – Growth's Share of Planned Storage Capacity Increase

	MG
Increase in Capacity	5.00
Current Demand (2023)	7.56
Final Demand (2050)	9.50
Growth in Demand from New Users	1.94
Growth's Share of Increased Capacity	**38.80%**

Source: *Table 4-1 of the 2022 Water System Master Plan*

Calculated Improvement Fee Cost Basis

Projects in the improvement fee cost basis were taken from the master plan. The engineers who prepared the master plan sorted each project into one of the three categories discussed above based on the descriptions

provided in the master plan and discussions with staff; for storage projects, the more specific eligibility percentage of 38.80 percent from **Exhibit 2.2** was assigned.

Exhibit 2.3 below shows all the projects in the water system improvement fee cost basis. Costs are given in 2024 dollars and were escalated using the August 2024 value of the Engineering News-Record (Seattle, WA) Construction Cost Index (equal to 15,714.16) as compared to the November 2022 value used in the master plan (equal to 15,202.68). The eligibility for each project is shown in the SDC Eligibility column. Outside funding is noted in the following column, which assumes total debt funding of $90.7 million and grant funding of $180,000. Other funding will be needed to complete the project list, likely from utility rates or future grant awards. However, the outside funding for each project is assumed to apply to the ineligible portions of the project cost, which exceeds the amount of outside funding, and so no reduction in the SDC-eligible cost is made. Finally, the SDC Eligible Costs column shows that the full amount of the improvement fee cost basis is $66.4 million.

Exhibit 2.3 – Improvement Fee Cost Basis

#	Category	Description	Timing	2024 Cost	SDC Eligibility	Outside Funding	SDC-Eligible Cost
R.1	Storage	5.0 MG Additional Storage	2029-2043	$ 35,743,412	38.80%	$ 18,870,294	$ 13,868,444
R.2	Storage	Storage Siting Study	2028	186,056	38.80%	98,226	72,190
R.3	Storage	Reservoir Seismic and Condition Assessmer	2029-2033	387,617	38.80%	204,637	150,395
PS.1	Pump Station	Terra Fern Pump Station Upgrades	2026-2030	806,242	41.33%	425,646	333,192
PS.2	Pump Station	Vista Loop Pump Station	2026-2030	1,467,775	41.33%	774,894	606,580
D.1	Distribution	Bluff Rd. Fire Flow Improvements	2032-2036	5,767,734	41.33%	3,045,004	2,383,604
D.2	Distribution	Hood St. Fire Flow Improvements	2032-2036	558,168	41.33%	294,678	230,671
D.3	Distribution	Mitchell Ct. Fire Flow Improvements	2028	268,747	41.33%	141,882	111,064
D.4	Distribution	Seaman Ave Fire Flow Improvements	2028	568,504	41.33%	300,135	234,943
S.1	Supply	Near-Term Alder Creek WTP Improvements	2024-2025	1,085,326	0.00%	572,985	-
S.2	Supply	Short-Term Alder Creek WTP Assessment	2025	248,075	41.33%	130,968	102,521
S.3	Supply	Alder Creek WTP Improvements	2026-2028	43,495,742	41.33%	22,963,042	17,975,281
S.4	Supply	PWB Filtered Water Supply Connection	2024-2028	40,742,115	41.33%	21,509,298	16,837,302
S.5	Supply	Long-Term Supply Study	2026	248,075	41.33%	130,968	102,521
M.1	Other	Water System Master Plan Update	2029-2030	227,402	41.33%	120,054	93,977
M.2	Other	Water Management and Conservation Plan	2026	113,701	41.33%	60,027	46,989
M.3	Other	Annual Replacement Budget	2034-2043	31,009,322	41.33%	16,370,990	12,815,077
M.4	Other	Water Service Meter Replacement	2034-2043	8,186,461	0.00%	4,321,941	-
M.5	Other	SCADA Master Plan	2026	155,047	41.33%	81,855	64,075
M.6	Other	SCADA Upgrades (Pelim. Budget Placeholde	2026-2030	785,569	41.33%	414,732	324,649
Total				**$ 172,051,089**		**$ 90,832,254**	**$ 66,353,476**

Source: *2022 Water System Master Plan, city staff*

Reimbursement Fee

A reimbursement fee is the eligible cost of the water facilities available for future users per unit of growth that such facilities will serve. Since growth was calculated above, we will focus on the eligible cost of the water facilities available for future users. That is, we will focus on the cost of reimbursable water facilities.

Eligibility

To the extent that capacity remains in the water system and is available for growth, the original cost of the capacity (net of any outside funding or outstanding debt) can be collected in the reimbursement fee. For the water system reimbursement fee cost basis, such capacity was measured in terms of storage, supply, pumping, transmission and distribution, and for other system assets.

The master plan outlines storage deficiencies in its Table 4-1, meaning that there is no eligible cost related to storage. In addition, the water system is facing supply issues that will result in no capacity available for growth, as outlined in Figure 5-1 and discussed in Section 5.3 of the master plan. Note that there might be capacity for

specific developments or for smaller areas of the system which will allow the City to continue developing despite the lack of overall system capacity. The apparent lack of system capacity is relevant to the SDC calculation.

The system has 4.68 MGD of pumping capacity, and growth is expected to add 1.62 MGD of demand for pumping capacity which increases total 2050 demand to 4.21 MGD. Since current capacity exceeds total future demand, all 1.62 MGD of demand for pumping capacity added by growth is already available in the system. So, the eligibility of the pumping capacity is 1.62 MGD divided by 4.68 MGD, or 34.62 percent. Note that some pumping projects (as described in the improvement fee section) may still be necessary to meet overall system demand, despite the presence of available capacity.

Finally, for other assets and for transmission and distribution assets, it is assumed that there is sufficient capacity for the growth in demand outlined in the Growth section of this chapter based on discussion in Section 4.5 of the Water Master Plan describing distribution system capacity. While certain areas may lack capacity when fire needs are considered, the overall distribution system is described as having capacity in Section 4.5. This means that the eligibility of such assets is 41.33 percent.

Calculated Reimbursement Fee Cost Basis

The City provided a schedule of its fixed assets to use to estimate historical expenditures on its water system, which totaled $18.5 million. These assets were sorted into the different functions of capacity described above. There were no records of outside funding or outstanding principal for these assets, meaning that there is no adjustment to the original cost. As shown in **Exhibit 2.4** below, multiplying the estimated capacity available for growth by the original cost of each function results in the reimbursable costs shown in the far-right column, which total to $1.2 million.

Exhibit 2.4 – Reimbursement Fee Cost Basis

Function	Estimated Capacity for Growth	Original Cost Estimate	Reimbursable Cost
Storage	0.00%	$ -	$ -
Supply	0.00%	15,683,754	-
Pumping	34.62%	49,554	17,153
Transmission & Distribution	41.33%	2,101,530	868,489
Other	41.33%	682,570	282,082
Total		**$ 18,517,408**	**$ 1,167,725**

Source: *2022 Water System Master Plan, City's fixed asset schedules*

Calculated Water SDC

This section combines the eligible cost from the improvement and reimbursement fee cost bases. It also includes a small cost basis of $89,193 for the costs related to calculating the SDC and administering the SDC program. The estimate was based on the cost of the SDC methodology calculated and is assumed to occur once every five years from 2024 through 2050. **Exhibit 2.5** below summarizes the water SDC calculation.

Exhibit 2.5 – Calculated Water SDC

Calculated SDC		
Improvement Fee Cost Basis	$	66,353,476
Reimbursement Fee Cost Basis		1,167,725
Compliance Costs		89,193
Total	**$**	**67,610,394**
Growth in MCEs		**3,659**
Improvement Fee per MCE	$	18,134
Reimbursement Fee per MCE		319
Compliance Fee per MCE		24
Total SDC per MCE	**$**	**18,477**

Source: *Previous tables*

As shown above, the maximum allowable SDC is $18,477 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 2.6** below.

Exhibit 2.6 – Water SDC Schedule

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 18,477
3/4	1.50	27,716
1	2.50	46,193
1.5	5.00	92,387
2	8.00	147,819
3	16.00	295,638
4	25.00	461,935
6	50.00	923,870

3 Sewer SDC Analysis

This section describes the detailed calculations of the maximum allowable sewer SDC for the City of Sandy.

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 most often based on the American Water Work Association's (AWWA) flow rates 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 2019 Wastewater System Facilities Plan (upon which the results of this document are based), the population of Sandy is expected to grow at an annual rate of 2.80 percent per year. According to Portland State University, the population was 13,664 in 2024 and is therefore expected to grow to 21,255 by 2040 – which is the end of the planning horizon for the 2019 Wastewater System Facilities Plan (master plan). It is assumed that as the population increases, so will sewer flow.

Based on the City's water meter records, there is an estimated 5,113 sewer MCEs in 2024. If MCEs grow proportional to population, the City will have 7,954 MCEs in 2040. That means that the total growth in demand will be 2,841 MCEs, which will serve as the denominator of the SDC calculation. In addition, growth's share of final demand will be 2,841 MCEs divided by 7,954 MCEs, or 35.71 percent. That proportion will be useful for the eligibility calculations of projects in the improvement fee cost basis.

Exhibit 3.1 below summarizes these calculations:

Exhibit 3.1 – Growth in Wastewater Volume

	2024	2040	CAGR	Growth	Growth Share
Population	13,664	21,255	2.80%	7,591	35.71%
Assumed Sewer MCEs	**5,113**	**7,954**	**2.80%**	**2,841**	**35.71%**

Source: *City staff, Portland State University (population estimates)*

Note that while the wastewater system growth rates shown above do not match the water system growth rates from **Exhibit 2.1**, it is not essential that these growth estimates align. The project list generated for each system was independently based on specific capacity estimates for that system. That internal consistency is necessary to preserve the nexus between each project list and the growth it is intended to serve.

It is also important to note that the timing of when the City reaches 7,954 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 7,954. 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 master plan) exists regardless of whether those future users arrive by 2040 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. Such specific details were available for some of the projects on the project list. However, when this is not possible, projects can still be sorted into three broad categories, as discussed in the water SDC calculation. Projects related to the collection system and the outfall were assumed to serve both existing and future users proportionally given that they provide system-wide benefit and so were assigned the growth share of 35.71 percent.

For projects related to the treatment plant and associated capacity, specific details were used to calculate the eligibility of those projects. The existing capacity is 7.00 MGD, and existing demand is already more than that at 9.45 MGD. The City is planning major improvements to the existing treatment plant. The proposed capacity of the improved treatment plant is 11.50 MGD. It is expected that growth during the planning period will increase demands to above that amount. Therefore, growth's share of the capacity expansion is the difference between 11.50 MGD and 9.45 MGD, or 2.05 MGD, taken as a share of the final capacity of the improved plant, or 11.50 MGD, which equates to 17.83 percent. Note that while capacity may be available on a case-by-case basis (which allows the City to continue developing), the system plan does not describe sufficient capacity for the entire system.

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 9.45 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 11.50 MGD, which is 2.05 MGD above existing demand. Only the portion of the project that provides capacity for future users (2.05 MGD as a share of 11.50 MGD, or 17.83 percent) is included in the SDC, and the funding for the in-eligible portion (82.17 percent) must come from other sources.

Calculated Improvement Fee Cost Basis

Projects in the improvement fee cost basis were taken from a capital improvement program being developed by City staff and are summarized in **Exhibit 3.2** below, with costs in 2024 dollars. The eligibility for each project is shown in the SDC Eligibility column; most projects represent improvements that are necessary for all future connections, and so are assigned the growth share amount of 35.71 percent. A more specific percentage is used for the treatment plant as described above. Outside funding is noted in the following column. Total grant funding is $8.3 million and is applied to non-eligible portions of the projects. 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 and so no reduction is made. Finally, the SDC-Eligible Costs column shows that the full amount of the improvement fee cost basis is $42.4 million.

Exhibit 3.2 – Improvement Fee Cost Basis

Project ID	Phase	Completion Year	Adjusted Costs (2024 Dollars)	SDC Eligibility	Outside Funding	SDC-Eligible Cost
Outfall to Sandy River						
A1330	Predesign cost	2026	$ 4,469,554	35.71%	$ 228,474	$ 1,596,298
A1340	Design Costs	2029	8,380,472	35.71%	418,312	2,993,079
A1350	Construction Costs	2031	53,703,277	35.71%	2,680,603	19,180,084
Existing WWT Facility Upgrades						
A1360	Construction Costs	2030	$ 83,804,724	17.83%	$ 4,183,120	$ 14,941,470
A1370	Design Costs	2026	9,567,911	17.83%	477,583	1,705,854
A1380	Predesign Costs	2024	-	17.83%	24,958	-
Collection System Improvements						
A1210	Post-rehab Costs	2031	$ 131,384	35.71%	$ 6,558	$ 46,924
A1250	CCTV Inestigations Costs	2025	400,000	35.71%	19,966	142,860
A1490	Predesign Costs	2024	-	35.71%	2,496	-
A1500	Construction Costs	2025	1,435,187	35.71%	71,637	512,576
A1510	Design Costs	2025	191,358	35.71%	9,552	68,343
A1520	Predesign Costs	2024	-	35.71%	998	-
A1530	Design Costs	2025	478,396	35.71%	23,879	170,859
A1540	Construction Costs	2026	2,288,623	35.71%	114,237	817,380
A1550	Construction Costs	2026	574,075	35.71%	28,655	205,030
A1560	Plan Development Costs	2024	-	35.71%	3,744	-
A1570	Annual Update Costs	2031	104,756	35.71%	5,229	37,413
Total			**$ 165,529,716**		**$ 8,300,000**	**$ 42,418,170**

Source: *City staff*

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 master plan 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 cost basis of $54,888 for the costs related to calculating the SDC and administering the SDC program. The estimate was based on the cost of the SDC methodology calculated and is assumed to occur once every five years from 2024 through 2040. **Exhibit 3.3** below summarizes the sewer SDC calculation.

Exhibit 3.3 – Calculated Sewer SDC

Calculated SDC		
Improvement Fee Cost Basis	$	42,418,170
Reimbursement Fee Cost Basis		-
Compliance Costs		54,888
Total	**$**	**42,473,058**
Growth in MCEs		**2,841**
Improvement Fee per MCE	$	14,932
Reimbursement Fee per MCE		-
Compliance Fee per MCE		19
Total SDC per MCE	**$**	**14,952**

Source: *Previous tables*

As shown above, the maximum allowable SDC is $14,952 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 3.4** below.

Exhibit 3.4 – Sewer SDC Schedule

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 14,952
3/4	1.50	22,428
1	2.50	37,380
1.5	5.00	74,759
2	8.00	119,614
3	16.00	239,229
4	25.00	373,795
6	50.00	747,590

4 Implementation

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

Setting the SDC

The maximum legally defensible SDCs for each service as calculated in the previous sections are shown in **Exhibit 4.1** below. The City has the liberty to set the SDC for each service at any level up to the maximum defensible charge by resolution. The City may also decide to phase in either or both SDCs to the maximum or a lower target charge over a period of time.

Exhibit 4.1 – Calculated SDCs

Calculated SDCs	Water	Sewer
Improvement Fee Cost Basis	$ 66,353,476	$ 42,418,170
Reimbursement Fee Cost Basis	1,167,725	-
Compliance Costs	89,193	54,888
Total	**$ 67,610,394**	**$ 42,473,058**
Growth in MCEs	**3,659**	**2,841**
Improvement Fee per MCE	$ 18,134	$ 14,932
Reimbursement Fee per MCE	319	-
Compliance Fee per MCE	24	19
Total SDC per MCE	**$ 18,477**	**$ 14,952**

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 December 2024 value of that index was 13,632.41.

Comparisons

Exhibit 4.2 and **Exhibit 4.3** below show a comparison of water and 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 4.2 – Water SDC Comparisons

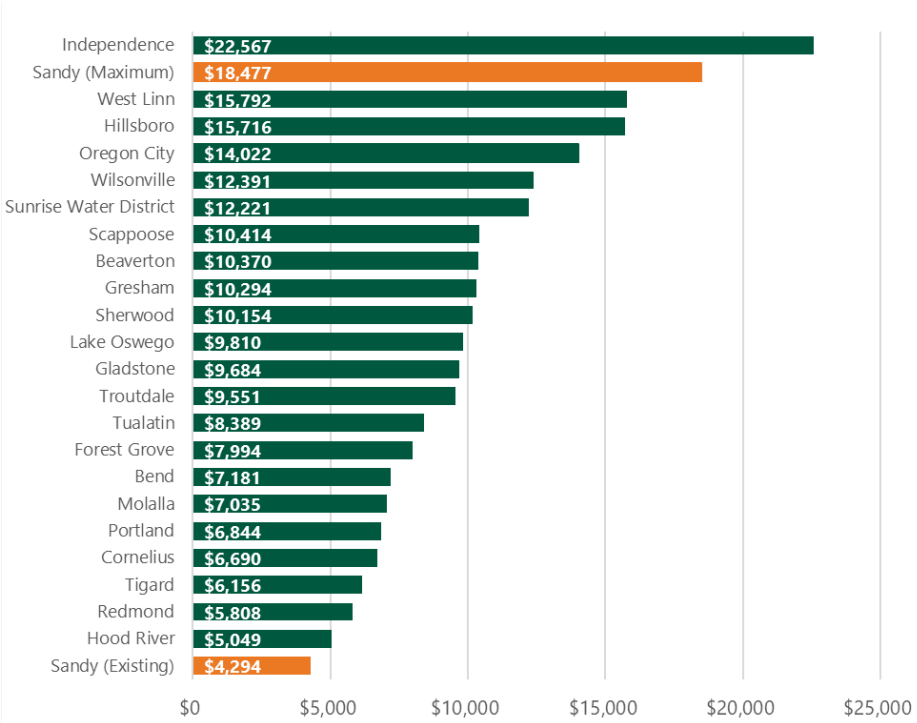
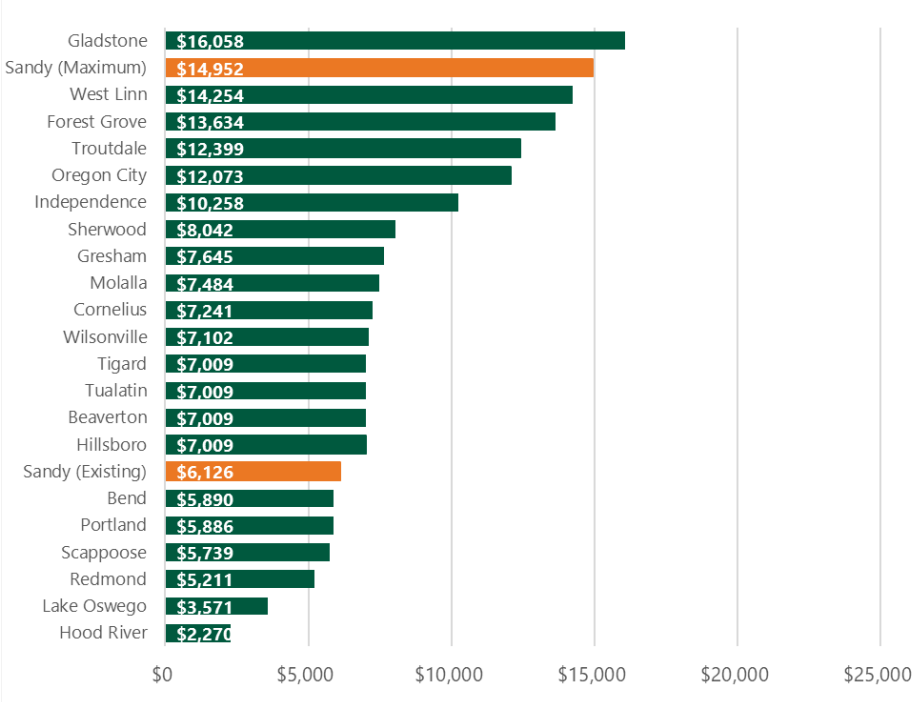


Exhibit 4.3 – Sewer SDC Comparisons



City of Sandy

Water and Wastewater SDCs

John Ghilarducci

November 18, 2024

FCS a Bowman company

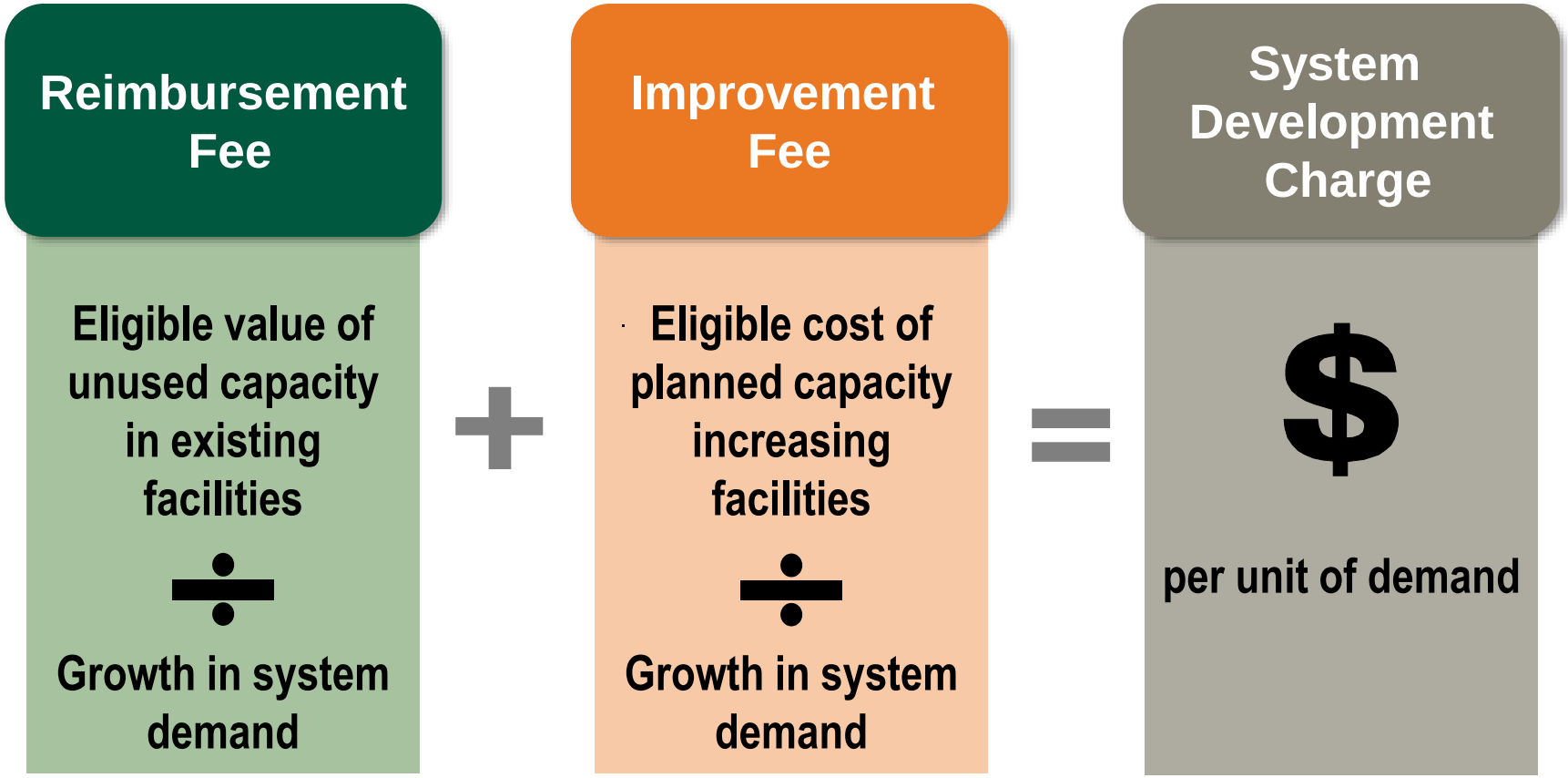
Agenda

- **System Development Charges (SDCs)**
  - Water
  - Wastewater
- **Next Steps**

Key Characteristics of SDCs

- SDCs are one-time charges, not ongoing rates. Paid at the time of development.
- SDCs are available for water, wastewater, stormwater, transportation, and parks.
- SDCs are for capital only, in both their calculation and in their use.
- SDCs include both existing and future (planned) infrastructure cost components.
- SDCs are for “system” facilities, not “local” facilities.

The SDC Calculation



Growth in Water Demand

	2023	2043	2050	Growth CAGR	Growth (2023-2050)	Growth Share
Peak Season Maximum Day Demand (MGD)	2.30	3.46	3.92	1.99%	1.62	41.33%
Total MCEs	5,195	7,815	8,854	1.99%	3,659	41.33%

Source: *2022 Water System Master Plan, (maximum day demand projections); previous tables (total MCEs)*

- **MCEs = meter capacity equivalents**
- **This growth projection assumes the City uses a 5/8" meter as its smallest meter size**
- **Growth is based on projected increases in peak season maximum day demand**
  - » Projection includes a 0.29 MGD leak adjustment that decreased maximum day demands from the 2022 Water System Plan Estimates

Water Improvement Fee Cost Basis

#	Category	Description	Timing	2022 Cost	2024 Cost	SDC Eligibility	Outside Funding	SDC-Eligible Cost
R.1	Storage	5.0 MG Additional Storage	2029-2043	$ 34,580,000	$ 35,743,412	38.80%	$ -	$ 13,868,444
R.2	Storage	Storage Siting Study	2028	180,000	186,056	38.80%	-	72,190
R.3	Storage	Reservoir Seismic and Condition Assessment	2029-2033	375,000	387,617	38.80%	-	150,395
PS.1	Pump Station	Terra Fern Pump Station Upgrades	2026-2030	780,000	806,242	41.33%	-	333,192
PS.2	Pump Station	Vista Loop Pump Station	2026-2030	1,420,000	1,467,775	41.33%	-	606,580
D.1	Distribution	Bluff Rd. Fire Flow Improvements	2032-2036	5,580,000	5,767,734	41.33%	-	2,383,604
D.2	Distribution	Hood St. Fire Flow Improvements	2032-2036	540,000	558,168	41.33%	-	230,671
D.3	Distribution	Mitchell Ct. Fire Flow Improvements	2028	260,000	268,747	41.33%	-	111,064
D.4	Distribution	Seaman Ave Fire Flow Improvements	2028	550,000	568,504	41.33%	-	234,943
S.1	Supply	Near-Term Alder Creek WTP Improvements	2024-2025	1,050,000	1,085,326	0.00%	-	-
S.2	Supply	Short-Term Alder Creek WTP Assessment	2025	240,000	248,075	41.33%	-	102,521
S.3	Supply	Alder Creek WTP Improvements	2026-2028	42,080,000	43,495,742	41.33%	180,000	17,975,281
S.4	Supply	PWB Filtered Water Supply Connection	2024-2028	39,416,000	40,742,115	41.33%	-	16,837,302
S.5	Supply	Long-Term Supply Study	2026	240,000	248,075	41.33%	-	102,521
M.1	Other	Water System Master Plan Update	2029-2030	220,000	227,402	41.33%	-	93,977
M.2	Other	Water Management and Conservation Plan	2026	110,000	113,701	41.33%	-	46,989
M.3	Other	Annual Replacement Budget	2034-2043	30,000,000	31,009,322	41.33%	-	12,815,077
M.4	Other	Water Service Meter Replacement	2034-2043	7,920,000	8,186,461	0.00%	-	-
M.5	Other	SCADA Master Plan	2026	150,000	155,047	41.33%	-	64,075
M.6	Other	SCADA Upgrades (Pelim. Budget Placeholder)	2026-2030	760,000	785,569	41.33%	-	324,649
Total				**$ 166,451,000**	**$ 172,051,089**		**$ 180,000**	**$ 66,353,476**

Source: *2022 Water System Master Plan, city staff*

- **These calculations assume the City will use SDCs to pay for related debt**

Water Reimbursement Fee Cost Basis

Function	Estimated Capacity for Growth	Original Cost Estimate	Reimbursable Cost
Storage	0.00%	$ -	$ -
Supply	0.00%	15,683,754	-
Transmission & Distribution	41.33%	2,101,530	868,489
Pumping	34.62%	49,554	17,153
Other	41.33%	682,570	282,082
Total		**$ 18,517,408**	**$ 1,167,725**

Source: *2022 Water System Master Plan, City's fixed asset schedules*

Calculated Water SDC

Calculated SDC		
Improvement Fee Cost Basis	$	66,353,476
Reimbursement Fee Cost Basis		1,167,725
Compliance Costs		89,193
Total	**$**	**67,610,394**
Growth in MCEs		**3,659**
Improvement Fee per MCE	$	18,134
Reimbursement Fee per MCE		319
Compliance Fee per MCE		24
Total SDC per MCE	**$**	**18,477**

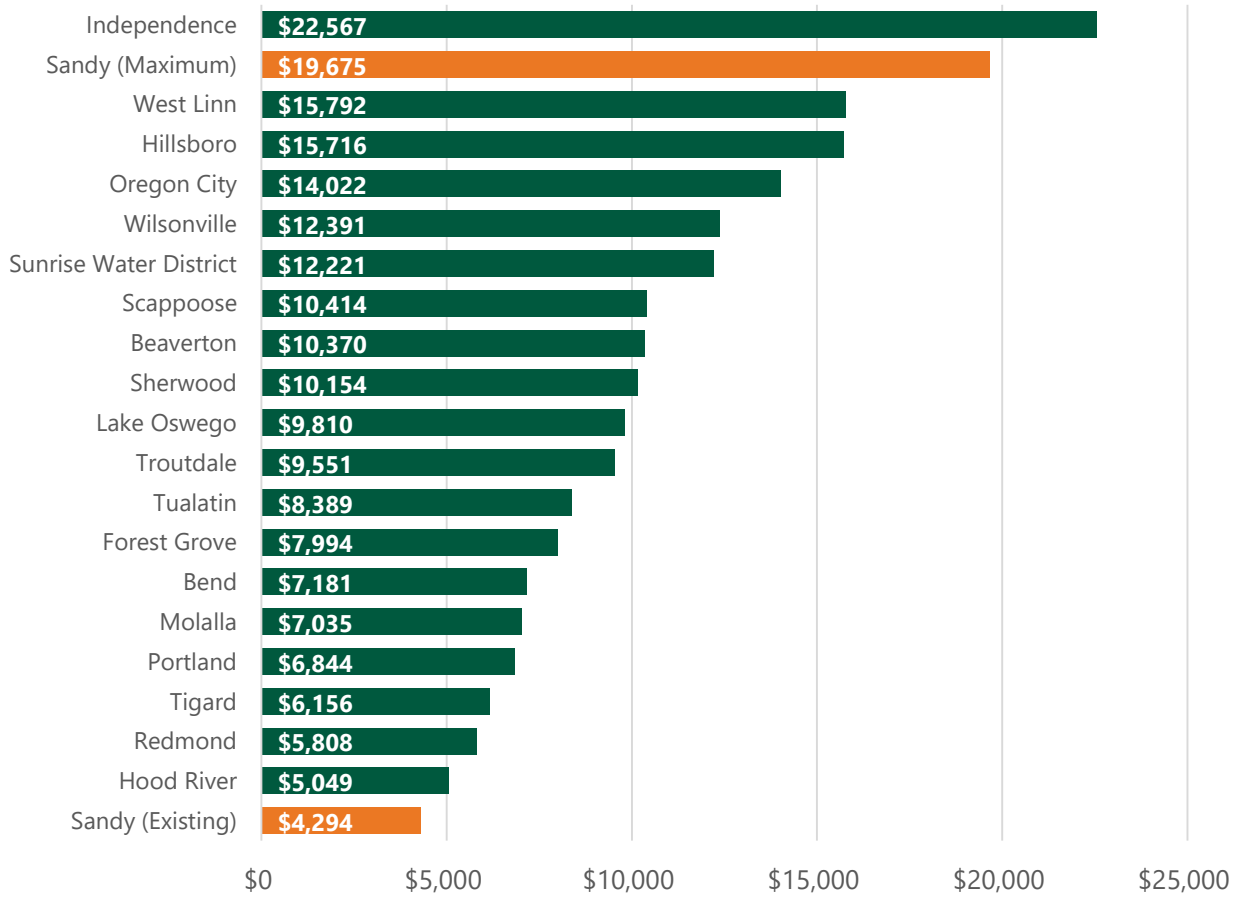
Source: *Previous tables*

Water SDC Schedule

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 18,477
3/4	1.50	27,716
1	2.50	46,193
1.5	5.00	92,387
2	8.00	147,819
3	16.00	295,638
4	25.00	461,935
6	50.00	923,870

Water SDC Comparisons

Single Family Residence		
#	Jurisdiction	Total
1	Independence	$22,567
2	Sandy (Maximum)	$19,675
3	West Linn	$15,792
4	Hillsboro	$15,716
5	Oregon City	$14,022
6	Wilsonville	$12,391
7	Sunrise Water District	$12,221
8	Scappoose	$10,414
9	Beaverton	$10,370
10	Sherwood	$10,154
11	Lake Oswego	$9,810
12	Troutdale	$9,551
13	Tualatin	$8,389
14	Forest Grove	$7,994
15	Bend	$7,181
16	Molalla	$7,035
17	Portland	$6,844
18	Tigard	$6,156
19	Redmond	$5,808
20	Hood River	$5,049
21	Sandy (Existing)	$4,294



Growth in Wastewater Demand

	2024	2040	CAGR	Growth	Growth Share
Population	22,600	35,156	2.80%	12,556	35.71%
Water MCEs	5,195	8,081	2.80%	2,886	35.71%
Water Accounts	4,184	6,509	2.80%	2,325	35.71%
Sewer Accounts	4,118	6,406	2.80%	2,288	35.71%
Assumed Sewer MCEs	**5,113**	**7,954**	**2.80%**	**2,841**	**35.71%**

Source: *City staff, previous tables (total MCEs)*

- **MCEs = meter capacity equivalents**
- **This growth projection assumes the City uses a 5/8” meter as its smallest meter size**
- **Growth is based on projected population increases**

Wastewater Improvement Fee Cost Basis

Project ID	Completion Year	Adjusted Costs (2024 Dollars)	SDC Eligibility	Outside Funding	SDC-Eligible Cost
Outfall to Sandy River	2031	$ 66,553,303	35.71%	$ 3,327,389	$ 23,769,461
Existing WWT Facility Upgrades	2030	93,372,635	17.83%	4,685,660	16,647,324
Collection System Improvements	2031	5,603,778	35.71%	286,951	2,001,385
Total		**$ 165,529,716**		**$ 8,300,000**	**$ 42,418,170**

Source: *City staff*

- **These calculations assume the City will use SDCs to pay for related debt**

Calculated Wastewater SDC

Calculated SDC		
Improvement Fee Cost Basis	$	42,418,170
Reimbursement Fee Cost Basis		-
Compliance Costs		54,888
Total	**$**	**42,473,058**
Growth in MCEs		**2,841**
Improvement Fee per MCE	$	14,932
Reimbursement Fee per MCE		-
Compliance Fee per MCE		19
Total SDC per MCE	**$**	**14,952**

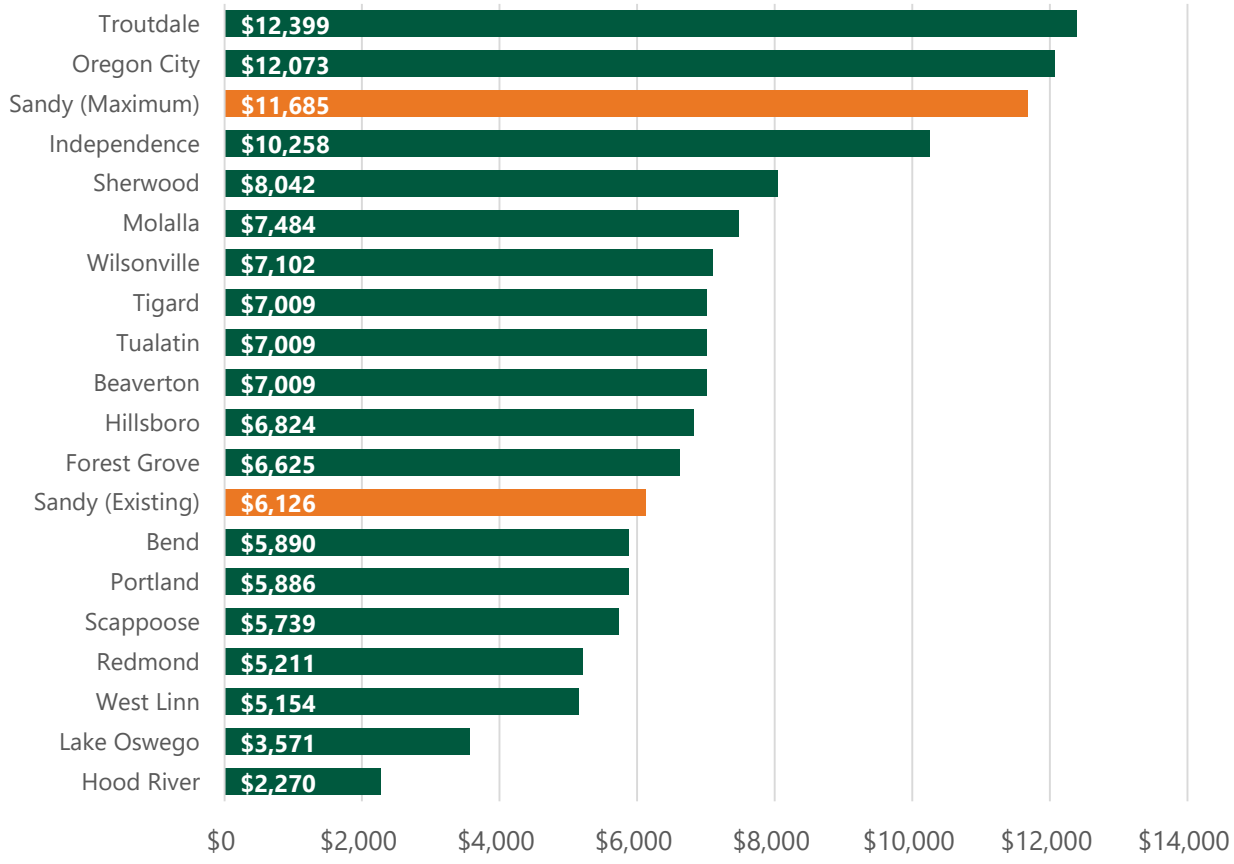
Source: *Previous tables*

Wastewater SDC Schedule

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 14,952
3/4	1.50	22,428
1	2.50	37,380
1.5	5.00	74,759
2	8.00	119,614
3	16.00	239,229
4	25.00	373,795
6	50.00	747,590

Sewer SDC Comparisons

Single Family Residence		
#	Jurisdiction	Total
1	Troutdale	$12,399
2	Oregon City	$12,073
3	Sandy (Maximum)	$11,685
4	Independence	$10,258
5	Sherwood	$8,042
6	Molalla	$7,484
7	Wilsonville	$7,102
8	Beaverton	$7,009
9	Tualatin	$7,009
10	Tigard	$7,009
11	Hillsboro	$6,824
12	Forest Grove	$6,625
13	Sandy (Existing)	$6,126
14	Bend	$5,890
15	Portland	$5,886
16	Scappoose	$5,739
17	Redmond	$5,211
18	West Linn	$5,154
19	Lake Oswego	$3,571
20	Hood River	$2,270



Next Steps

- Provide feedback on SDCs
- If desired, issue 90-day notice for adoption of SDCs

Thank you!
Questions?

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FCS
a Bowman company

Asset Id	Description	Department	Class	Category	Location	Original Cost	Depreciation Amount	Asset Control Account	Acquisition Date	Net Asset Value
0232	Land	520	10	10	OP	142673	0	520-161000	6/30/2002	142673
0233	Ticor 2.12 Acres	520	10	10	OP	21000	0	520-161000	1/19/2006	21000
0234	Public Works/Transit Center	520	10	10	OP	435179.47	0	520-161000	4/12/2006	435179.47
0235	Storage Building	520	10	30	OP	21838	21838	520-162650	6/1/1992	0
0236	Storage Building	520	10	30	OP	1730	1730	520-162650	1/1/1993	0
0237	Storage Building	520	10	30	OP	13300	6299.08	520-162650	3/8/1999	7000.92
0238	Water Plant	520	10	30	OP	907830	381902.82	520-162650	6/30/2002	525927.18
0239	System Improvement	520	10	20	OP	40183.3	40183.3	520-163100	7/1/1964	0
0240	System Improvement	520	10	20	OP	12214.06	12214.06	520-163100	7/1/1965	0
0241	System Improvement	520	10	20	OP	28273	28273	520-163100	7/1/1966	0
0242	System Improvement	520	10	20	OP	102718.31	102718.31	520-163100	7/1/1966	0
0243	System Improvement	520	10	20	OP	9311.26	9311.26	520-163100	7/1/1967	0
0244	System Improvement	520	10	20	OP	2602.83	2602.83	520-163100	7/1/1967	0
0245	System Improvement	520	10	20	OP	15304.26	15304.26	520-163100	7/1/1971	0
0246	System Improvement	520	10	20	OP	16079.03	16079.03	520-163100	7/1/1972	0
0247	System Improvement	520	10	20	OP	997.62	995.97	520-163100	7/1/1973	1.65
0248	System Improvement	520	10	20	OP	37416.76	35128.49	520-163100	7/1/1976	2288.27
0249	System Improvement	520	10	20	OP	3816.68	3507.25	520-163100	7/1/1977	309.43
0250	System Improvement	520	10	20	OP	141107.52	129670.3	520-163100	7/1/1977	11437.22
0251	System Improvement	520	10	20	OP	1393577.73	1252874.38	520-163100	7/1/1978	140703.35
0252	System Improvement	520	10	20	OP	34012.68	29900.95	520-163100	7/1/1979	4111.73
0253	System Improvement	520	10	20	OP	21092.5	18122.17	520-163100	7/1/1980	2970.33
0254	System Improvement	520	10	20	OP	45447.15	37683.76	520-163100	7/1/1981	7763.39
0255	System Improvement	520	10	20	OP	1365	1145.34	520-163100	7/1/1981	219.66
0256	System Improvement	520	10	20	OP	2495	2093.91	520-163100	7/1/1981	401.09
0257	System Improvement	520	10	20	OP	8072	6774.28	520-163100	7/1/1981	1297.72
0258	System Improvement	520	10	20	OP	4370.8	3668.03	520-163100	7/1/1981	702.77
0259	System Improvement	520	10	20	OP	7134.96	5987.93	520-163100	7/1/1981	1147.03
0260	System Improvement	520	10	20	OP	1523	1278.07	520-163100	7/1/1981	244.93
0261	System Improvement	520	10	20	OP	9965.8	8164.57	520-163100	7/1/1982	1801.23
0262	System Improvement	520	10	20	OP	2279.88	1822.32	520-163100	7/1/1983	457.56
0263	System Improvement	520	10	20	OP	382279	305561.97	520-163100	7/1/1983	76717.03
0264	System Improvement	520	10	20	OP	35407	28301.27	520-163100	7/1/1983	7105.73
0265	System Improvement	520	10	20	OP	18638.94	14526.18	520-163100	7/1/1984	4112.76
0266	System Improvement	520	10	20	OP	62427.36	47406.66	520-163100	7/1/1985	15020.7
0267	System Improvement	520	10	20	OP	205326.58	151822.25	520-163100	7/1/1986	53504.33
0268	System Improvement	520	10	20	OP	7368	5448.12	520-163100	7/1/1986	1919.88
0269	System Improvement	520	10	20	OP	6364.32	4705.77	520-163100	7/1/1986	1658.55
0270	System Improvement	520	10	20	OP	240400.82	240400	520-163100	6/1/1992	0.82
0271	System Improvement	520	10	20	OP	32545	19621.08	520-163100	5/1/1993	12923.92
0272	System Improvement	520	10	20	OP	65809	65809	520-163100	5/1/1995	0
0273	System Improvement	520	10	20	OP	76249	76249	520-163100	6/1/1995	0
0274	System Improvement	520	10	20	OP	718973	718973	520-163100	4/1/1996	0
0275	System Improvement	520	10	20	OP	15296	15296	520-163100	5/1/1996	0
0276	System Improvement	520	10	20	OP	27866	27866	520-163100	6/1/1996	0
0277	System Improvement	520	10	20	OP	28850	28850	520-163100	6/1/1996	0

0278	System Improvement	520	10	20	OP	2500	2500	520-163100	5/1/1997	0
0279	System Improvement	520	10	20	OP	155950	155950	520-163100	6/1/1997	0
0280	System Improvement	520	10	20	OP	117841.41	117841.41	520-163100	6/1/1997	0
0281	System Improvement	520	10	20	OP	22998.69	22998.69	520-163100	6/1/1997	0
0282	System Improvement	520	10	20	OP	4923	4923	520-163100	6/1/1997	0
0283	System Improvement	520	10	20	OP	832	832	520-163100	6/1/1998	0
0284	System Improvement	520	10	20	OP	8596.84	8596.84	520-163100	6/1/1998	0
0285	System Improvement	520	10	20	OP	5483.43	5483.43	520-163100	6/1/1998	0
0286	System Improvement	520	10	20	OP	5483.43	5483.43	520-163100	7/1/1998	0
0287	System Improvement	520	10	20	OP	1033.5	513.19	520-163100	8/17/1998	520.31
0288	System Improvement	520	10	20	OP	2760	2760	520-163100	10/7/1998	0
0289	System Improvement	520	10	20	OP	2438.27	1205.81	520-163100	10/15/1998	1232.46
0290	System Improvement	520	10	20	OP	7215	3556.53	520-163100	11/4/1998	3658.47
0291	System Improvement	520	10	20	OP	9975	4900.6	520-163100	12/4/1998	5074.4
0292	System Improvement	520	10	20	OP	1535	1535	520-163100	12/4/1998	0
0293	System Improvement	520	10	20	OP	5320	2604.6	520-163100	1/11/1999	2715.4
0294	System Improvement	520	10	20	OP	1500	734.16	520-163100	1/12/1999	765.84
0295	System Improvement	520	10	20	OP	7980	3881.08	520-163100	3/1/1999	4098.92
0296	System Improvement	520	10	20	OP	1703	1703	520-163100	3/5/1999	0
0297	System Improvement	520	10	20	OP	774.47	774.47	520-163100	4/26/1999	0
0298	System Improvement	520	10	20	OP	1995	964.25	520-163100	4/30/1999	1030.75
0299	System Improvement	520	10	20	OP	1330	1330	520-163100	5/31/1999	0
0300	System Improvement	520	10	20	OP	2623	1250.26	520-163100	8/12/1999	1372.74
0301	System Improvement	520	10	20	OP	5586	2644.28	520-163100	10/21/1999	2941.72
0302	System Improvement	520	10	20	OP	540	316.12	520-163100	1/20/2000	223.88
0303	System Improvement	520	10	20	OP	19010	11011.24	520-163100	4/20/2000	7998.76
0304	System Improvement	520	10	20	OP	7635	7635	520-163100	6/30/2000	0
0305	System Improvement	520	10	20	OP	3325	3325	520-163100	6/30/2000	0
0306	System Improvement	520	10	20	OP	1251871.15	575908.33	520-163100	6/30/2000	675962.82
0307	System Improvement	520	10	20	OP	758372.85	348880.59	520-163100	6/30/2000	409492.26
0308	System Improvement	520	10	20	OP	53380	24556.8	520-163100	6/30/2000	28823.2
0309	System Improvement	520	10	20	OP	9220	9220	520-163100	7/6/2000	0
0310	System Improvement	520	10	20	OP	11180	11180	520-163100	7/19/2000	0
0311	System Improvement	520	10	20	OP	7625	7625	520-163100	7/27/2000	0
0312	System Improvement	520	10	20	OP	4380	4380	520-163100	8/10/2000	0
0313	System Improvement	520	10	20	OP	2028	2028	520-163100	8/10/2000	0
0314	System Improvement	520	10	20	OP	2941	2941	520-163100	8/16/2000	0
0315	System Improvement	520	10	20	OP	5122	2339.59	520-163100	8/31/2000	2782.41
0316	System Improvement	520	10	20	OP	704	704	520-163100	9/1/2000	0
0317	System Improvement	520	10	20	OP	35230.75	16031.1	520-163100	9/28/2000	19199.65
0318	System Improvement	520	10	20	OP	2570	2570	520-163100	10/5/2000	0
0319	System Improvement	520	10	20	OP	2420	2420	520-163100	10/12/2000	0
0320	System Improvement	520	10	20	OP	1813	824.08	520-163100	10/12/2000	988.92
0321	System Improvement	520	10	20	OP	2613	2613	520-163100	10/26/2000	0
0322	System Improvement	520	10	20	OP	5424	5424	520-163100	12/29/2000	0
0323	System Improvement	520	10	20	OP	68624.03	30883.58	520-163100	12/29/2000	37740.45
0324	System Improvement	520	10	20	OP	14100	6121.32	520-163100	1/5/2001	7978.68

0325	System Improvement	520	10	20	OP	4028	4028	520-163100	1/11/2001	0
0326	System Improvement	520	10	20	OP	2520	2520	520-163100	1/25/2001	0
0327	System Improvement	520	10	20	OP	5700	2467.66	520-163100	1/25/2001	3232.34
0328	System Improvement	520	10	20	OP	15200	6809.31	520-163100	2/9/2001	8390.69
0329	System Improvement	520	10	20	OP	1634	1634	520-163100	2/15/2001	0
0330	System Improvement	520	10	20	OP	398	398	520-163100	2/15/2001	0
0331	System Improvement	520	10	20	OP	14802	14802	520-163100	2/15/2001	0
0332	System Improvement	520	10	20	OP	2493	2493	520-163100	3/15/2001	0
0333	System Improvement	520	10	20	OP	12777.5	5702.91	520-163100	3/15/2001	7074.59
0334	System Improvement	520	10	20	OP	3050	3050	520-163100	3/29/2001	0
0335	System Improvement	520	10	20	OP	3847	3847	520-163100	4/13/2001	0
0336	System Improvement	520	10	20	OP	1398	598.07	520-163100	4/27/2001	799.93
0337	System Improvement	520	10	20	OP	3273	3273	520-163100	5/16/2001	0
0338	System Improvement	520	10	20	OP	120260.5	53119.47	520-163100	5/16/2001	67141.03
0339	System Improvement	520	10	20	OP	4033	4033	520-163100	6/14/2001	0
0340	System Improvement	520	10	20	OP	2387	2387	520-163100	6/30/2001	0
0341	Dear Point Subdivision	520	10	20	OP	264038	237768.68	520-163100	6/1/2005	26269.32
0342	Deerpointe System Improvement	520	10	20	OP	13719	13719	520-163100	9/28/2005	0
0343	New Pump	520	10	20	OP	19500	19500	520-163100	3/9/2006	0
0344	Water Lines & Infrastructure	520	10	20	OP	192521	158299.24	520-163100	1/1/2007	34221.76
0345	Bell Street Water/Sewer extension	520	10	20	OP	75264	59076.66	520-163100	10/11/2007	16187.34
0346	Fir Drive Water Line Paving	520	10	20	OP	8800	8800	520-163100	12/27/2007	0
0347	Jewelberry Street Water/Sewer extension	520	10	20	OP	409563	307883.12	520-163100	6/12/2008	101679.88
0348	Jewelberry Avenue Water/Sewer Extension	520	10	20	OP	14276	10554.11	520-163100	9/11/2008	3721.89
0349	Repair on Hwy 26 Water Main	520	10	20	OP	23754.36	17068.26	520-163100	2/12/2009	6686.1
0350	Hwy. 26 - Bluff Rd. to Ind. Way Waterline/Fiber	520	10	20	OP	410962	274809.89	520-163100	2/18/2010	136152.11
0351	Auto. Meter Reading Towers	520	10	20	OP	40466	26723.21	520-163100	4/29/2010	13742.79
0352	PumpTech water pump	520	10	20	OP	14770.39	14770.39	520-163100	9/16/2010	0
0353	AMR Equipment	520	10	20	OP	79000	79000	520-163100	5/5/2012	0
0354	Liquid Disinfectant Conversion - Brownell Spgs	520	10	20	OP	242017.15	43907.46	520-163100	6/30/2014	198109.69
0355	Bull Run Interie Improvement	520	10	20	OP	9276680	1683008.65	520-163100	6/30/2014	7593671.35
0356	WTP	520	10	20	OP	38514	6987.47	520-163100	6/30/2014	31526.53
0357	Ford F 150	520	10	50	OP	8022	8022	520-165000	6/30/2002	0
0358	Case 580 SuperM Series & Backhoe	520	10	50	OP	23272	23272	520-165000	8/24/2005	0
0359	1/2 Ton Pickup & Ford F550	520	10	50	OP	13958.7	13958.7	520-165000	5/21/2009	0
0360	Ford F550	520	10	50	OP	9176	8873.62	520-165000	10/23/2013	302.38
0361	Machinery and Equipment	520	10	40	OP	16659	16659	520-166000	12/28/1998	0
0362	Computer Equipment	520	10	40	OP	12339	12339	520-166000	6/30/2004	0
0363	Treatment Facility Plant	520	10	40	OP	122902	115773.27	520-166000	8/1/2004	7128.73
0364	Brownell Springs	520	10	40	OP	59408.64	54730.56	520-166000	1/1/2005	4678.08
0365	Permanent Generator Water Plant	520	10	40	OP	194025	194025	520-166000	3/5/2009	0
0366	Dump Body & Flatbed	520	10	40	OP	6000	6000	520-166000	9/23/2009	0
0524	1/3 Ford Truck	520	10	50	OP	10005.93	10005.93	520-165000	6/30/2015	0
0526	Capitalized Interest	520	10	20	OP	156566.95	139190.89	520-163100	6/30/2015	17376.06
0539	Scanner/Plotter	520	10	40	CH	955.62	955.62	520-166000	12/31/2015	0
0540	Roof Replacement - 52500 Hwy	520	10	30	OP	32103.07	6208.08	520-162650	10/15/2015	25894.99

0579	2017 Ford F-150	520	10	50	OP	5968	5968	520-165000	7/8/2017	0
0583	2017 Nissan Frontier	520	10	50	OP	5685	5685	520-165000	7/14/2017	0
0594	pH Adjustment Project	520	10	20	OP	57857.5	11571.36	520-163100	6/30/2019	46286.14
0595	DBP Control Project	520	10	20	OP	36743.78	7348.8	520-163100	6/20/2019	29394.98
0611	PWB Intertie Mixing	520	10	20	OP	64509.56	10214.02	520-163100	4/16/2020	54295.54
0619	Automated Water Meter Replacement	520	10	20	OP	1478167.86	156088.17	520-163100	6/30/2021	1449460.38
0623	2020 Ford Ranger	520	10	50	OP	6608.62	3854.99	998-165000	7/14/2020	2753.63
0628	2020 Ford F-450 (Bucket Truck)	520	10	50	OP	26555.16	12392.44	998-165000	2/18/2021	14162.72
0640	International Truck Major Rebuild	520	10	50	OP	14772.54	2954.52	520-165000	6/30/2022	11818.02
0643	SCADA Upgrade	520	10	20	OP	7107	710.7	520-163100	6/30/2022	6396.3
0663	Water Rate Model	520	10	40	CH	12155	0	520-166000	6/30/2023	12155

Sandy SDC Study

Water SDC Calculation

Growth

	2023	2043	2050	CAGR	Growth (2023-2050)	Growth Share
Peak Season Maximum Day Demand (MGD)	2.30	3.46	3.92	1.99%	1.62	41.33%
Total MCEs	5,195	7,815	8,854	1.99%	3,659	41.33%

Source: *2022 Water System Master Plan, (maximum day demand projections); previous tables (total MCEs)*

Sandy SDC Study

Water SDC Calculation

Growth

Storage Notes:	MG
Current Capacity	4.75
Final Capacity	9.75
Current Demand	7.56
Final Demand	9.50
Growth's Share	38.8%

(Final Demand - Current Demand) / (Final Capacity - Current Capacity)

Sandy SDC Study

Wastewater SDC Calculation

Treatment Plant Capacity

Existing Capacity	7.00
Existing Demand	9.45
Proposed Capacity	11.50
Growth's Share	17.83%

New proposed capacity - 11.50 MGD

(Proposed Capacity - Existing Capacity) / Proposed Capacity

Sandy SDC Study

Wastewater SDC Calculation

Growth

	2023	2024	2040	CAGR	Growth	Growth Share
Peak Influent Flow	9.3	9.4	12.2	1.61%	2.75	22.54%
Average Daily Dry Weather	0.9	0.9	2.2	5.40%	1.25	56.88%
Population		13,664	21,255	2.80%	7,591	35.71%
Water MCEs		5,195	8,081	2.80%	2,886	35.71%
Water Accounts		4,184	6,509	2.80%	2,325	35.71%
Sewer Accounts		4,118	6,406	2.80%	2,288	35.71%
Assumed Sewer MCEs		**5,113**	**7,954**	**2.80%**	**2,841**	**35.71%**

Source: *City staff, previous tables (total MCEs)*

Technical Memorandum

TO: City of Sandy – Jenny Coker, Public Works Director

FROM: Keller Associates, Inc. – Jason King, PE; Jesse Fields, PE

DATE: September 30, 2022

SUBJECT: Sandercock Reservoir Inspection and Recommendations

BACKGROUND

The Sandercock Lane Reservoir is a 0.5-million-gallon welded steel, ring foundation water storage tank in Sandy, Oregon. It has a diameter of 52 feet and a height of 32 feet. The tank was built by American Tank Company in 1966. The exterior was painted eighteen years ago and has not been cleaned since. The tank inlet and outlet were previously replumbed to penetrate the tank at the side wall, and the existing floor penetrations were sealed. The City noted severe leaking from the tank and wishes to discover the cause of the leak and perform the repairs necessary to stop it. On June 15th, 2022, an inspection of the reservoir interior was completed by attendees from Cathodic Protections Engineering (CPE), The Saunders Company, MJE Industrial, and Keller Associates. The findings of this inspection and an additional exterior surface inspection, performed by CPE, are summarized in the proceeding sections along with recommendations for improvements and repairs.

FIGURE 1 – VICINITY MAP

OBSERVATIONS

The site is accessed by a gravel road, extending from Sandercock Lane off Highway 26. The tank sits on a forested lot, and the site around the tank is well maintained. An emergency overflow and drain line extend from the tank to a drainage way located on site. The City indicated the lot size is large enough that another tank could be constructed on the site to supply water for current and future development. The tank appears in good general condition for its age.

The City staff discussed the process to drain the tank and keep it offline. Currently, there is no SCADA operational scenario programmed to bypass this tank. Operators manually bypass relays at the pump station that feeds the tank's distribution network to maintain system pressures and adjust field valve positions to take the tank offline.

Appendix A contains additional inspection photos.

FIGURE 2 – TANK EXTERIOR

The exterior of the tank showed visible signs of dirt accumulation but did not show any indications of major paint degradation except in spots on the exterior roof access ladder. A simple tank wash down will remove the soil accumulation and facilitate future external coating assessment. Access to the roof ladder requires walking on the corrugated roof of the adjacent valve shed. This presents a safety concern and fall hazard. The roof appears in excellent condition. Several low points on the roof retain water and soil/debris.

Visual inspection of the tank ring foundation indicates good condition with very minor cracking, and no upheaving or differential settlement was observed. The tank is not anchored to the foundation, but there is

no indication of slippage. Discussions with City staff revealed that the tank visibly leaks from between the tank wall-to-floor seal and the foundation to the point of saturating the soil, pooling on the ground, and filling the valve shed with water. Vegetation in the vicinity of the leak was bleached. The City tested the water, confirming it contains traces of chlorine, suggesting the water is, in fact, coming from the water system and not a groundwater source.

Tank Interior

Minimal coating loss or damage was observed on the inside tank walls in the water storage zone. The atmospheric zone above the water storage zone showed signs of metal loss in the form of dark rust staining and delamination of the structural steel, and several of the vertical support rods used for the original installation were corroded to the point of separation.

FIGURE 3 – DELAMINATION OF TANK STEEL AT ROOF ACCESS HATCH

The tank floor was littered with random material deposits, approximately one inch in diameter, several of which showed signs of significant wall loss, up to a quarter inch deep. This likely results from galvanic corrosion from exposed steel coating pinholes. The welds for the tank floor panels all appeared to be in good condition.

A leak was identified in the tank floor at the overflow pipe penetration. Water and debris were visibly passing through a crack between the tank floor and overflow pipe at the time of inspection. A previous attempt to seal the penetration with epoxy made it difficult to identify the extent of the leak. The newer inlet and outlet penetrations in the tank wall and sealed penetrations at the tank floor all appeared intact and free of leaks.

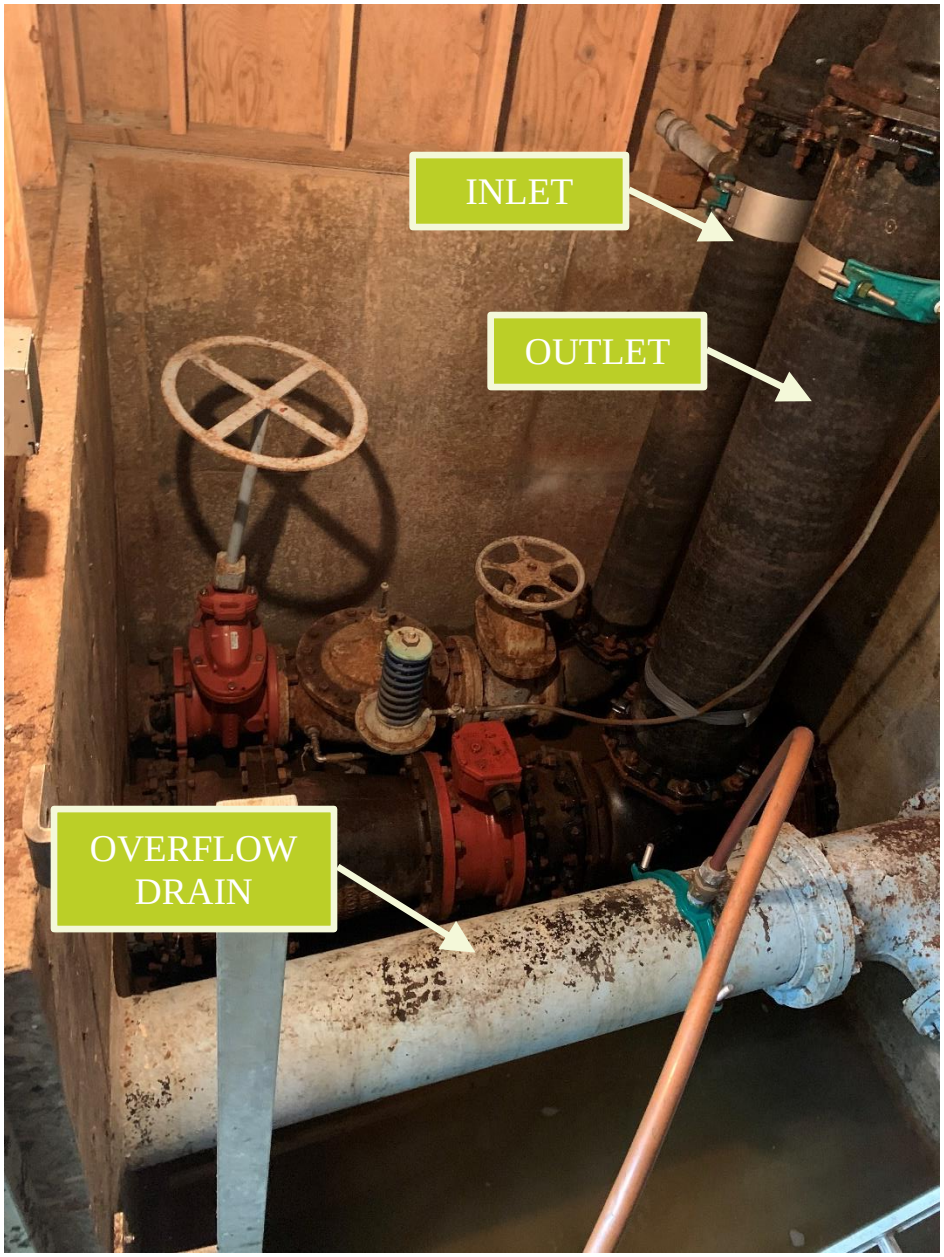
While walking around inside the tank, there were noticeable areas where the tank floor deflected from the weight, indicating the foundation material beneath the tank floor had settled and/or been washed away, presumably magnified by the leaking water.

FIGURE 4 – TANK FLOOR PITTING

Valve Shed

The valve shed is constructed of an open concrete vault foundation with an enclosed wood framed structure built over the top. Mechanical components inside include a dedicated inlet (looked to be 8-inch diameter), with a piloted control valve and two gate valves for isolation; a dedicated 12-inch outlet (increases to 16-inch before penetrating vault wall), with a butterfly valve for isolation; and a combined drain/overflow line that discharges to an onsite drainage way. A telemetry panel with a pressure transducer for monitoring tank level is also located in the valve shed. At the time of the inspection, a sump pump was hard piped into the reservoir drain line to remove leaked water from the vault. City staff indicated that the vault has a floor drain, but it is currently clogged.

FIGURE 5 – VALVE SHED MECHANICAL



RECOMMENDATIONS

Tank Exterior

The exterior of the tank, ladder, and ring wall should be cleaned and pressure washed for general maintenance. A safer means for accessing the ladder, such as a raised platform or catwalk type scaffolding, should be constructed to eliminate the existing fall hazard. In lieu of a raised platform or catwalk, the existing ladder could potentially be relocated to avoid the need for gaining access from above the valve house, these alternatives should be evaluated for cost/benefit in future design phases. In either alternative, the existing fall protection track should be removed as it is not in use and is now a hazard.

While the exterior coating appears to be in decent condition, the cost estimate shown in **Figure 6** includes an optional coating cost for City consideration.

Tank Interior

The internal surfaces of the tank walls and structural supports above the water storage zone should be sandblasted clean, inspected further, and repaired, as needed based upon the inspection results. Once repairs are completed, all surfaces in the atmospheric zone should be primed and painted with a high-quality NSF 61 coating system. The tank floor and walls should be pressure washed to remove the material deposits, and the integrity of the steel wall loss and corrosion locations should be evaluated. Areas identified with substantial floor and wall pitting should be repaired, prepped, and coated a high-quality NSF 61 coating system.

Repair the overflow pipe floor penetration. At the time of inspection, it was difficult to determine the condition of the overflow pipe. However, based on available information, it is assumed that a section of the pipe will need to be replaced to complete the repair. Additionally, the floor-to-pipe penetration should be reinforced to prevent future separation. A section of the tank floor plate around the overflow pipe should be removed and below grade piping inspected for condition and material type. The under-reservoir piping should be replaced if heavy corrosion or damage is observed. The pipe penetrating the tank floor must be steel for a proper weld. After repair or approval of the overflow piping, it should be backfilled with sand or controlled density fill before repairing the tank floor. Repair of the tank floor around the overflow piping should include a thick steel plate (thickness TBD) with a lap joint weld. The weld at the pipe penetration should be of a complete joint penetration type to ensure a strong bond between the pipe and the tank floor. All repairs must be recoated with an NSF 61 coating system.

Areas of the foundation material beneath tank floor (likely sand) have either been wash away or settled, resulting in floor deflection when walked on during the inspection. When the tank is full, the floor will also deflect, which may cause the separation between the tank floor and the overflow penetration and, thus, cause the leak. It is recommended that the tank floor support be improved by filling the void areas with injected grout or epoxy.

Cathodic Protection

Cathodic protection is commonly used in conjunction with coating systems to protect damaged coating areas where bare steel is exposed to water (i.e., installation damage or coating pinholes). To maximize the useful life of this tank, installation of a low maintenance galvanic cathodic protection system is recommended. The system would consist of magnesium anodes and an anode control box. If installed, a site-specific inspection training should be performed to train the utility operators to monitor the system performance and identify abnormal operating conditions.

Foundation

Evaluation of the ring foundation condition did not indicate any immediate need for improvements. Ring foundations typically require additional anchorage or reinforcement, if the height to diameter ratio is greater than 0.70. The existing tank has a height to diameter ratio of 0.61. Additionally, the visual inspection of the foundation did not reveal any issues with tank slipping, upheaving, or significant cracking/settlement. If seismic conditions are considered in the future, the final section of the report discusses methods to increase resiliency.

FIGURE 6 – OPINION OF PROBABLE COST

KELLER ASSOCIATES

245 Commercial Street SE, Suite 210, Salem, OR 97301
Phone: 503.364.2002 - kellerassociates.com

PRELIMINARY OPINION OF PROBABLE COST

CLIENT:	**City of Sandy, OR**	**AACE Estimate Class:**	**5**
PROJECT :	**Sandercock Reservoir Recommended Repairs**	ACCURACY HIGH	50%
KA JOB # :	**222200-001**	ACCURACY LOW	-50%
LOCATION :	**Sandercock Lane, Sandy, OR**	**DATE :**	18-Oct-2022
		REVIEWED:	J. King

Project Element		Cost
Exterior cleaning		$ 12,000
Raised platform		$ 15,000
Tank surface prep and coating - full exterior *(Optional)*		$ 140,000
Tank surface prep and coating - interior atmospheric zone only		$ 190,000
Overflow pipe leak repairs and coating - assumes adequate existing overflow pipe		$ 25,000
Floor repairs and coating		$ 30,000
Floor support material injection		$ 20,000
Cathodic protection system		$ 20,000
	Subtotal:	$ 460,000
Contractor Overhead and Profit	10%	$ 46,000
Contingency	30%	$ 138,000
	Subtotal:	$ 650,000
Mobilization	10%	$ 65,000
	Total Project Cost:	**$ 720,000**
	Total Project Cost (Minus Exterior Coating):	***$ 500,000***

Estimated Range of Cost		
Low	Mid	High
50%	100%	150%
$ 360,000	**$ 720,000**	**$ 1,080,000**

The cost estimate herein is based on our perception of current conditions at the project location. This estimate reflects our professional opinion of accurate costs at this time and is subject to change as the project design matures. This cost opinion is in 2022 dollars and does not include escalation to time of actual construction. Keller Associates has no control over variances in the cost of labor, materials, equipment, services provided by others, contractor's methods provided by others, contractor's methods of determining prices, competitive bidding or market conditions, practices or bidding strategies. Keller Associates cannot and does not warrant or guarantee that proposals, bids or actual construction costs will not vary from the costs presented herein.

MATERIAL LEAD TIMES

In the current market of municipal utility improvements, material leads times must be taken into consideration during the design of projects. Municipal water system components that have recently been creating project delays due to lead times include, but are not limited to gate and butterfly valves, control valves, ductile iron pipe and fittings, steel pipe and fittings, electrical components, and controls. For this repair project, steel pipe potentially needed for the overflow repair may possess a lead time consideration. Current discussions as of the date of this report with steel pipe suppliers is that lead times are very much specification dependent and are frequently subject to change. Specification can be flexible within feasibility to accommodate lead times for the low-pressure application of the overflow pipe penetration to mitigate potential delays in this project.

FUTURE CONSIDERATIONS

Seismic Considerations

The height to diameter ratio is such that foundation anchorage is likely not required for seismic conditions; however, the existing freeboard may be inadequate for seismic sloshing. Further analysis is required to determine adequate tank freeboard. If available tank freeboard is not adequate, potential solutions include raising the roof, reinforcing the roof, or lowering the high-water level.

The existing pipe connections are not suitable for seismic conditions. Seismic pipe assemblies are recommended for the inlet and outlet pipes. Seismic valves and sensors detect seismic events and will automatically close the inlet and outlet to prevent loss of the stored water in the event of a line break. The tank vent should be evaluated to ensure proper venting and to avoid tank collapse if the tank drained during a seismic pipe break event. A SCADA system should be installed to monitor a seismic condition and allow remote actuation of valves.

City of Sandy
Notice of Hearing on Proposed
Modification to System Development Charges
For Wastewater and Water Facilities

Mailing Date: January 5, 2026

The City of Sandy hereby issues notice to those persons who have made a written request for notification, pursuant to ORS 223.304, of the City's intent to modify its local system development charges for wastewater and water facilities.

The proposed amended methodology supporting the modified system development charges will be available for review by February 5, 2026 (which is at least 60 days prior to the initial public hearing on this proposed change) at Sandy City Hall, located at 39250 Pioneer Boulevard in Sandy, on the City of Sandy website, and by request via e-mail by contacting recorder@ci.sandy.or.us.

A public hearing to take comments regarding the proposed changes is scheduled for 7:00 p.m. on April 6, 2026 (which is at least 90 days after the date of mailing of this notice), at Sandy City Hall, 39250 Pioneer Boulevard in Sandy

If you have any questions, please contact Jeff Aprati by e-mail at japrati@ci.sandy.or.us or by phone at (503) 489-0938.

If you wish to comment, but cannot attend the public hearing, please address written comments to the following mailing address or e-mail:

Mailing address:
City of Sandy
Attention: Jeff Aprati, Deputy City Manager
39250 Pioneer Boulevard
Sandy, OR 97055

E-mail:
recorder@ci.sandy.or.us

Written comments must be received by 4:00 p.m. on April 6, 2026 to be considered.

ADMINISTRATION

- Social Services Resource List
- City Manager's Office
- City Recorder's Office +
- Legal Department
- Economic Development Division
- Franchise Agreements
- Administrative Policies +
- Homelessness
- Customer Feedback Form
- The Sandy Source Newsletter
- Special Service Contract Program

Notice of Public Hearings on Water and Wastewater System Development Charges: April 6, 2026

Update: February 5, 2026

The proposed amended methodology supporting the modified system development charges has been posted, **please click this link to access**.

Original Notice:

The City Council will hold a public hearing on proposed revisions to: (1) the City's water system development charges, and (2) the City's wastewater system development charges. The hearing will take place on April 6, 2026.

System development charges (SDCs) are paid by new development, and provide funding to construct water and wastewater improvements necessary to accommodate growth within the City. Per state statute, SDCs can only be used to construct the growth related improvements identified in adopted methodology reports.

A formal public notice is available by clicking the link at the bottom of this webpage.

The proposed amended methodology supporting the modified system development charges will be available for review by February 5, 2026 (which is at least 60 days prior to the hearing date).

CONTACT INFORMATION

Sandy City Hall
39250 Pioneer Blvd.
Sandy, OR 97055
(503) 668-5533

Edit Contact Details

View Full Contact Details

UPCOMING EVENTS

Hoodview Disposal Cleanup Day 2026
04/25/2026 (All day)

View the Administration Calendar

View | Edit | Revisions | Clone

Revisions allow you to track differences between multiple versions of your content, and revert back to older versions.

Revisions for *Notice of Public Hearings on Water and Wastewater System Development Charges: April 6, 2026*

Revision	Operations
02/05/2026 - 1:31pm by japrati	*current revision*
02/05/2026 - 1:30pm by japrati	revert
01/02/2026 - 12:36pm by japrati	revert
01/02/2026 - 12:35pm by japrati	revert
01/02/2026 - 12:35pm by japrati	revert

STAFF REPORT

Meeting Type:	City Council
Meeting Date:	April 6, 2026
From:	Tyler Deems, City Manager
Subject:	Resolution 2026-07 – Amending Water SDC CIP List

DECISION TO BE MADE:

To amend the capital improvement plan (CIP) list.

APPLICABLE COUNCIL GOAL:

- **Goal 7.5.1**: Update water system development charges

BACKGROUND / CONTEXT:

On March 17, 2025, the City Council adopted an updated methodology 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 methodology for both the Water and Wastewater SDCs to ensure that the methodology is clear and defensible. This revised methodology is being presented to City Council for adoption in an earlier portion of tonight's meeting.

On March 2, 2026, the City Council received an update regarding the various projects within the Water utility, which included bids for two projects, specifically S.3 and S.4 of the Water Master Plan, coming in less than what was originally expected in the planning phase. As a result, these projects are currently forecasted to come in significantly under budget. This resolution would make associated revisions to the CIP listing for the Water SDC. If adopted, these revisions would result in a lower maximum defensible Water SDC than is reflected in the revised methodology.

KEY CONSIDERATIONS / ANALYSIS:

The revised Water SDC methodology being presented in a earlier portion of tonight's meeting contains a complete listing of anticipated projects that were previously identified in the Waster Master Plan that was adopted on December 5, 2022:

#	Category	Description
R.1	Storage	5.0 MG Additional Storage
R.2	Storage	Storage Siting Study
R.3	Storage	Reservoir Seismic and Condition Assessment
PS.1	Pump Station	Terra Fern Pump Station Upgrades
PS.2	Pump Station	Vista Loop Pump Station
D.1	Distribution	Bluff Rd. Fire Flow Improvements
D.2	Distribution	Hood St. Fire Flow Improvements
D.3	Distribution	Mitchell Ct. Fire Flow Improvements
D.4	Distribution	Seaman Ave Fire Flow Improvements
S.1	Supply	Near-Term Alder Creek WTP Improvements
S.2	Supply	Short-Term Alder Creek WTP Assessment
S.3	Supply	Alder Creek WTP Improvements
S.4	Supply	PWB Filtered Water Supply Connection
S.5	Supply	Long-Term Supply Study
M.1	Other	Water System Master Plan Update
M.2	Other	Water Management and Conservation Plan
M.3	Other	Annual Replacement Budget
M.4	Other	Water Service Meter Replacement
M.5	Other	SCADA Master Plan
M.6	Other	SCADA Upgrades (Pelim. Budget Placeholder)

Two of these projects are currently under construction and are expected to be completed for significantly less than the originally estimated cost. These projects are:

- S.3: Alder Creek WTP Improvements
- S.4: PWB Filtered Water Supply Connection

	2024 Estimated Cost	**2026 Projected Cost**	**Anticipated Savings**
S.3 Alder Creek WTP	43,495,742	22,086,633	21,409,109
S.4 PWB Water Supply	40,742,115	29,623,847	11,118,268

With these revisions, the total cost of the CIP list would become $139,523,712, of which $45,455,758 is SDC eligible.

No other amendments are being proposed to the CIP list at this time. Projects S.3 and S.4 are currently underway. Other projects identified in this listing are scheduled for future years and have not been put out to bid. As such, we are continuing to use the best project cost estimates that we have available at this time. If further modifications are required in the future, the CIP list may be updated at that time.

The current maximum defensible Water SDC is $18,477. The amended CIP list would reduce this number to $12,766, or a reduction of $5,711.

BUDGET IMPACT:

N/A

RECOMMENDATION:

Staff recommends adopting the amended Water SDC CIP list as identified in Resolution 2026-07.

SUGGESTED MOTION LANGUAGE:

“I move to adopt Resolution 2026-07”

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2026-07
    - Exhibit A

WHERE INNOVATION MEETS ELEVATION

RESOLUTION NO. 2026-07

A RESOLUTION AMENDING THE WATER SYSTEM CAPITAL IMPROVEMENT PLAN

WHEREAS, Section 15.28.080 of the Sandy Municipal Code and ORS 223.309 require the City to adopt a Capital Improvement Plan (CIP) or similar document for its water system, and establish certain requirements for amending said CIP; and

WHEREAS, subsequent to the drafting of the Water and Wastewater System Development Charge (SDC) Methodology by FCS Group, Inc., dated February 5, 2026 and adopted by the City Council on April 6, 2026, the City Council received an update on March 2, 2026, regarding water system projects on the CIP list, which included bids for two projects, specifically S.3 and S.4 of the Water Master Plan, coming in less than what was originally expected in the planning phase; and

WHEREAS, as a result of the foregoing, these projects are currently forecasted to come in significantly under budget; and

WHEREAS, the City Council therefore finds it appropriate to make associated revisions to the Water System CIP; and

WHEREAS, the Sandy City Council desires to adopt said revisions at this time and to separately consider revisions to the Water SDC amounts; and

WHEREAS, based on all of the information in the record for the April 6, 2026, City Council meeting, the City Council finds that the revised CIP and the procedures used for adoption of this revised CIP comply with the requirements of Section 15.28.080 of the Sandy Municipal Code and ORS 223.309.

NOW, THEREFORE, THE CITY OF SANDY RESOLVES AS FOLLOWS:

Section 1. A revised Water System Capital Improvement Plan, as set forth in Exhibit A, attached hereto and incorporated herein by this reference, is hereby adopted. Any associated revisions to the system development charge amounts will be established by a separate resolution of the City Council.

Section 2. The CIP adopted by this Resolution replaces the existing CIP for the City's water system previously adopted by the City Council.

This Resolution shall be effective on the date it is adopted by the City Council. This Resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 6th day of April, 2026.

_____

Kathleen Walker, Mayor

ATTEST:

_____

Jeffrey Aprati, City Recorder

EXHIBIT A

Sandy SDC Study
Water SDC Calculation
Improvement Fee Cost Basis

#	Category	Description	Timing	2022 Cost	2024 Cost	SDC Eligibility	Outside Funding	SDC-Eligible Cost
R.1	Storage	5.0 MG Additional Storage	2029-2043	$ 34,580,000	$ 35,743,412	38.80%	$ 23,269,555	$ 12,473,857
R.2	Storage	Storage Siting Study	2028	180,000	186,056	38.80%	121,126	64,930
R.3	Storage	Reservoir Seismic and Condition Assessment	2029-2033	375,000	387,617	38.80%	252,345	135,272
PS.1	Pump Station	Terra Fern Pump Station Upgrades	2026-2030	780,000	806,242	41.33%	524,877	281,365
PS.2	Pump Station	Vista Loop Pump Station	2026-2030	1,420,000	1,467,775	41.33%	955,546	512,229
D.1	Distribution	Bluff Rd. Fire Flow Improvements	2032-2036	5,580,000	5,767,734	41.33%	3,754,891	2,012,843
D.2	Distribution	Hood St. Fire Flow Improvements	2032-2036	540,000	558,168	41.33%	363,377	194,791
D.3	Distribution	Mitchell Ct. Fire Flow Improvements	2028	260,000	268,747	41.33%	174,959	93,788
D.4	Distribution	Seaman Ave Fire Flow Improvements	2028	550,000	568,504	41.33%	370,106	198,399
S.1	Supply	Near-Term Alder Creek WTP Improvements	2024-2025	1,050,000	1,085,326	0.00%	706,565	-
S.2	Supply	Short-Term Alder Creek WTP Assessment	2025	240,000	248,075	41.33%	161,501	86,574
S.3	Supply	Alder Creek WTP Improvements	2026-2028	42,080,000	22,086,633	41.33%	14,378,765	7,707,868
S.4	Supply	PWB Filtered Water Supply Connection	2024-2028	39,416,000	29,623,847	41.33%	19,285,616	10,338,231
S.5	Supply	Long-Term Supply Study	2026	240,000	248,075	41.33%	161,501	86,574
M.1	Other	Water System Master Plan Update	2029-2030	220,000	227,402	41.33%	148,042	79,359
M.2	Other	Water Management and Conservation Plan	2026	110,000	113,701	41.33%	74,021	39,680
M.3	Other	Annual Replacement Budget	2034-2043	30,000,000	31,009,322	41.33%	20,187,584	10,821,738
M.4	Other	Water Service Meter Replacement	2034-2043	7,920,000	8,186,461	0.00%	5,329,522	-
M.5	Other	SCADA Master Plan	2026	150,000	155,047	41.33%	100,938	54,109
M.6	Other	SCADA Upgrades (Pelim. Budget Placeholder)	2026-2030	760,000	785,569	41.33%	511,419	274,151
Total				**$ 166,451,000**	**$ 139,523,712**		**$ 90,832,254**	**$ 45,455,758**

Source: *2022 Water System Master Plan, city staff*

STAFF REPORT

Meeting Type:	City Council
Meeting Date:	April 6, 2026
From:	Tyler Deems, City Manager
Subject:	PUBLIC HEARING: Resolution 2026-08 - Adopting Revised Water and Wastewater SDC Rates

DECISION TO BE MADE:

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

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 an updated methodology 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 methodology for both the Water and Wastewater SDCs to ensure that the methodology is clear and defensible. This revised methodology is being presented to City Council for adoption in an earlier portion of tonight's meeting.

In addition, the City Council has recognized that the most recent SDC rate updates were significant and has been thoughtfully reviewing ways to work with developers who already have development rights and the ability to develop during this moratorium period.

Finally, on March 2, 2026, the City Council received an update regarding the various projects within the Water utility, which included bids for two projects, specifically S.3 and S.4 of the Water Master Plan, coming in less than what was originally expected in the planning phase. As a result, these projects are currently forecasted to come in significantly under budget. Associated revisions to the CIP listing for the Water SDC are being presented to City Council for adoption in an earlier portion of tonight's meeting. These revisions would result in a lower maximum defensible Water SDC than is reflected in the revised methodology.

KEY CONSIDERATIONS / ANALYSIS:

Prior to March 2025, the Water and Wastewater SDCs had not been revised in several years. The City currently has several major capital improvements projects underway, including upgrades to the Alder Creek Treatment Plant, construction of the pipeline to Portland Water Bureau's Bull Run Filtration Facility, and a long-term treatment and discharge solution that needs to be implemented for the wastewater system as identified by the City's consent decree with the Environmental Protection Agency (EPA).

Revised SDC calculations, based on the revised methodology and revised CIP being presented this evening, and which reflect the City's Water and Wastewater project list, system capacity, and expected demand, are shown in the table below. The SDC calculations include four elements:

1. **Improvement Fee Cost Basis:** This represents the cost of capacity-expanding projects that will be used by growth and is based on the analysis and data in the revised Water and Wastewater SDC Methodology and the revised Water CIP being presented this evening. As shown, the improvement fee cost basis is $45.5 million for the Water SDC and $42.4 million for the Wastewater SDC.
2. **Reimbursement Fee Cost Basis:** This represents the cost of unused capacity available for growth in the City's water and wastewater systems and is based on the analysis and calculations in the revised Water and Wastewater SDC Methodology being presented this evening. As shown, the reimbursement fee cost basis is $1.2 million for the Water SDC, and $0 for the Wastewater SDC.
3. **Compliance Costs:** This represents a small provision for costs related to compliance with SDC laws. As shown, the compliance cost is $89,193 for the Water SDC and $54,888 for the Wastewater SDC.
4. **Expected Growth in System Demand:** This is measured in meter capacity equivalents (MCEs). As shown in the table below, the expected growth is 3,659 MCEs for the Water SDC, and 2,841 for the Wastewater SDC. The growth estimates are slightly different due to the fact that the planning period for the Water SDC is through 2050, while the planning period for the Wastewater SDC is through 2040. To maintain the required nexus between the charge and the capacity it pays for, it is necessary to use growth estimates specific to each service.

As shown below, the calculation results in a maximum defensible SDC of $12,766 for Water and $14,952 for Wastewater:

Calculated SDCs	Water	Sewer
Improvement Fee Cost Basis	$ 45,455,758	$ 42,418,170
Reimbursement Fee Cost Basis	1,167,725	-
Compliance Costs	89,193	54,888
Total	**$ 46,712,676**	**$ 42,473,058**
Growth in MCEs	**3,659**	**2,841**
Improvement Fee per MCE	$ 12,423	$ 14,932
Reimbursement Fee per MCE	319	-
Compliance Fee per MCE	24	19
Total SDC per MCE	**$ 12,766**	**$ 14,952**

With respect to Water, the rate per MCE is applied to the City's different meter sizes using the schedule shown in the table below:

Meter Size (Inches)	MCEs	Calculated SDC
5/8	1.00	$ 12,766
3/4	1.50	19,149
1	2.50	31,916
1.5	5.00	63,831
2	8.00	102,130
3	16.00	204,259
4	25.00	319,155
6	50.00	638,311

As a summary of historical SDC rates and recently adopted increases, the table below is provided:

	Prior to April 7, 2025	**Maximum Defensible - April 7, 2025**	**Proposed Revised SDC Rates - April 6, 2026**
Water SDC	4,294.25	18,477	12,766
Wastewater SDC	6,126.36	14,952	13,163

After revising the Water SDC project list with revised project costs, the maximum defensible water SDC decreases by $5,711. In an effort to ease the effect of SDCs on development projects for which development rights have already been obtained and which are able to proceed during the current development moratorium, staff recommends reducing the overall SDC package costs by a total of $7,500, by adopting a Wastewater SDC of $1,789 below the maximum defensible amount, or $13,163.

It should also be noted that the City is currently in the process of revising its Wastewater Facility Plan. When that process is complete (currently scheduled for June 2026), staff will review any adopted amendments to the Facility Plan to determine whether modifications to the Wastewater CIP and Wastewater SDC rate are needed.

The revised SDC rates for Water and Wastewater results in a net increase from 2025 levels of $15,508.39 in total.

Finally, a small number of development projects have obtained building permits during the time period between when the water and wastewater SDC rates were last amended and today. The developers of these projects paid the higher SDC rates reflected under April 7, 2025 in the table above. In an effort to treat these developers fairly, if City Council adopts lower SDC rates this evening, staff recommends refunding these developers the difference between the amounts they paid and the new, lower rates. The total amount of the refunds would be approximately $42,000, split between the Water and Wastewater Funds.

BUDGET IMPACT:

While the amount of SDC revenue collected cannot be predicted precisely, the assumptions contained in the supporting long-range planning documents and draft SDC calculations indicate the new rates would provide a positive impact on Sandy's water and wastewater system improvements. There are

currently 367.1 equivalent residential units (ERUs) that have been allocated to developments despite the existing moratorium. Should all these ERUs develop, approximately $4.69 million would be collected in Water SDCs, and $4.83 million would be collected in Wastewater SDCs.

RECOMMENDATION:

Hold a public hearing for the Water and Wastewater SDC rates. Staff recommends adopting the revised Water and Wastewater SDC rates as identified in Resolution 2026-08.

SUGGESTED MOTION LANGUAGE:

“I move to adopt Resolution 2026-08.”

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2026-08
    - Exhibit A

WHERE INNOVATION MEETS ELEVATION

RESOLUTION NO. 2026-08

A RESOLUTION ADOPTING REVISED WATER AND WASTEWATER SYSTEM DEVELOPMENT CHARGE RATES

WHEREAS, Section 15.28.040 of the Sandy Municipal Code requires that system development charge (SDC) rates be adopted and revised by a resolution adopted by the City Council; and

WHEREAS, on April 6, 2026, the City Council adopted revised methodologies for water and wastewater SDCs, and adopted a revised Capital Improvement Plan (CIP) for its water system; and

WHEREAS, the City Council therefore finds it appropriate to make associated revisions to the Water and Wastewater SDC rates; and

WHEREAS, based on all of the information in the record for the April 6, 2026, City Council meeting, the City Council finds that the revised Water and Wastewater SDC rates and the procedures used for their adoption comply with the requirements of Chapter 15.28 of the Sandy Municipal Code and ORS 223.297, et seq.

NOW, THEREFORE, THE CITY OF SANDY RESOLVES AS FOLLOWS:

Section 1. The Water and Wastewater SDC rates, as set forth in Exhibit A, attached hereto and incorporated herein by this reference, are hereby adopted.

Section 2. The SDC rates adopted by this Resolution replace the existing Water and Wastewater SDC rates for the City previously adopted by the City Council.

Section 3. The City Manager, or designee, is hereby authorized and directed to timely issue refunds to any persons who paid the Water and Wastewater SDC rates adopted by the City Council on April 7, 2025, in the amount of the difference between said rates and the rates adopted by this Resolution.

This Resolution shall be effective on the date it is adopted by the City Council. This Resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 6th day of April, 2026.

_____

Kathleen Walker, Mayor

ATTEST:

_____

Jeffrey Aprati, City Recorder

Calculated SDCs	Water	Sewer
Improvement Fee Cost Basis	$ 45,455,758	$ 42,418,170
Reimbursement Fee Cost Basis	1,167,725	-
Compliance Costs	89,193	54,888
Total	**$ 46,712,676**	**$ 42,473,058**
Growth in MCEs	**3,659**	**2,841**
Improvement Fee per MCE	$ 12,423	$ 14,932
Reimbursement Fee per MCE	319	-
Compliance Fee per MCE	24	19
Total SDC per MCE	**$ 12,766**	**$ 14,952**
Maximum Defensible SDC	$ 12,766	$ 14,952
Rates as of April 7, 2026	$ 12,766	$ 13,163

STAFF REPORT

Meeting Type:	City Council
Meeting Date:	April 6, 2026
From:	Tyler Deems, City Manager
Subject:	Discussion: ODOT Speed Investigation

DECISION TO BE MADE:

Discuss the results of the ODOT Speed Investigation and determine next steps.

APPLICABLE COUNCIL GOAL:

- **Goal 1.3**: Continue to implement a traffic safety and speed enforcements program.

BACKGROUND / CONTEXT:

In October 2024, staff submitted a request to ODOT to conduct a speed investigation for two segments of Highway 26: (1) Ten Eyck Road to Langensand Road, reducing speed to 25 mph, and (2) Langensand Road to Canyon Valley Road, reducing speed to 40 mph. In March 2026, staff received the results of the speed investigation and the corresponding recommendations. The results of the speed investigation are attached.

KEY CONSIDERATIONS / ANALYSIS:

Staff was seeking a reduction in speed within the Highway 26 corridor of 15 mpg. The catalyst for this request was the increase in development occurring on the east end of the City of Sandy. The initial request was submitted to ODOT in October 2024, and staff received the results of the investigation and the related recommendations in March 2026. The speed zone investigation was conducted on November 4, 2025. The sample required for the basis of the investigation was a minimum of 75 vehicles traveling in each direction. Unfortunately, the recommendations from ODOT do not align with the request that was made by the City. The recommendations from ODOT and the State Traffic Engineer stem from the guidance of OAR 734-020-0015 (2)(d).

ODOT recommends no change in the speed from Ten Eyck Road to Langensand Road, retaining the existing speed of 40 mph. ODOT recommends a minor decrease in the speed from Langensand Road to Canyon Valley Road of 5 mph, resulting in a new speed of 50 mph. The City has until April 20, 2026 to either concur with the recommendations or not concur with the recommendations and advance to a Speed Zone Review Panel to present our case and seek additional reductions to the posted speed.

Speed Zone Results

Ten Eyck Road to Langensand Road: Per the speed zone investigation, the spot speed data for this section yields a 50th percentile speed of 47 mph / 85th percentile speed of 54 mph with 96% exceeding the existing 40 mph zoning.

Langensand Road to Canyon Valley Road: Per the speed zone investigation, the spot speed data for this section yields a 50th percentile speed of 52 mph / 85th percentile speed of 55 mph with 14% exceeding the existing 55 mph zoning.

Next Steps

After discussing the results of the speed zone study with ODOT's traffic speed zone engineer, it is my understanding that the ODOT has interpreted the results of the investigation not as a safety and speed issue, but an enforcement issue. If the City were to object to ODOT's recommendation, the City would advance to a Speed Zone Review Panel. The Panel is not bound by the same rules as the State Traffic Engineer. The City would present our case for the need for reduced speeds to the Panel. The Panel would then either enforce ODOT's recommendations, agree with the City's request, or find middle ground between the two. A hearing with the Panel would not occur for at least three to four months.

Other Considerations

Given the fact that the City is currently exploring the use of technology to increase enforcement and compliance along Highway 26, it's important to evaluate the benefits and risks of advancing to the Speed Zone Review Panel. Some questions for the Council to consider and discuss include:

- Recognizing the high volume of drivers that are already speeding through this area, does it provide any tangible benefit to reduce the posted speed without an enforcement mechanism?
- Is it more beneficial to implement a larger enforcement mechanism first, then determine how well the enforcement program is working before making any decisions on speed reductions?

It should be noted that staff intends to return to Council on April 20th with additional information regarding the use of technology for traffic enforcements, specifically providing responses and further information that follows up on the initial work session that occurred on February 2, 2026.

BUDGET IMPACT:

N/A

RECOMMENDATION:

Staff recommends discussing the ODOT Speed Investigation and determine next steps.

SUGGESTED MOTION LANGUAGE:

N/A

LIST OF ATTACHMENTS / EXHIBITS:

- Speed Zone Investigation #14038

Oregon
Tina Kotek, Governor

Department of Transportation
Region 1 Traffic Section
123 NW Flanders St.
Portland, Oregon 97209
Phone (503) 731-8200
Fax (503) 731-8259

To: Angela Kargel, P.E.
State Traffic Engineer

From: Kathleen Freitag, P.E.
Region 1 Traffic Engineer

Kathleen M. Freitag 2026.03.13 09:31:38 -07'00'
Region 1 Traffic Engineer

Subject: Speed Zone Investigation #14038
Mount Hood Highway (US 26)
200 feet east of SE Ten Eyck Road (MP 24.66) to 350 feet west of SE Canyon Valley Road (MP 26.60)
ODOT

A speed zone investigation has been completed at the subject location and reports thereof are attached for your review and approval. This investigation was conducted in response to a request for an investigation from Patrick Depa, Senior Planner, City of Sandy. Patrick cites; "[the reasons for investigating is traffic] entering downtown/commercial district with light and residential property close by.".

Section A-C, from 0.25 mile west of SE Orient Drive (left) / SE Jarl Road (right) (MP 21.90) to 200 feet east of SE Ten Eyck Road (MP 24.66) was not investigated.

Section D, from 200 feet east of SE Ten Eyck Road (MP 24.66) to 0.21 mile east of SE Langensand Road (MP 25.33), is 0.67 mile in length. Context is Suburban Fringe with a culture type of Light Residential. The roadway functional classification is Urban Other Principal Arterial.

There is one intersecting street in this section. It is paved and controlled by a STOP sign.

Horizontal alignment contains one curve. Vertical alignment is mostly level.

The spot speed data for this section yields a 50th percentile speed of 47 MPH / 85th percentile speed of 54 MPH with 96% exceeding the existing 40 MPH zoning. The 2021-2023 crash rate is 0.48 with an ADT of 19.962 vehicles.

This office recommends retaining the existing 40 MPH zoning in this section. The recommendation was determined from OAR 734-020-0015 (2)(d) The 50th percentile is greater than 35 MPH.

Section E, from 0.21 mile east of SE Langensand Road (MP 25.33) to 350 feet west of SE Canyon Valley Road (MP 26.60), is 1.27 mile in length. Context is Suburban Fringe with a culture type Light Residential/Moderate Commercial. The roadway functional classification is Urban Other Principal Arterial.

There are two intersecting streets in this section. All are paved and controlled by a STOP sign.

Horizontal alignment is tangent. Vertical alignment is mildly undulating.

The spot speed data for this section yields a 50th percentile speed of 52 MPH / 85th percentile speed of 55 MPH with 14% exceeding the existing 55 MPH zoning. The 2021-2023 crash rate is 0.53 with an ADT of 18,901 vehicles.

This office recommends rescinding the existing 55 MPH zoning and establishing a 50 MPH zoning in this section. The recommendation was determined from OAR 734-020-0015 (2)(d) The 50th percentile is greater than 35 MPH. Section E contains segments both inside and outside the city limit with context remaining consistent. The section was evaluated under the urban speed zoning method as allowed under OAR 734-020-0015 (2): “Speed zone studies for highways between city limits and the urban growth boundary may be conducted as described for Standard Method / Urban Speed Zones if the highway segment has the same context and roadway characteristics as the adjacent segment within the city limits.”

Approved by
State Traffic Engineer

OREGON DEPARTMENT OF TRANSPORTATION
Report of Speed Zone Investigation

Mount Hood Hwy (US 26)

0.25 mile west of SE Orient Drive (left) / SE Jarl Road (right) (MP 21.90) to 350 feet west of SE Canyon Valley Road (MP 26.60)

ODOT / City of Sandy / Clackamas County

December 30th, 2025

Recommendation: Rescind Order No. J9080 dated March 15th, 2017 and establish the following speed zoning:

Section:

		On Mount Hood Hwy (State Highway, two-way)	MP	Existing	Recommended	
Not Investigated						
A	From:	0.25 mile west of SE Orient Drive (left) / SE Jarl Road (right)	21.90	45 MPH	45 MPH	1/
	To:	150 feet west of leg to SE Champion Way	22.49			
		On Mount Hood Hwy (State Highway and City Street, two-way)				
	From:	150 feet west of leg to SE Champion Way	22.49	45 MPH	45 MPH	2/
	To:	0.15 mile west of Ruben Lane	23.31			
B	From:	0.15 mile west of Ruben Lane	23.31	40 MPH	40 MPH	2/
	To:	300 feet west of Bluff Road	23.81			
		On Pioneer Boulevard (State Highway and City Street, one-way eastbound)				
C	From:	300 feet west of Bluff Road	23.81	25 MPH	25 MPH	2/
	To:	200 feet east of SE Ten Eyck Road	24.66			

Per provisions of ORS811.111 Subsection 1(e) and ORS 810.200 the following segment(s) within the section above shall be 20 mph.

150 feet west of Shelley Avenue (MP 24.28)	50 feet east of Shelley Avenue (MP 24.32)	School Zone
50 feet east of Bruns Avenue (MP 24.17W)	50 feet west of Smith Avenue (MP 24.32W)	School Zone

		On Proctor Boulevard (State Highway and City Street, one-way westbound)				
	From:	Bluff Road	23.87	25 MPH	25 MPH	2/
	To:	200 feet east of SE Ten Eyck Road	24.63			
Investigated		**On Mount Hood Hwy (State Highway and City Street, two-way)**				
D	From:	200 feet east of SE Ten Eyck Road	24.66	40 MPH	40 MPH	2/, 3/
	To:	0.21 mile east of SE Langensand Road	25.33			
Investigated		**On Mount Hood Hwy (State Highway and City Street, two-way)**				
E	From:	0.21 mile east of SE Langensand Road	25.33	55 MPH	50 MPH	2/
	To:	0.45 mile east of SE Langensand Road	25.57	(Statutory)		
	From:	0.45 mile east of SE Langensand Road	25.57	55 MPH	50 MPH	1/
	To:	350 feet west of SE Canyon Valley Road	26.60	(Statutory)		

1/ ODOT - Road Authority
2/ ODOT - Road Authority / City of Sandy - Interested Jurisdiction
3/ MP Eq: MP 24.70 (back) = MP 24.92 (ahead)

Historical Background:

Investigation Requested by: Patrick Depa, Senior Planner, City of Sandy
Requested Speed: 25 MPH (Section D), 40 MPH (Section E)
Previous Action: Established Order No. J9080 Dated March 15th, 2017

Historical Background:

Investigation Requested by: Patrick Depa, Senior Planner, City of Sandy
Requested Speed: 25 MPH (Section D), 40 MPH (Section E)
Previous Action: Established Order, Res, Delegated Authority

Investigation:	(Not Investigated) **Section A-C**	(Investigated) **Section D**	(Investigated) **Section E**
Section Length	•	0.67 mile	1.27 mile
50% Speed	•	47 MPH	52 MPH
85% Speed	•	54 MPH	55 MPH
2021-2023 Crash Rate*	•	0.48	0.53
2021 Average Daily Traffic	•	19962	18901
Context	•	Suburban Fringe	Suburban Fringe
Culture Type and Density	•	Light Residential	Light Residential/ Moderate Commercial
Horizontal Alignment	•	One	Tangent
Vertical Alignment	•	Mostly Level	Mildly Undulating
Curve Signs & Speed Riders	•	None	None
Existing Posted Speed	•	40 MPH	55 MPH
Recommended Speed	•	40 MPH	50 MPH

*Crashes per Million Vehicle Miles

Roadway Data:

Surface	•	AC	AC
Width	•	75-90 ft. (CB to GR) for 0.06 mile 66-86 ft. (PE to GR) for 0.39 mile 70-86 ft. (PE to PE) for 0.22 mile	65-78 ft. (PE to GR) for 0.15 mile 64-80 ft. (GR to GR) for 0.33 mile 66-86 ft. (PE to PE) for 0.72 mile 68-78 ft. (GR to GR) for 0.07 mile
Lanes	•	4-5	4-5
Parking	•	Not Prohibited	Not Prohibited
Shoulders	•	4-14 ft. Paved	4-20 ft. Paved
Intersecting Streets	•	1	2
Paved	•	1	2
Stopped	•	1	2
Signalized and Other	•	0	0
Pedestrian Activity	•	Low	Low
Bicycle Activity	•	Low	Low
Bicycle Lanes	•	0%	0%
Sidewalk	•	4%	0%
Marked Crosswalks	•	0	0
Enhanced Crosswalks	•	0	0
Transit	•	No	No

	(Not Investigated) **Section A-C**	(Investigated) **Section D**	(Investigated) **Section E**
Crash Data:			
Study Period	•	1/1/21 - 12/31/23	1/1/21 - 12/31/23
2021-2023 Total Crashes	•	7	14
2021-2023 Fatal K Crashes	•	0	0
2021-2023 Serious Injury A Crashes	•	1	1
2021-2023 Injury B and C Crashes	•	1	8
2021-2023 No Injury O Crashes	•	5	5
2021-2023 Section Crash Rate (R)	•	0.48	0.53
2023 Comparable Crash Rate (r) 1/	•	2.36	1.37
Deviation (R-r)	•	— — —	— — —
Spot Speed Data:			
50% Speed	•	47 MPH	52 MPH
85% Speed	•	54 MPH	55 MPH
Pace Limits 2/	•	41 MPH - 50 MPH	47 MPH - 56 MPH
% in Pace	•	67%	91%
Maximum Speed	•	65 MPH	62 MPH
Posted Speed	•	40 MPH	55 MPH
% Exceeding Posted Speed	•	96%	14%
Computed 85th Speed 3/	•	54 MPH	55 MPH
Recommended Speed	•	40 MPH	50 MPH

1/ Section D: Other Principal Arterial, Urban City = 2.36
Section E: Other Principal Arterial, Urban City (0.23 mi) = 2.36, Urban Fringe (0.95 mi) = 1.18, Rural Area (0.09 mi) = 0.79; Weighted Average = 1.37

2/ Ten mile-per-hour range containing the largest number of sample vehicles.

3/ 85% speed minus deviation / 85% speed (if Deviation is zero or negative)

Factors Influencing Recommendation:

Section: D

1) OAR 734-020-0015 (2)(d)
2) Percentage exceeding posted speed
3) Pace limits
4) Percentage in pace
5) 50th percentile
6) City request and concerns

Section: E

1) OAR 734-020-0015 (2)(d)
2) Pace limits
3) Percentage in pace
4) 50th percentile
5) Percentage exceeding posted speed
6) City request and concerns

CRASH LISTING

Roadway: Mount Hood Hwy (US 26)
City: City of Sandy
County: Clackamas County
From: 0.25 mile west of SE Orient Drive (left) / SE Jarl Road (right) (MP 21.90)
To: 350 feet west of SE Canyon Valley Road (MP 26.60)
Study Period: 1/1/21 **to** 12/31/23

	Year	Collision Type													All Crashes*	Classification			
		Angle	Head-on	Rear-end	Sideswipe Meeting	Sideswipe Overtaking	Turning Movements	Parking Maneuver	Non-Collision	Fixed-Other Object	Pedestrian	Backing	Other	Bicycle Crashes*		Fatal K	Serious Injury A	Injury B and C	No Injury O
Section A-C	2021	Not Investigated																	
From: 0.25 mile west of SE Orient Drive (left) / SE Jarl Road (right)	2022																		
To: 200 feet east of SE Ten Eyck Road	2023																		
	Total																		
Section D	2021						1								1		1		
From: 200 feet east of SE Ten Eyck Road	2022						2			1					3				3
To: 0.21 mile east of SE Langensand Road	2023						2			1					3			1	2
	Total						**5**			**2**					**7**		**1**	**1**	**5**
Section E	2021						3			2					5			4	1
From: 0.21 mile east of SE Langensand Road	2022		1	1			1		1	1					5	1			4
To: 350 feet west of SE Canyon Valley Road	2023			2			2								4			4	
	Total		**1**	**3**			**6**		**1**	**3**					**14**	**1**		**8**	**5**
	2021																		
From:	2022																		
To:	2023																		
	Total																		
	2021																		
From:	2022																		
To:	2023																		
	Total																		
	2021																		
From:	2022																		
To:	2023																		
	Total																		
	2021																		
From:	2022																		
To:	2023																		
	Total																		

*Bicycle Crashes are included within the other collision types and are not added twice.

Compiled By: Lisa Nguyen **Date:** December 30th, 2025

Recommended

Section D

Section E

MP 24.66

MP 25.12

MP 25.33

MP 25.59

MP 25.9

MP 26.30

MP 26.60

50% Speed 47 MPH
85% Speed 54 MPH

50% Speed 51 MPH
85% Speed 54 MPH

Investigated

50% Speed 53 MPH
85% Speed 56 MPH

50% Speed 53 MPH
85% Speed 55 MPH

Investigated
No Change

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

LEGEND

- 20 MPH
- 25 MPH
- 30 MPH
- 35 MPH
- 40 MPH
- 45 MPH
- 50 MPH
- 55 MPH
- 60 MPH
- 65 MPH
- 70 MPH
- City Limits

SCALE

1500 750 0 1500 3000 4500
FEET

Mt Hood Hwy (US26)
ODOT

January 27th, 2026

Existing

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: August 2024 (via Google Maps)

(1) Looking east from 200 feet east of SE Ten Eyck Road.

(2) Looking west from 200 feet east of SE Ten Eyck Road.

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: August 2024 (via Google Maps)

(3) Looking east from 300 feet east of SE Ten Eyck Road.

(4) Looking west from 300 feet east of SE Ten Eyck Road.

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(5) Looking east from SE Langensand Road.

(6) Looking west from SE Langensand Road.

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(7) Looking east from 0.21 mile east of SE Langensand Road.

(8) Looking west from 0.21 mile east of SE Langensand Road.

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(9) Looking east from SE Vista Loop Drive (west).

(10) Looking west from SE Vista Loop Drive (west).

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(11) Looking east from SE Vista Loop Drive (east).

(12) Looking west from SE Vista Loop Drive (east).

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(13) Looking east from 0.22 mile west of SE Canyon Valley Road.

(14) Looking west from 0.22 mile west of SE Canyon Valley Road.

Typical Views

Mount Hood Hwy (US 26)

From 200 feet east of SE Ten Eyck Road to 350 feet west of SE Canyon Valley Road

ODOT / City of Sandy

Image Date: November 18th, 2026

(15) Looking east from 350 feet west of SE Canyon Valley Road.

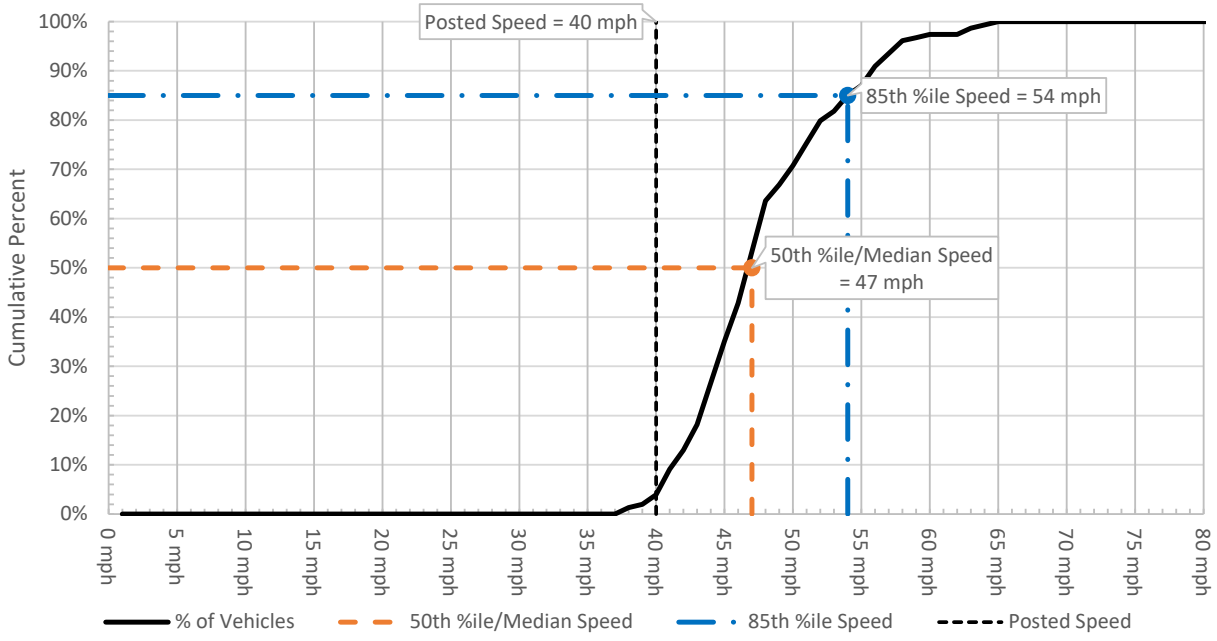
(16) Looking west from 350 feet west of SE Canyon Valley Road.

Oregon Department of Transportation

Spot Speed Measurement Report

Roadway	US26	**Date**	December 29, 2025
City	Sandy	**Time**	01:23 PM - 02:01 PM
County	Clackamas	**Weather**	Sunny
Location	SE Langensand Road	**Investigator**	Lisa Nguyen
Direction of Travel	Eastbound & Westbound	**Agency/Company**	ODOT

Combined Direction Speed Profile



Summary Statistics

Direction	Eastbound	Combined	Westbound
Total # of Vehicles	78 vehicles	154 vehicles	76 vehicles
50th %ile/Median Speed	46 mph	47 mph	48 mph
85th %ile Speed	51 mph	54 mph	56 mph
Mean Speed	47 mph	48 mph	49 mph
Standard Deviation	5 mph	6 mph	6 mph
Pace Limits*	41 mph - 50 mph	41 mph - 50 mph	44 mph - 53 mph
% In Pace	76%	67%	66%
Max Speed	63 mph	65 mph	65 mph
Posted Speed	40 mph	40 mph	40 mph
% Exceeding Posted Speed	92%	96%	100%

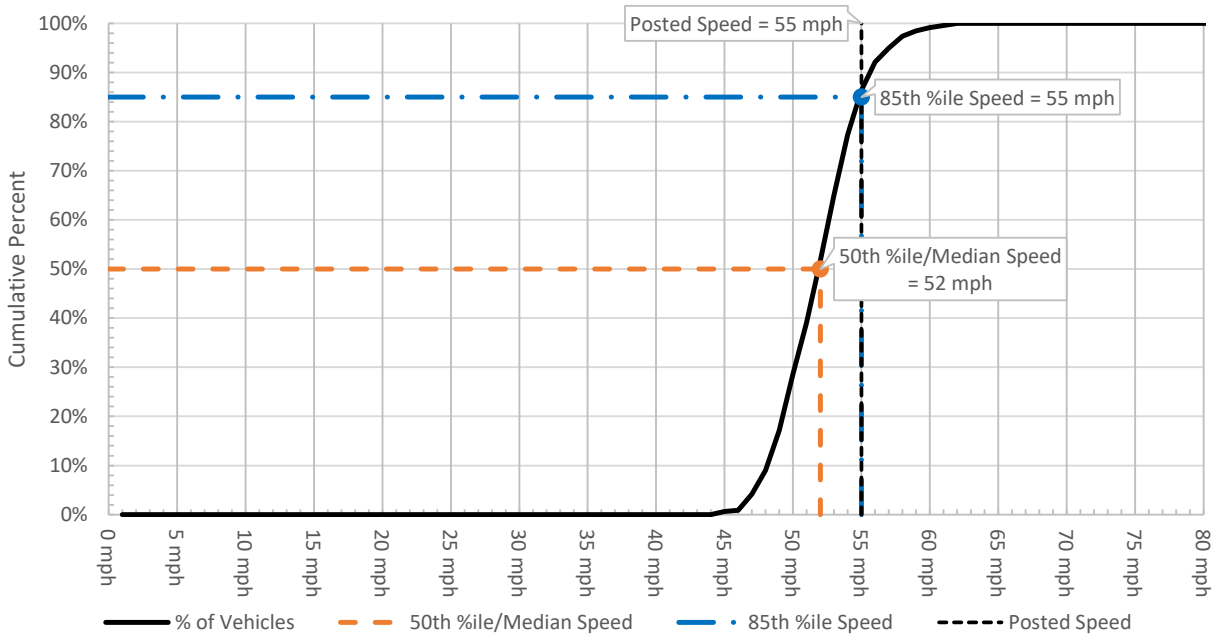
*10 mph range containing the largest number of sampled vehicles.

Oregon Department of Transportation

Spot Speed Measurement Report

Roadway	US26	**Date**	November 04, 2025
City	Sandy	**Time**	11:22 AM - 01:49 PM
County	Clackamas	**Weather**	Sunny/Cloudy
Location	See individual graphs for specific location.	**Investigator**	Zach Williams
Direction of Travel	Eastbound & Westbound	**Agency/Company**	ODOT

Combined Direction Speed Profile



Summary Statistics

Direction	Eastbound	Combined	Westbound
Total # of Vehicles	228 vehicles	455 vehicles	227 vehicles
50th %ile/Median Speed	53 mph	52 mph	52 mph
85th %ile Speed	56 mph	55 mph	54 mph
Mean Speed	53 mph	52 mph	52 mph
Standard Deviation	3.1 mph	3.0 mph	2.7 mph
Pace Limits*	48 mph - 57 mph	47 mph - 56 mph	47 mph - 56 mph
% In Pace	89%	91%	96%
Max Speed	62 mph	62 mph	59 mph
Posted Speed	55 mph	55 mph	55 mph
% Exceeding Posted Spee	19%	14%	8%

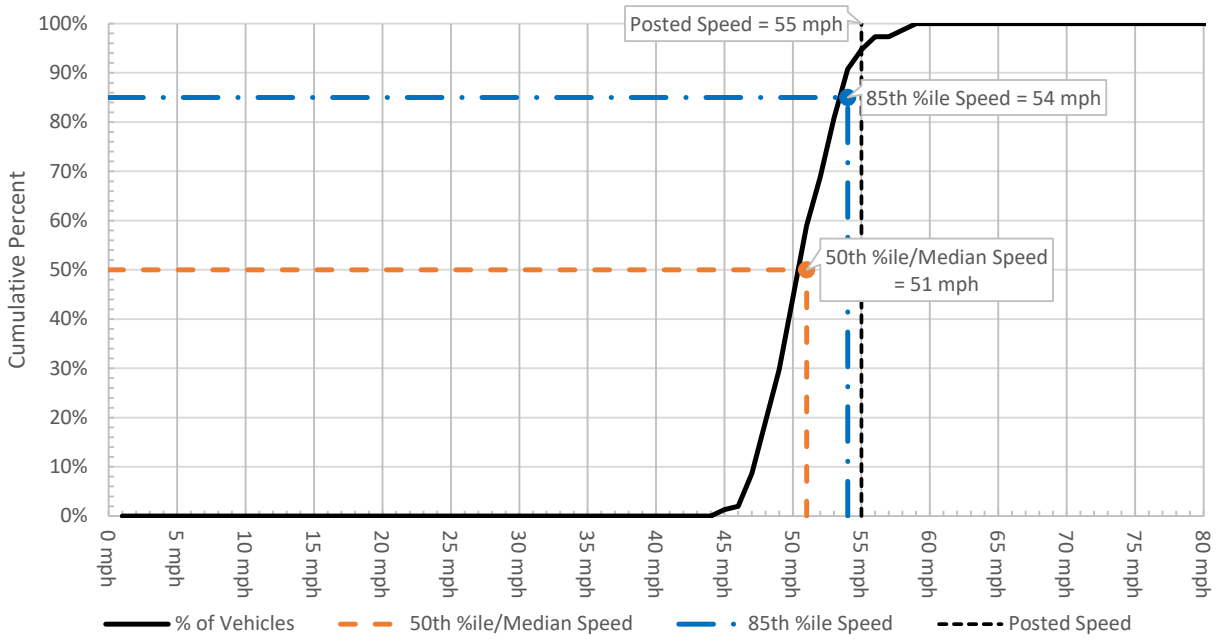
*10 mph range containing the largest number of sampled vehicles.

Oregon Department of Transportation

Spot Speed Measurement Report

Roadway	US26	**Date**	November 04, 2025
City	Sandy	**Time**	12:55 PM - 01:49 PM
County	Clackamas	**Weather**	Sunny/Cloudy
Location	SE Vista Loop Dr	**Investigator**	Zach Williams
Direction of Travel	Eastbound & Westbound	**Agency/Company**	ODOT

Combined Direction Speed Profile



Summary Statistics

Direction	Eastbound	Combined	Westbound
Total # of Vehicles	75 vehicles	151 vehicles	76 vehicles
50th %ile/Median Speed	52 mph	51 mph	50 mph
85th %ile Speed	54 mph	54 mph	53 mph
Mean Speed	52 mph	51 mph	50 mph
Standard Deviation	3 mph	3 mph	3 mph
Pace Limits*	47 mph - 56 mph	47 mph - 56 mph	45 mph - 54 mph
% In Pace	96%	95%	96%
Max Speed	58 mph	59 mph	59 mph
Posted Speed	55 mph	55 mph	55 mph
% Exceeding Posted Speed	7%	5%	4%

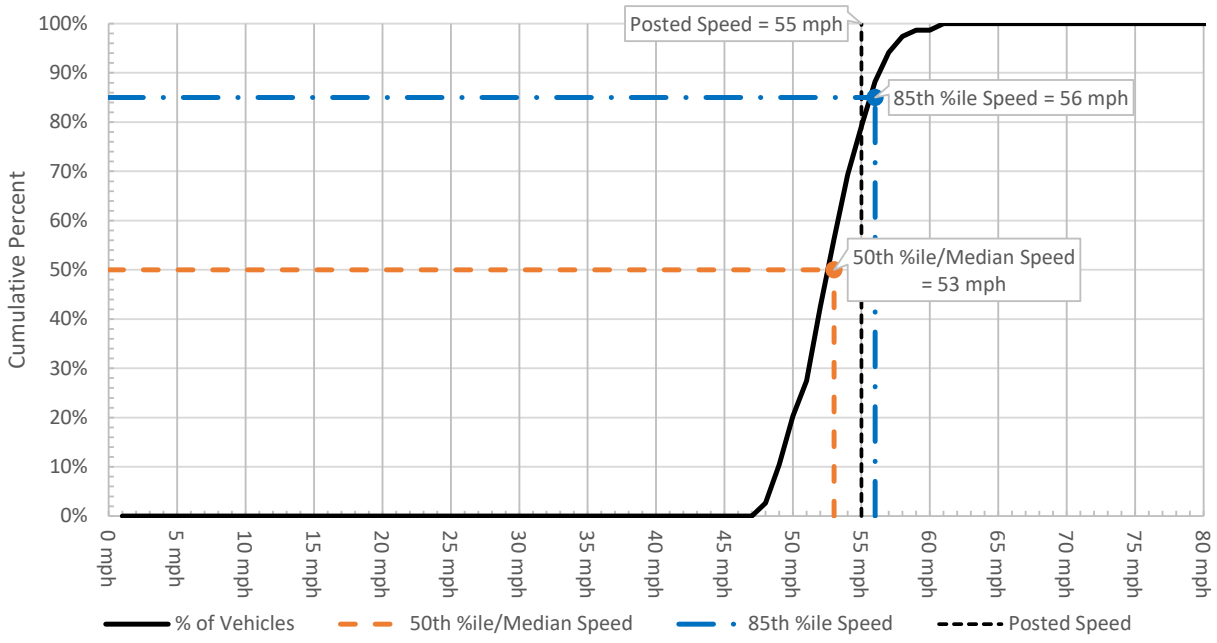
*10 mph range containing the largest number of sampled vehicles.

Oregon Department of Transportation

Spot Speed Measurement Report

Roadway	US26	**Date**	November 04, 2025
City	Sandy	**Time**	12:06 PM - 12:42 PM
County	Clackamas	**Weather**	Sunny/Cloudy
Location	MP25.9	**Investigator**	Zach Williams
Direction of Travel	Eastbound & Westbound	**Agency/Company**	ODOT

Combined Direction Speed Profile



Summary Statistics

Direction	Eastbound	Combined	Westbound
Total # of Vehicles	77 vehicles	153 vehicles	76 vehicles
50th %ile/Median Speed	54 mph	53 mph	52 mph
85th %ile Speed	57 mph	56 mph	55 mph
Mean Speed	54 mph	53 mph	52 mph
Standard Deviation	3 mph	3 mph	2 mph
Pace Limits*	49 mph - 58 mph	49 mph - 58 mph	47 mph - 56 mph
% In Pace	95%	95%	99%
Max Speed	61 mph	61 mph	58 mph
Posted Speed	55 mph	55 mph	55 mph
% Exceeding Posted Speed	32%	21%	9%

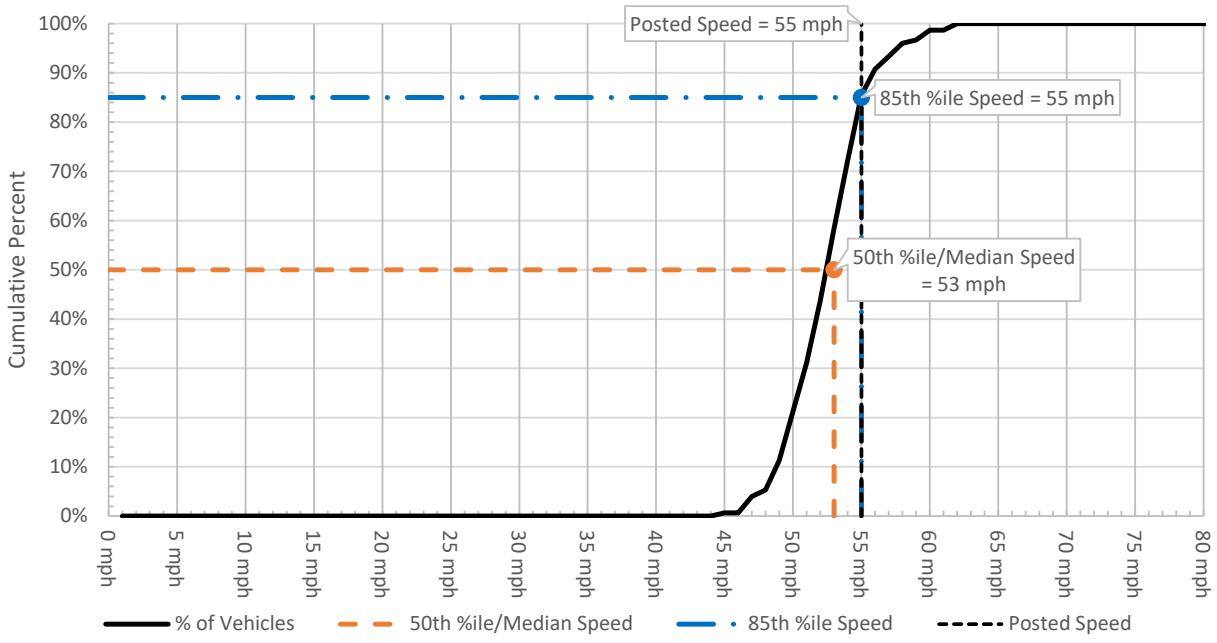
*10 mph range containing the largest number of sampled vehicles.

Oregon Department of Transportation

Spot Speed Measurement Report

Roadway	US26	**Date**	November 04, 2025
City	Sandy	**Time**	11:22 AM - 11:58 AM
County	Clackamas	**Weather**	Sunny/Cloudy
Location	MP26.3	**Investigator**	Zach Williams
Direction of Travel	Eastbound & Westbound	**Agency/Company**	ODOT

Combined Direction Speed Profile



Summary Statistics

Direction	Eastbound	Combined	Westbound
Total # of Vehicles	76 vehicles	151 vehicles	75 vehicles
50th %ile/Median Speed	53 mph	53 mph	53 mph
85th %ile Speed	57 mph	55 mph	55 mph
Mean Speed	53 mph	53 mph	52 mph
Standard Deviation	3 mph	3 mph	3 mph
Pace Limits*	49 mph - 58 mph	49 mph - 58 mph	47 mph - 56 mph
% In Pace	86%	91%	96%
Max Speed	62 mph	62 mph	58 mph
Posted Speed	55 mph	55 mph	55 mph
% Exceeding Posted Speed	18%	15%	11%

*10 mph range containing the largest number of sampled vehicles.