

BEFORE THE BOARD OF DIRECTORS
OF
OAK LODGE WATER SERVICES DISTRICT

In the Matter of modifying the District's
Water System Development Charges

RESOLUTION NO. 18-04

THIS MATTER came before the Board of Directors of Oak Lodge Water Services District, a sanitary and water district organized under Oregon Revised Statutes (ORS) Chapter 450 and Chapter 264, regarding Repeal of Resolution 2008-9 of the Oak Lodge Water District Establishing System Development Charges for the Water System and Replacing it with Oak Lodge Water Services District Resolution 18-04 Reestablishing System Development Charges for the Water System and Changing the Effective Date for Rate Changes to July 1 Every Year as Part of the Adopted Budget.

WHEREAS, the Oak Lodge Water District adopted an updated Master Plan in Resolution 2008-5 which established a revised capital improvement program; and

WHEREAS, Red Oak Consulting completed a methodology based on the capital improvement program for calculating revised system development charges (SDC's);

WHEREAS, the methodology used to establish the reimbursement fee considered the cost of then existing facilities, prior contributions by then existing users, the value of unused capacity, rate making principles employed to finance publicly owned capital improvements and other relevant factors identified by the Board. The methodology promotes the objective that future users shall contribute no more than an equitable share of the cost of then existing facilities;

WHEREAS, the methodology is based on one equivalent dwelling unit (EDU) using 423.5 gallons of water per EDU, and

The following System Development Charges adopted at the time were:

| Meter Size | Weighting Factor | System Development Charge |
|-------------------|-------------------------|----------------------------------|
| 5/8 x 3/4 | 1 | \$ 3,311 |
| 3/4 | 1.5 | \$ 4,967 |
| 1 | 2.5 | \$ 8,278 |
| 1 1/2 | 5 | \$ 16,555 |
| 2 | 8 | \$ 26,488 |
| 3 | 16 | \$ 52,976 |
| 4 | 25 | \$ 82,775 |
| 6 | 50 | \$ 165,550 |

WHEREAS, the Oak Lodge Water District decided to change the SDC's each year on January 1st, starting on January 1, 2010 by changes in the cost of construction. The change in the cost of construction shall be determined by multiplying the SDC's by the Engineering News Record Construction Cost Index for the Seattle area for December prior to the year of the increase;

WHEREAS, the Oak Lodge Water District adopted the Amended System Development Charges on the 18th day of November 2008 via Resolution 2008-9, and

WHEREAS, it is now the desire of the Oak Lodge Water Services District to move the annual change on the water SDC from January 1 every year to July 1 as part of the annual budget process with the annual adoption of the Rates, Fees and Other Charges Schedule.

Be it Resolved, the Board of Directors of the Oak Lodge Water Services District ("District Board") repeals Resolution 2008-09, a Resolution of the Oak Lodge Water District Board of Directors Amending Resolution 2004-1 and Establishing System Development Charges for the Water System and Declaring an Effective Date;

Be it further Resolved, the District Board hereby reestablishes the District's System Development Charge methodology as originally set forth in Resolution 2008-09 and shall revise the amount of the SDC's each year on July 1st, starting on July 1, 2018 as part of the annual budget process with the annual adoption of the Rates, Fees and Other Charges Schedule. The change in the cost of construction shall be determined by multiplying the SDC's by the Engineering News Record Construction Cost Index for the Seattle area for May prior to the rate change; and

Be it further Resolved, the District's current SDC dollar amounts as established in Oak Lodge Water Services District Resolution 2016-11, effective January 1, 2017, and which are based on the methodology established in Resolution 2008-9, shall remain in effect unless and until revised pursuant to this Resolution 2018-04.

ADOPTED this 19th day of June 2018.

OAK LODGE WATER SERVICES
DISTRICT

By: 
Nancy Gibson, Board President

By: 
Susan Keil, Secretary