

**ARCH CAPE SANITARY DISTRICT
SYSTEM DEVELOPMENT CHARGE SDC
Updated May 2011**

INTRODUCTION:

In 1998, the Arch Cape Sanitary District adopted a new methodology for assessing System Development Charges (SDC) for new connections to the sewer system. These charges are still effective and in-force as modified by a 2004 Update. In 2004, the Board modified the methodology in light of legislative changes and to reflect current economic and planning conditions. In 2008, the Board again updated the SDC document to update the financial information and coordinate the population projects with Clatsop County.

This current update is intended to update financial information and incorporate the recent construction of treatment system improvements. The Engineering News Record (ENR) Construction Cost Index (CCI) used in this update is 9,027 for April, 2011, which is a 4.9% increase over the 2008 index.

CAPITAL IMPROVEMENT PLAN:

The following table identifies the capital improvements required for build-out of the District. In the 2006 Wastewater Treatment Plant Pre-Design Report, the build-out capacity was projected to be 485 single family residential units, or Equivalent Dwelling Units (EDU).

2011 SANITARY SEWER CAPITAL IMPROVEMENT PLAN			
No.	Project	Estimated Cost	Schedule
1.	Irrigation Site Expansion	\$105,000	6-10 Yrs.
2.	Sally's Alley Pump Station Upgrade	\$84,000	6-10 Yrs.
3.	Webb Avenue Pump Station Expansion	\$42,000	6-10 Yrs.
4.	Collection System Upsizing	\$147,000	11-20 Yrs
5.	Planning & SDC Updates	\$26,200	11-20 Yrs.
	TOTAL IMPROVEMENTS	\$404,200	---

IMPROVEMENT FEE CALCULATION

The Improvement Fee is calculated by dividing the total Capital Improvement Plan costs by the build-out capacity of the District to determine the cost per EDU:

$$\begin{aligned}\text{IMPROVEMENT FEE} &= \text{TOTAL CIP COST / EDU CAPACITY} \\ \text{IMPROVEMENT FEE} &= \$404,200 / 480 \text{ EDU} \\ \text{IMPROVEMENT FEE} &= \$840 \text{ Per EDU}\end{aligned}$$

REIMBURSEMENT FEE CALCULATION

As discussed in the previous update, the District has invested in a substantial number of infrastructure projects, with portions paid by government grants. The following table inventories all capital improvements completed by the District and allocates the cost to the total build-out population of 480 EDUs. The value used for all existing capital improvements is the current replacement cost for the facility, less grants.

2011 SANITARY SEWER REIMBURSEMENT FEE SCHEDULE				
Utility Element	Current Value	Less Grant Funding	Net Value Remaining	Capacity EDUs
Pumping Station & Force Main (4 total)	\$839,000	\$60,500	\$778,500	480
Existing WWTP	\$6,130,000	\$1,767,400	\$4,362,600	480
Irrigation Land & Disposal System	\$482,500	\$123,400	\$359,100	480
Biosolids Disposal Site Development	\$110,100	-0-	\$110,100	480
Facility Planning & SDC Methodology	\$84,000	-0-	\$84,000	480
TOTALS	\$7,645,600	\$1,951,300	\$5,694,300	---

Reimbursement fees are calculated using the total value of the existing facility divided by the build-out capacity of 480 EDU:

$$\text{REIMBURSEMENT FEE} = \text{NET VALUE} / \text{EDU CAPACITY}$$

$$\text{REIMBURSEMENT FEE} = \$5,694,300 / 480 \text{ EDU}$$

$$\text{REIMBURSEMENT FEE} = \$11,860 \text{ Per EDU}$$

SDC FEE SUMMARY:

Total SDC charges include the Improvement Fee and Reimbursement Fee:

$$\text{TOTAL 2011 SDC FEE} = \text{Improvement} + \text{Reimbursement}$$

$$\text{TOTAL 2011 SDC FEE} = \$840 + \$11,860$$

$$\text{TOTAL 2011 SDC FEE} = \underline{\underline{\$12,700 \text{ Per EDU}}}$$