

RESOLUTION NO. 2915

A RESOLUTION ESTABLISHING THE ENGINEERING NEWS RECORD 20 CITY CONSTRUCTION COST INDEX AS THE BASIS FOR ADJUSTING WATER AND SEWER SYSTEM DEVELOPMENT CHARGES

Findings

a) The current water and sewer system development charge (SDC) methodology was adopted by Council Resolution Nos. 2705 and 2706 in July 2008. The methodology allows for changes to the SDC rates but does not include the specific cost index to be used for rate adjustments.

b) The Seattle Engineering News Record (ENR) had historically been used as the basis for annual adjustments to the water, sewer, and transportation SDCs, and was used as the basis for adjusting water and sewer SDCs after the methodology was updated in 2008.

c) When the Transportation SDC methodology was updated in 2011, the methodology changed the annual inflationary index for adjusting Transportation SDCs from the Seattle ENR to the ENR 20 City Construction Index.

d) Oregon Revised Statutes 223.304(8) allows for adjustments to SDC rates without constituting a change in the methodology if the change in the SDC amount is based on the following:

1. A change in the cost of materials, labor or real property applied to projects or project capacity as set forth on the list adopted pursuant to ORS 223.309; or
2. The periodic application of one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:
 - 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.

BASED ON THESE FINDINGS, THE CITY COUNCIL OF THE CITY OF BEND RESOLVES AS FOLLOWS:

Section 1. Effective immediately, the Engineering News Record (ENR) 20 City Construction Cost Index will be used as the basis for adjusting water and sewer system development charges to allow all City of Bend SDCs to be updated on a consistent basis.

Section 2. Establishing the ENR 20 City Construction Cost Index as the basis for adjusting water and sewer SDCs is in accordance with the criteria established by ORS 223.304(8) and does not constitute a change in the water and sewer SDC methodology.

Adopted by the City Council the 19th day of June, 2013.

YES: Mayor Clinton
Councilor Jodie Barram
Councilor Mark Capell
Councilor Victor Chudowsky
Councilor Doug Knight
Councilor Sally Russell

NO: none

Attest:




Robyn Christie, City Recorder



Jim Clinton, Mayor

Approved as to form:



Mary Winters, Legal Counsel