

CLIENT: City of Winston

PROJECT NAME: Parks System Development Charges – Methodology Study

PROJECT NUMBER: WN 22-03

REVISION HISTORY:

Rev.	Date	Change Summary
0.1	20 JUN 2022	Draft Submittal for Initial Review and Feedback

PROJECT GOALS & OBJECTIVES

Develop updated Parks Department SDC methodology and study resulting in revised SDC rates to meet the goals of the City, Parks, and supplier Team. Provide base map and parks site maps to supplement capital improvement and site planning.

BACKGROUND & SCOPE

The City of Winston is seeking to plan for the future by updating and revising several planning documents, including wastewater, storm drain and parks master planning documents, as well as systems development charges documents for all infrastructure categories. These efforts will be pursued in a phased approach to optimize factors such as time and detail required. Cross-collaboration between each area, team members, and consultants will be critical.

City staff and leadership met on several occasions with Midea Engineering and Civil West Engineering to conduct brainstorming sessions with the purpose to develop a plan of action for the work. The outcome of those meetings resulted in a plan for a phased approach, which prioritizes the different work areas and sets the stage for clear collaboration between city staff, stakeholder subgroups, and consultants.

Midea will collaborate with city staff, stakeholders and other consultants resulting in updated system development charge study, capital improvements plan, rates, and base maps for the Parks Department. The Project Team will collaborate closely to ensure a successful project outcome and will ensure important revenue goals are met to support the Winston Parks Mission.

Midea Will:

1. Develop a revised Parks SDC study, revised rates, capital improvement plan and base mapping that meets the objectives of the city, and will be easy to maintain and update;
2. Review and leverage existing documentation, studies, CAD and other available information to the greatest possible extent;
3. Collaborate with extended team and consultants to share information, documentation and data to support other work;
4. Seek creative ways to generate interim solutions for the Parks SDC, where pragmatic;
5. Maximize eligibility of activities and costs to set a theoretical ceiling for Parks SDCs;
6. Support development of the SDC ordinance to meet City objectives, and to ensure streamlined update process is as simple and streamlined as possible;
7. Develop an SDC methodology that meets all statutory requirements for SDC’s in Oregon.
8. Engage in several meeting with City staff, Council and the public as required for a successful outcome.

PROJECT UNDERSTANDING (THIS SECTION COMMON WITH WORK BY CIVIL WEST)

System Development Charge Background

Oregon Revised Statutes (ORS) 223.297-223.314 authorizes local governments and service districts to assess SDC's for various infrastructure sectors including sewer, water, storm drainage, streets and others. In addition to specifying the infrastructure systems for which the SDC's may be assessed, the SDC legislation provides guidelines on the calculation and modification of SDC's, SDC accounting requirements, and the adoption of administrative review procedures.

Generally, SDC's are developed around two separate modes or philosophies: They are:

1. Reimbursement SDC
2. Improvement SDC

SDC's can also be established using a combination of the two types of charges.

In addition to the two SDC types, Oregon SDC law allows for SDC revenues to be utilized by the assessing agency to recoup costs incurred by the agency to administer, study, update, and operate an SDC program. These costs, typically referred to as compliance costs, include, but are not limited to:

1. Auditing and accounting costs,
2. Preparation and updating of SDC methodologies,
3. Preparation or updating of master and facilities plans,
4. Maintenance of capital improvement plans (CIP's), and
5. General SDC administration costs.

Compliance costs are typically assessed as a percentage of regular SDC charges based on projections or histories of SDC revenues.

SDC Methodology Requirements

A legal and effective SDC methodology must meet the requirements of the law (ORS), as well as include the fundamental planning elements to give the methodology the basis and structure that is required to defend the methodology in the face of a challenge.

Typically, SDC methodologies are supported by and include the following documentation:

1. Master or facilities planning to justify the needed system improvements and establish the planning criteria that will be used to construct existing or future improvements,
2. SDC Methodology Plan to outline the SDC methodology for each utility and establish the maximum defensible SDC charge (the City may choose to adopt an SDC charge less than the maximum defensible SDC established by the methodology),
3. SDC ordinance to set up the framework for all SDC's in the City, and
4. SDC resolutions for each utility sector to set or adjust the SDC charge. Use of separate resolutions allows for the adjustment of SDC values through the resolution process rather than through the public process required to establish a new ordinance.

A capital improvement plan (CIP) may be substituted for some master or facilities planning documents if those more comprehensive planning documents are not available to support an SDC methodology. However, master planning efforts provide a more substantial basis and offer more clout to a methodology than does a CIP alone.

SDC's in Winston

Currently, the City of Winston assesses SDC charges for parks, sewer and streets. Total SDC's are \$4,910, however parks SDCs are only \$150.

The current SDC methodology in Winston has been in place for some time and may not be consistent with the statute or the City's planning and financial needs. The methodologies for each infrastructure element should be updated to meet current statutory and planning requirements as well as financial requirements to support growth in the community and expansion of infrastructure capacities.

Available Planning Documentation

The City of Winston has some planning documentation in place with other planning efforts currently in process. The Winston Parks System Master Plan draft report was collaboratively developed in February 2015. This study may be leverageable as part of the updated SDC, and this will be determined as part of the work.

PROPOSED SCOPE OF WORK

Midea will support the following overarching tasks, including collaboration between other studies and planning areas for wastewater master planning and SDC's as needed to ensure an organized, efficient and cost-effective process will occur.

Task 1: Development Support for SDC Background Information and Discussion of SDC Law

A module will be developed primarily by Civil West for the overarching SDC's (starting with wastewater area). Midea will support this effort through review and feedback and will leverage the outcome for Parks SDCs.

Task 2: Parks SDC Documentation Review & Kickoff Meeting to Generate Plan & Objectives

Midea will review the existing Draft Parks Master Plan (2015) and other documentation to inform the kickoff and planning for the Parks SDC effort. The goal will be to determine the extent to which the documentation is leverageable for the near and middle term for Parks. A kickoff meeting with the project team will discuss the background and lay out the goals and next steps, including the needed information such as accounting data, mapping, capital improvement needs, and other information. A brief tour of all parks to capture high level condition, needs and future infrastructure wishes (hopes and dreams) for parks. This will help inform the basis of development for the Capital Improvement Plan by following an open creative brainstorming process. A project plan will be collaboratively developed as part of this task, which will determine the larger program objectives, priorities and interdependencies to other work.

Task 3: Development of Capital Improvement Plan, Mapping, & Parks SDC Methodology

Midea will work with the project team to develop a high-level Capital Improvement Plan (CIP) that will support one aspect of costs for the SDC. This will include a list of projects that have been completed as well as those that are currently planned, or desired. This list will be prioritized and outlined with “Priority 1” projects forming the basis for the middle-term SDC funding eligibility and needs. Maps will be developed for the larger parks system as well as for the individual sites that will provide information concerning each site.

The methodology for Parks SDCs will be developed using the information collected and reviewed with the project team. The methodology for parks may not be as intuitive as other types of SDCs, however Midea will search for precedent from other communities and will develop a justifiable approach for the Parks SDCs. Costs for planning, compliance and others will included to the greatest possible extent and the information will be reviewed with the team and discussed with stakeholders and Council prior to developing the final ordinance and resolution for Parks SDCs.

Task 4: Development Support for SDC Ordinance and Resolutions

Midea, Civil West and the project team will support development of SDC Ordinance and Resolutions as needed. The City Attorney will primarily own the development of the documents, supported by the project team. The ordinance shall be broad enough in scope to cover all of the infrastructure elements (sewer, storm drainage, transportation, parks). The ordinance shall describe the legal requirements of the SDC programs in Winston and reference resolutions for each infrastructure category. The City will establish a single SDC ordinance with multiple SDC resolutions (one for each infrastructure element for which a methodology is developed). The ordinance must be adopted through the public process including public hearings and readings. When changes to specific SDC amounts or assessments are required, they can be done through the adoption of a new resolution without having to make any changes to the Ordinance. Midea will support this process as needed with the team and potentially a public meeting as directed.

Deliverables

Midea will deliver the written SDC study and underlying calculations to the City. The City may produce hard copies, or Midea can produce if requested. Full size maps will be provided.

PROJECT SCHEDULE & PROJECT PLAN

The project team, including Civil West and the City will develop a “project plan” describing the estimated schedule and interdependencies for each work area. The schedule for different areas may vary depending upon the process and priorities selected. Interim deliverables may also be an option and could impact the larger project schedule.

CITY OF WINSTON

- Provide necessary funding for the project.
- Provide review feedback, guidance of priorities, and approval work.
- Provide background information, access to the site and personnel support as needed to assess and complete the needed work

KEY STAKEHOLDERS:

Role	Contact
Owner	<i>City of Winston Andy Howell, Public Works Director 201 NW Douglas Blvd Winston, OR 97496 Phone: 541-679-6114 Fax: 541-679-0496 andy.howell@cityofwinston.org</i>
Engineer	<i>Midea Development, LLC Sean Moran, PE, MS, MBA, President 8295 NW Wynoochee Drive Corvallis, OR 97330 541.404.3729 mideallc@gmail.com</i>

PROJECT ENGINEERING BUDGET

Midea’s project budget is outlined below. Rate is \$125 per hour. Expenses invoiced at cost, including mileage for travel. Travel shared between projects, including other clients and organizations wherever possible.

Project Tasks	Description	Est. Hours
1 – SDC Background	Review and support SDC background (primarily Civil West) to ensure leverageable to all areas	4
2 – Review, Kickoff & Planning	Review existing information, team kickoff, site visit and developing project goals (accounting review of records and team meetings)	16
3 – CIP, Mapping & Methodology	Develop Capital Improvement Plan, mapping, and SDC methodology	50
4 – SDC Adoption Support	Development support for SDC ordinance and resolutions	6
Total Cost		\$ 9,500 (76 hrs)

CONSTRAINTS, ASSUMPTIONS, RISKS & DEPENDENCIES

- Planning activities have interdependencies that have been identified or will be identified in the early stages of the project.

Thank you for the opportunity to support your mission!

Sean Moran
PE, MS, MBA
Midea

APPROVALS

CITY OF WINSTON

MIDEA DEVELOPMENT, LLC

By: _____

By: Sean T. Moran

Name: _____

Name: Sean Moran

Title: _____

Title: President

Date: _____

Date: June 20, 2022

Midea has the expertise and integrity to support the mission of the City of Winston and will work collaboratively with Winston’s Leadership Team to determine the best outcome possible for the SDC and master planning project. Sean (Midea) has helped small communities plan for their future for nearly 20 years and has implemented all types of infrastructure projects large and small. Midea has a history of successful projects from master planning to complete treatment facilities. Midea currently represents organizations in the area, including South Umpqua School District, the City of Riddle, and Tri City Water & Sanitary, working with Paul Wilborn (past 10+ years).

Sean Moran founded Midea nearly 20 years ago with a mission to help small communities to responsibly and sustainably live and grow. Born and raised in Roseburg, Oregon to a family supported by the lumber industry (Roseburg Lumber), Sean continues to help small communities plan for their future. Sean’s experience and expertise in industrial automation and infrastructure development have extended beyond community development, including the development of the first renewable energy testing facility in North America in collaboration with the Department of Energy and the numerous other stakeholders. Sean is a licensed professional engineer, holds a masters degree in mechanical engineering from Oregon State University, and a masters degree in business administration from Portland State University that he leverages on behalf of small communities to provide broad engineering, financial, strategic planning, and project successes.