

RESOLUTION NO. 1298

A RESOLUTION ADJUSTING THE RATE AND CAPITAL IMPROVEMENT PLAN FOR WATER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1250.

WHEREAS, Section 12.02.020 of the Troutdale Municipal Code establishes system development charges to impose an equitable share of the public costs of capital improvements upon those developments that create the need for, or increase the demands on, capital improvements; and

WHEREAS, Resolution No. 1250, which is currently in effect, adjusted the methodology and rate for the water system development charge; and

WHEREAS, Section 12.02.030 of the Troutdale Municipal Code requires staff to annually review the rate and bring proposed changes to the Council for consideration; and

WHEREAS, staff has updated the Capital Improvement Plan for the water system and adjusted the cost estimates based upon the Construction Cost Index as published in the January 6, 1997 edition of Engineering News Record.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. Purpose.

The purpose of the water system development charge is to require developments that create the need for water facilities or increase the demand on existing water facilities to pay an equitable share of the cost of those improvements. System development charges for water shall be improvement fees rather than reimbursement fees.

Section 2. Definitions.

Unless the context suggests otherwise, for this Resolution these terms and phrases mean as follows:

Capital Improvement. The construction of, or an addition to, facilities or assets used for the production, distribution, or treatment of water.

Development. Any man-made change to improved or unimproved real property, including but not limited to construction, installation, or alteration of a building or other structure; condominium conversion; land division; establishment or termination of a right of access; storage on real property; tree cutting; drilling and site alteration such as that due to land surface mining, dredging, grading, paving, excavating, or clearing.

Director. The Public Works Director of the City of Troutdale or his/her designee.

Improvement Fee. A fee for costs associated with capital improvements constructed after the date the system development charge was initially adopted.

Section 3. Methodology.

- A. The methodology used to establish the improvement fee is based on the estimated cost of projected capital improvements needed to increase the capacity of the water system, including costs of financing, over a designated period, as reflected in the Capital Improvement Plan provided as Attachment A, and the impact the development has on the water system as measured in hydraulic equivalents, as reflected in the estimate provided as Attachment B. This allows determination of a unit cost of system capacity.
- B. Hydraulic equivalents are utilized as a measure of capacity because they represent the potential demand a customer may place on the system. In the "City of Troutdale Water System SDC Study" prepared in February, 1992, by Public Financial Management, Inc., hydraulic equivalents are applied to water meter size as follows:

<u>Water Meter Size</u>	<u>Hydraulic Equivalents</u>
3/4"	1.0
1"	1.7
1 1/2"	3.3
2"	5.3
3"	10.0
4"	16.7
6"	33.3
8"	53.3

- C. The maximum allowable cost per hydraulic equivalent shall be computed by dividing the total cost, including finance charges, of capacity-increasing capital improvements (less cash on hand) needed by the estimated number of hydraulic equivalents to be added to the system. The Council may choose to impose a cost per hydraulic equivalent less than the maximum allowable cost.
- D. No water system development charge will be assessed for a water meter used solely for fire standby purposes, including the larger meter in a fire service meter assembly, provided that the appropriate monthly fire standby fee is paid.

Section 4. Cost.

Based upon an estimated cost of capacity-increasing capital improvements (including financing) of \$3,053,582, less cash on hand on June 30, 1996 of \$441,537, and an estimated increase of 3,422 hydraulic equivalents, the maximum allowable cost is \$763 per hydraulic equivalent. The Council

establishes the rate to be charged as \$763 per hydraulic equivalent, which is reflected in the following costs per meter size:

<u>Water Meter Size</u>	<u>Hydraulic Equivalents</u>	<u>SDC Cost</u>
3/4"	1.0	\$ 763
1"	1.7	1,297
1 1/2"	3.3	2,518
2"	5.3	4,044
3"	10.0	7,630
4"	16.7	12,742
6"	33.3	25,408
8"	53.3	40,668

Section 5. Effective Date.

The effective date of this resolution is April 1, 1997.

Section 6. Distribution of Funds.

The system development funds collected under authority of this Resolution shall be deposited in the Water Improvement Fund. These funds may only be expended for accomplishing the capacity-enhancing water projects as set forth in the Capital Improvement Plan in Attachment A, which may be amended from time to time by resolution of the Council.

Section 7. Applicability of Troutdale Municipal Code.

The provisions of Chapter 12.02 of the Troutdale Municipal Code govern exemptions, credits, collection, appeals, and other matters pertaining to the charge established in this Resolution.

Section 8. Administration.

The Director shall be responsible for the administration of this Resolution.


Section 9. Previous Resolution Rescinded.

Resolution No. 1250 is rescinded effective April 1, 1997.

YEAS: 6
NAYS: 0
ABSTAINED: 0


Paul Thalhfer, Mayor

Dated: 3-18-97


George Martinez, City Recorder
Adopted: 3-11-97

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ATTACHMENT A

WATER SYSTEM DEVELOPMENT CHARGE		
CAPITAL IMPROVEMENT PLAN		
PREPARED ON FEBRUARY 4, 1997		
PROJECT DESCRIPTION	ESTIMATED COST	FUNDING YEAR
LOOP STARK STREET RESERVOIR WATER LINE	40,000	1996-97
CONSTRUCT WATER LINE BETWEEN WOODALE AND CHERRY PARK ROAD	20,000	1996-97
UPSIZE PRESSURE REDUCING VAULT AT 257TH AND COLUMBIA	25,000	1996-97
UPSIZE SANDY AVENUE WATER LINE	7,600	1997-98
CONSTRUCT WATER LINE ON SW HENSLEY ROAD (21ST STREET)	76,300	1998-99
CONSTRUCT 1.0 MG STANDPIPE AND RELATED FACILITIES	705,400	2000-01
UPSIZE 244TH AVENUE WATER LINE	41,500	2002-03
CONSTRUCT ZONE II INTERCONNECT TO JACKSON PARK ROAD	36,300	2005-06
CONSTRUCT A 2.5 MG RESERVOIR IN ZONE II	752,100	2010-11
CONSTRUCT A NEW WELL TO SERVE ZONES I, II, AND III	406,800	2010-11
SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS	2,111,000	
EXISTING DEBT PRINCIPAL	942,582	THRU 2007-08
GRAND TOTAL	3,053,582	

WATER SYSTEM DEVELOPMENT CHARGE									
ESTIMATE OF HYDRAULIC EQUIVALENTS									
PREPARED ON FEBRUARY 4, 1997									
DATE:	BEGINNING	ENDING	INCREASE IN	INCREASE IN DWELLINGS		HYDRAULIC EQUIVALENTS			
JUNE 30,	POPULATION	POPULATION	POPULATION	SINGLE FAMILY	MULTI-FAMILY	SINGLE FAMILY	MULTI-FAMILY	OTHER	TOTAL
1996	12,750	13,668	918	216	102	216	31	74	321
1997	13,668	14,652	984	232	109	232	33	79	344
1998	14,652	15,707	1,055	248	117	248	35	85	368
1999	15,707	16,838	1,131	266	126	266	38	91	395
2000	16,838	17,225	387	91	43	91	13	31	135
2001	17,225	17,621	396	93	44	93	13	32	138
2002	17,621	18,027	406	96	45	96	14	33	142
2003	18,027	18,441	414	97	46	97	14	33	145
2004	18,441	18,865	424	100	47	100	14	34	148
2005	18,865	19,224	359	84	40	84	12	29	125
2006	19,224	19,589	365	86	41	86	12	29	127
2007	19,589	19,961	372	88	41	88	12	30	130
2008	19,961	20,341	380	89	42	89	13	31	133
2009	20,341	20,727	386	91	43	91	13	31	135
2010	20,727	21,328	601	141	67	141	20	48	210
2011	21,328	21,947	619	146	69	146	21	50	216
2012	21,947	22,548	601	141	67	141	20	48	210
2013	22,548								
TOTAL			9,798	2,305	1,089	2,305	327	790	3,422
NOTES									
1. ASSUME 80% OF THE POPULATION INCREASE WILL LIVE IN SINGLE FAMILY HOMES WITH 3.4 OCCUPANTS PER HOME AND 20% OF THE POPULATION INCREASE WILL LIVE IN MULTI-FAMILY HOMES WITH 1.8 OCCUPANTS PER HOME.									
2. ASSUME ONE HYDRAULIC EQUIVALENT PER SINGLE FAMILY UNIT AND 0.3 HYDRAULIC EQUIVALENTS PER MULTI-FAMILY UNIT.									
3. ASSUME COMMERCIAL AND INDUSTRIAL DEMAND EQUALS 30% OF THE RESIDENTIAL DEMAND.									