

RESOLUTION NO. 1299

A RESOLUTION ADJUSTING THE RATE AND CAPITAL IMPROVEMENT PLAN FOR SANITARY SEWER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1251.

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. 1251, which is currently in effect, adjusted the methodology and rate for the sanitary sewer 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 sanitary sewer 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 sanitary sewer system development charge is to require developments that create the need for sanitary sewer facilities or increase the demand on existing sanitary sewer facilities to pay an equitable share of the cost of those improvements. System development charges for sanitary sewer 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 to convey, treat, or store sanitary sewage.

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.

Equivalent Residential Unit. The unit of waste water which incurs the same costs for treatment as the average volume of domestic wastes discharged from a single-family residence in the waste water treatment service area.

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 sanitary sewer 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 sanitary sewer system as measured in Equivalent Residential Units, as reflected in the estimate provided as Attachment B. This allows determination of a unit cost of system capacity.
- B. The number of Equivalent Residential Units (ERU) for certain common user classes is provided below:

USER CLASS	ERU	UNIT
RESIDENTIAL:		
<i>Single-family</i>	<i>1.00</i>	<i>Per Household</i>
<i>Multi-family</i>	<i>.70</i>	<i>Each Unit</i>
<i>Manufactured or Mobile Home Parks</i>	<i>.88</i>	<i>Each Unit</i>
<i>Trailer/RV Parks</i>	<i>1.00</i>	<i>For Each Permanent or Separate Caretaker or Other Living Facility</i>
	<i>.30</i>	<i>Per Space</i>
COMMERCIAL:		
<i>Cocktail Lounges, Bars, Taverns</i>	<i>.06</i>	<i>Per Seat</i>
<i>Laundromat</i>	<i>1.52</i>	<i>Per Washer</i>
<i>Motel/Hotel</i>	<i>1.00</i>	<i>Per Management Quarters</i>
	<i>.36</i>	<i>Per Each Additional Unit</i>
<i>Office</i>	<i>.08</i>	<i>Per Employee</i>
<i>Retail</i>	<i>.09</i>	<i>Per Employee</i>
<i>Pizza Parlors</i>	<i>.09</i>	<i>Per Seat</i>
<i>Restaurants</i>	<i>.12</i>	<i>Per Seat</i>
COMMUNITY SERVICE:		
<i>Churches</i>	<i>.02</i>	<i>Per Seat</i>
<i>Elementary Schools</i>	<i>.06</i>	<i>Per Occupant</i>
<i>Middle and High Schools</i>	<i>.09</i>	<i>Per Occupant</i>
Other	<i>.08</i>	<i>Per Employee</i>

Where an appropriate number of ERU's for a particular development can not be determined from the above list, the Director shall make a determination as to the number of ERU's to be charged. No development may have a fractional number of ERU's less than one.

- C. Based upon previous partial pre-payment of sanitary sewer SDC's, 441 ERU's can be utilized by a payment of only \$675 each.
- D. The maximum allowable cost per ERU shall be computed by dividing the total cost, including finance charges, of capacity-increasing capital improvements needed (less cash on hand and anticipated revenue from partially pre-paid sanitary sewer SDC's) by the estimated remaining number of ERU's to be added to the system. The Council may choose to impose a cost per ERU less than the maximum allowable cost.

Section 4. Cost.

Based upon an estimated cost of capacity-increasing capital improvements (including financing) of \$16,245,952, cash on hand on June 30, 1996 of \$1,437,041, 441 ERU's which are limited to a value of \$297,675, and an estimated remaining increase of 3,240 ERU's, the maximum allowable cost is \$4,479 per ERU. However, the Council chooses to assess only \$14,108,944 of the allowable costs, thus establishing the rate to be charged as \$3,819.

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 Sewer Improvement Fund. These funds may only be expended for accomplishing the capacity-enhancing sanitary sewer 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. 1251 is rescinded effective April 1, 1997.

YEAS: 6
NAYS: 0
ABSTAINED: 0


Paul Thalhofer, Mayor

Dated: 3-18-97


George Martinez, City Recorder

Adopted: 3-11-97

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SANITARY SEWER SYSTEM DEVELOPMENT CHARGE			
CAPITAL IMPROVEMENT PLAN			
PREPARED ON JANUARY 22, 1997			
PROJECT DESCRIPTION	ALLOWABLE COST	ASSESSED COST	FUNDING YEAR
PREPARE PRE-DESIGN REPORT	100,000	100,000	1996-97
DESIGN AND CONSTRUCT NEW SEWAGE TREATMENT PLANT:			
46.67% OF DEBT SERVICE ON \$16M AT 5.5% FOR 20 YEARS	12,497,008	10,360,000	THRU 2016-17
46.67% OF INITIAL \$2M OUTLAY	933,400	933,400	THRU 2016-17
SEWER LINE ON HENSLEY ROAD	20,300	20,300	1998-99
BASIN "C" COLLECTION SYSTEM UPGRADES	580,600	580,600	2000-01
SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS	14,131,308	11,994,300	
EXISTING DEBT PRINCIPAL	2,114,644	2,114,644	THRU 2005-06
GRAND TOTAL	16,245,952	14,108,944	
NOTE: SINCE 1.4 MGD OF THE 3 MGD NEW PLANT IS ADDITIONAL CAPACITY, THIS RATIO (1.4/3.0 OR 46.67%) IS THE PORTION OF COSTS ALLOWABLE FOR SDC IMPROVEMENT REVENUE.			

ATTACHMENT B

SANITARY SEWER SYSTEM DEVELOPMENT CHARGE									
ESTIMATE OF EQUIVALENT RESIDENTIAL UNITS									
PREPARED ON FEBRUARY 6, 1997									
DATE:	BEGINNING	ENDING	INCREASE IN	INCREASE IN DWELLINGS		EQUIVALENT RESIDENTIAL UNITS			
JUNE 30,	POPULATION	POPULATION	POPULATION	SINGLE FAMILY	MULTI-FAMILY	SINGLE FAMILY	MULTI-FAMILY	OTHER	TOTAL
1996	12,750	13,668	918	216	102	216	71	57	345
1997	13,668	14,652	984	232	109	232	77	62	370
1998	14,652	15,707	1,055	248	117	248	82	66	396
1999	15,707	16,838	1,131	266	126	266	88	71	425
2000	16,838	17,225	387	91	43	91	30	24	145
2001	17,225	17,621	396	93	44	93	31	25	149
2002	17,621	18,027	406	96	45	96	32	25	153
2003	18,027	18,441	414	97	46	97	32	26	156
2004	18,441	18,865	424	100	47	100	33	27	159
2005	18,865	19,224	359	84	40	84	28	22	135
2006	19,224	19,589	365	86	41	86	28	23	137
2007	19,589	19,961	372	88	41	88	29	23	140
2008	19,961	20,341	380	89	42	89	30	24	143
2009	20,341	20,727	386	91	43	91	30	24	145
2010	20,727	21,328	601	141	67	141	47	38	226
2011	21,328	21,947	619	146	69	146	48	39	233
2012	21,947	22,548	601	141	67	141	47	38	226
2013	22,548								
TOTAL			9,798	2,305	1,089	2,305	762	613	3,681

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 EQUIVALENT RESIDENTIAL UNIT PER SINGLE FAMILY UNIT AND 0.7 PER MULTI-FAMILY UNIT.									
3. ASSUME COMMERCIAL AND INDUSTRIAL DEMAND EQUALS 20% OF THE RESIDENTIAL DEMAND.									