

RESOLUTION NO. 1374

A RESOLUTION ADJUSTING THE RATE AND CAPITAL IMPROVEMENT PLAN FOR SANITARY SEWER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1299.

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. 1299, which is currently in effect, adjusted the capital improvement plan 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, adjusted the cost estimates, and proposed a revision of the rate.

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:

<i>USER CLASS</i>	<i>ERU</i>	<i>UNIT</i>
RESIDENTIAL:		
<i>Single-and duplex units</i>	<i>1.00</i>	<i>Each dwelling unit</i>
<i>Tri-plex and larger units and apartments in conjunction with commercial use</i>	<i>.70</i>	<i>Each dwelling unit</i>
<i>Manufactured or Mobile Home Parks</i>	<i>.88</i>	<i>Each dwelling 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>
<i>Other</i>	<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, 310 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 \$15,860,648, cash on hand on June 30, 1997 of \$2,232,328, 310 ERU's which are limited to a value of \$209,250, and an estimated remaining increase of 2,946 ERU's, the maximum allowable cost is \$4,555 per ERU. However, the Council chooses to assess only \$13,978,299 of the allowable costs, thus establishing the rate to be charged as \$3,916.

Section 5. Effective Date.

The effective date of this Resolution is July 1, 1998.

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. 1299 is rescinded effective July 1, 1998.

YEAS:	<u>7</u>
NAYS:	<u>0</u>
ABSTAINED:	<u>0</u>


Paul Thalhofer, Mayor

Dated: 5-28-98


Debbie Stickney, Deputy City Recorder

Adopted: 5/26/98

C:RESOL98

SANITARY SEWER SYSTEM DEVELOPMENT CHARGE

CAPITAL IMPROVEMENT PLAN

PREPARED ON APRIL 2, 1998

PROJECT DESCRIPTION	ALLOWABLE COST	ASSESSED COST	FUNDING YEAR
PREPARE PRE- DESIGN REPORT	100,000	100,000	1998-99
DESIGN AND CONSTRUCT NEW SEWAGE TREATMENT PLANT:			
46.67% OF DEBT SERVICE ON \$16M AT 4.9% FOR 20 YEARS	11,882,349	10,000,000	THRU 2017-18
46.67% OF INITIAL \$2M OUTLAY	933,400	933,400	THRU 2017-18
BASIN "C" COLLECTION SYSTEM UPGRADES	598,000	598,000	2000-01
UPGRADE SEWER LINE ON HALSEY STREET	60,000	60,000	2001-02
CONSTRUCT SEWER LINE ON SW KENDALL AVENUE	12,000	12,000	2001-02
SEWER LINE ON HENSLEY ROAD	20,900	20,900	2004-05
SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS	13,606,649	11,724,300	
EXISTING DEBT PRINCIPAL	2,253,999	2,253,999	THRU 2006-07
GRAND TOTAL	15,860,648	13,978,299	

NOTE: SINCE 1.4 MGD OF THE PROPOSED 3.0 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.

**SANITARY SEWER SYSTEM DEVELOPMENT CHARGE
ESTIMATE OF EQUIVALENT RESIDENTIAL UNITS
PREPARED ON APRIL 2, 1998**

FISCAL YEAR	BEGINNING POPULATION	ENDING POPULATION	INCREASE IN POPULATION	INCREASE IN DWELLINGS		EQUIVALENT RESIDENTIAL UNITS			TOTAL
				SINGLE FAMILY	MULTI-FAMILY	SINGLE FAMILY	MULTI-FAMILY	OTHER	
1997-98	13,880	14,300	420	99	47	99	33	26	158
1998-99	14,300	14,875	575	135	64	135	45	36	216
1999-00	14,875	15,500	625	147	69	147	49	39	235
2000-01	15,500	15,908	408	96	45	96	32	26	153
2001-02	15,908	16,274	366	86	41	86	28	23	138
2002-03	16,274	16,648	374	88	42	88	29	23	141
2003-04	16,648	17,030	382	90	42	90	30	24	144
2004-05	17,030	17,422	392	92	44	92	30	25	147
2005-06	17,422	17,753	331	78	37	78	26	21	124
2006-07	17,753	18,161	408	96	45	96	32	26	153
2007-08	18,161	18,506	345	81	38	81	27	22	130
2008-09	18,506	18,858	352	83	39	83	27	22	132
2009-10	18,858	19,216	358	84	40	84	28	22	134
2010-11	19,216	19,774	558	131	62	131	43	35	210
2011-12	19,774	20,347	573	135	64	135	45	36	215
2012-13	20,347	20,937	590	139	66	139	46	37	222
2013-14	20,937	21,544	607	143	67	143	47	38	228
2014-15	21,544	22,168	624	147	69	147	49	39	234
2015-16	22,168	22,548	380	89	42	89	30	24	143
2016-17	22,548								
TOTAL			8,668	2,040	963	2,040	674	543	3,256

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