

RESOLUTION NO. 1560

A RESOLUTION ADJUSTING THE RATE AND CAPITAL IMPROVEMENT PLAN FOR WATER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1491.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

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.

Resolution No. 1491, which is currently in effect, adjusted the capital improvement plan and rate for the water system development charge.

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.

Staff has updated the Capital Improvement Plan for the water 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 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 addition to, facilities or assets used for the production, storage, 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, until projected buildout, 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 needed capacity-increasing capital improvements (less cash on hand) 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 \$2,202,162, less cash on hand on June 30, 2000 of \$581,143, less projected interest earnings of \$240,000 and an estimated increase of 1,494 hydraulic equivalents, the maximum allowable cost is \$924 per hydraulic equivalent. The Council establishes the rate to be charged as \$924 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	\$ 924
1"	1.7	1,571
1 1/2"	3.3	3,049
2"	5.3	4,897
3"	10.0	9,240
4"	16.7	15,431
6"	33.3	30,769
8"	53.3	49,249

Section 5. Effective Date.

The effective date of this resolution is July 1, 2001.

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.

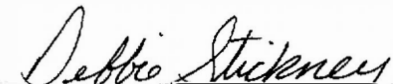
The Director shall be responsible for the administration of this Resolution.

Section 9. Previous Resolution Rescinded.

Resolution No. 1491 is rescinded effective July 1, 2001.

YEAS: 6
 NAYS: 0
 ABSTAINED: 0


 Paul Thalhoffer, Mayor
 Dated: 6-13-01


 Debbie Stickney, City Recorder
 Adopted: 6-12-01

C:RESOL00

**WATER SYSTEM DEVELOPMENT CHARGE
CAPITAL IMPROVEMENT PLAN
PREPARED ON APRIL 24, 2001**

PROJECT DESCRIPTION	ESTIMATED COST	FUNDING YEAR
INSTALL PRV AND VAULT ON CORBETH LANE	25,000	2001-02
CONSTRUCT ADDITIONAL WELL(1/2)	300,000	2001-02
UPSIZE WATER LINE ON 257TH BETWEEN CHERRY PARK ROADS	123,600	2006-07
UPSIZE WATER LINE ON COLUMBIA RIVER HIGHWAY FROM KIBLING TO PARK	82,400	2006-07
CONSTRUCT WATER LINE ON SW 21ST STREET/HENSLEY ROAD CONNECTION	20,600	2007-08
UPSIZE 244TH AVENUE WATER LINE	82,400	2007-08
EXTEND WATER LINE ACROSS RAILROAD BETWEEN SPECTRO AND RMAC	51,500	2008-09
CONSTRUCT ZONE II INTERCONNECT TO JACKSON PARK ROAD	51,500	2008-09
UPDATE WATER MASTER PLAN	82,400	2010-11
CONSTRUCT 1.0 MG STANDPIPE AND RELATED FACILITIES	1,200,000	2014-15
SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS	2,019,400	
EXISTING DEBT PRINCIPAL	182,762	THRU 2001-02
GRAND TOTAL	2,202,162	

**WATER SYSTEM DEVELOPMENT CHARGE
ESTIMATE OF HYDRAULIC EQUIVALENTS
PREPARED ON APRIL 24, 2000**

FISCAL YEAR	BEGINNING POPULATION	ENDING POPULATION	INCREASE IN POPULATION	INCREASE IN DWELLINGS		HYDRAULIC EQUIVALENTS			TOTAL
				SINGLE FAMILY	MULTI-FAMILY	SINGLE FAMILY	MULTI-FAMILY	OTHER	
2000-01	13,975	14,100	125	34	8	34	2	2	37
2001-02	14,100	14,791	691	186	47	186	9	2	197
2002-03	14,791	15,207	416	112	28	112	6	2	120
2003-04	15,207	15,635	428	115	29	115	6	2	123
2004-05	15,635	15,962	327	88	22	88	4	2	94
2005-06	15,962	16,016	54	15	4	15	1	2	17
2006-07	16,016	16,416	400	108	27	108	5	2	115
2007-08	16,416	16,829	413	111	28	111	6	2	119
2008-09	16,829	17,250	421	113	28	113	6	2	121
2009-10	17,250	17,587	337	91	23	91	5	2	97
2010-11	17,587	17,692	105	28	7	28	1	2	32
2011-12	17,692	18,117	425	114	29	114	6	2	122
2012-13	18,117	18,552	435	117	29	117	6	2	125
2013-14	18,552	18,998	446	120	30	120	6	2	128
2014-15	18,998	19,150	152	41	10	41	2	2	45
2015-16	19,150	19,150	0	0	0	0	0	0	0
TOTAL			5,175	1,394	348	1,394	70	30	1,494

NOTES

1. ASSUME 80% OF THE POPULATION INCREASE WILL LIVE IN SINGLE FAMILY HOMES AND 20% OF THE POPULATION INCREASE WILL LIVE IN MULTI-FAMILY HOMES.
2. ASSUME 2.97 PERSONS PER HOUSEHOLD.
3. ASSUME ONE HYDRAULIC EQUIVALENT PER SINGLE FAMILY UNIT AND 0.2 HYDRAULIC EQUIVALENTS PER MULTI-FAMILY UNIT.
4. ASSUME COMMERCIAL AND INDUSTRIAL DEMAND EQUALS 2 HYDRAULIC EQUIVALENTS PER YEAR.