

RESOLUTION NO. 1653

A RESOLUTION ADJUSTING THE CAPITAL IMPROVEMENT PLAN FOR SANITARY SEWER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1602.

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. 1602, which is currently in effect, adjusted the capital improvement plan and rate for the sanitary sewer 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 sanitary sewer system, adjusted the cost estimates, and proposed no 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 addition to, facilities or assets used to collect, 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, until projected buildout, 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 and duplex units</i> | 1.00 | <i>Each dwelling unit</i> |
| <i>Tri-plex and larger units, and apartments in conjunction with commercial use</i> | .70 | <i>Each dwelling unit</i> |
| <i>Manufactured or Mobile Home Units</i> | .88 | <i>Each dwelling unit</i> |
| <i>Trailer/RV Parks</i> | 1.00 | <i>For Each Permanent or Separate Caretaker or Other Living Facility</i> |
| | .30 | <i>Per Space</i> |
| COMMERCIAL: | | |
| <i>Cocktail Lounges, Bars, Taverns</i> | .06 | <i>Per Seat</i> |
| <i>Laundromat</i> | 1.52 | <i>Per Washer</i> |
| <i>Motel/Hotel</i> | 1.00 | <i>Per Management Quarters</i> |
| | .36 | <i>Per Each Additional Unit</i> |
| <i>Office</i> | .06 | <i>Per Thousand Square Feet</i> |
| <i>Retail (Dry Goods)</i> | .08 | <i>Per Thousand Square Feet</i> |
| <i>Retail (with wet areas such as grocery, market, etc.)</i> | .18 | <i>Per Thousand Square Feet</i> |
| <i>Pizza Parlors</i> | .09 | <i>Per Seat</i> |
| <i>Restaurants</i> | .12 | <i>Per Seat</i> |
| COMMUNITY SERVICE: | | |
| <i>Churches</i> | .02 | <i>Per Seat</i> |
| <i>Elementary Schools</i> | .06 | <i>Per Occupant</i> |
| <i>Middle and High Schools</i> | .09 | <i>Per Occupant</i> |
| Other | <i>N/A</i> | <i>ERUs assigned based on estimated water consumption</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, 255 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 needed capacity-increasing capital improvements (less cash on hand and anticipated interest income) 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 \$10,062,283, less cash on hand on June 30, 2002 of \$1,061,616, less estimated income from the sale of the existing treatment plant property of \$650,000, less 255 ERU's which are limited to a value of \$172,175, less projected interest earnings of \$250,000, and an estimated remaining increase of 1,807 ERU's, the maximum allowable cost is \$4,391 per ERU. The Council establishes the rate to be charged as \$4,391 per ERU.

Section 5. Effective Date.

The effective date of this Resolution is July 1, 2003.

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.

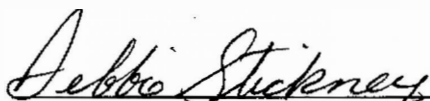
Section 8. Administration.


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

Section 9. Previous Resolution Rescinded.

Resolution No. 1602 is rescinded effective July 1, 2003.

YEAS: 7
NAYS: 0
ABSTAINED: 0


Debbie Stickney, City Recorder


Paul Thalhofer, Mayor
Dated: 5-15-03

Adopted: May 13, 2003

**SANITARY SEWER SYSTEM DEVELOPMENT CHARGE
CAPITAL IMPROVEMENT PLAN
PREPARED ON FEBRUARY 24, 2003**

| PROJECT DESCRIPTION | ESTIMATED COST | FUNDING YEAR |
|---|----------------|--------------|
| UPGRADE HUSKY PUMP STATION | 92,400 | 2004-05 |
| SEWER LINE ON SW 21ST STREET | 23,800 | 2007-08 |
| BASIN "C" COLLECTION SYSTEM UPGRADES | 589,000 | 2009-10 |
| SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS | 705,200 | |
| REMAINING OEDD DEBT PRINCIPAL | 1,305,301 | THRU 2006-07 |
| 39 % OF REMAINING GO BOND DEBT SERVICE | 8,051,782 | THRU 2017-18 |
| GRAND TOTAL | 10,062,283 | |
| NOTES | | |
| SINCE 1.4 MGD OF THE PROPOSED 3.0 MGD NEW PLANT IS ADDITIONAL CAPACITY, THIS RATIO (1.4/3.0 OR 47%) IS THE PORTION OF COSTS ALLOWABLE FOR SDC IMPROVEMENT REVENUE. THE ACTUAL AMOUNT ASSESSED TO SDC'S IS 39% OF THE ANNUAL DEBT SERVICE PAYMENT AS STIPULATED IN THE VOTERS' PAMPHLET. | | |

**SANITARY SEWER SYSTEM DEVELOPMENT CHARGE
ESTIMATE OF EQUIVALENT RESIDENTIAL UNITS (ERU)
PREPARED ON FEBRUARY 24, 2003**

| FISCAL YEAR | SINGLE OR DUPLEX UNITS | TRIPLEX OR LARGER UNITS | SINGLE OR DUPLEX ERU | TRIPLEX OR LARGER ERU | COMMERCIAL ERU | INDUSTRIAL ERU | PRE-PAID ERU RESERVATIONS | TOTAL ERU |
|--------------|------------------------|-------------------------|----------------------|-----------------------|----------------|----------------|---------------------------|--------------|
| 2002-03 | 64 | 78 | 64 | 55 | 22 | 2 | 14 | 129 |
| 2003-04 | 66 | 81 | 66 | 57 | 22 | 2 | 65 | 82 |
| 2004-05 | 68 | 83 | 68 | 58 | 22 | 2 | 14 | 136 |
| 2005-06 | 62 | 76 | 62 | 53 | 22 | 2 | 14 | 125 |
| 2006-07 | 64 | 78 | 64 | 55 | 22 | 2 | 14 | 129 |
| 2007-08 | 65 | 80 | 65 | 56 | 22 | 2 | 14 | 131 |
| 2008-09 | 67 | 82 | 67 | 57 | 22 | 2 | 15 | 133 |
| 2009-10 | 69 | 84 | 69 | 59 | 22 | 3 | 15 | 138 |
| 2010-11 | 68 | 83 | 68 | 58 | 22 | 3 | 15 | 136 |
| 2011-12 | 69 | 85 | 69 | 60 | 22 | 3 | 15 | 139 |
| 2012-13 | 71 | 87 | 71 | 61 | 22 | 3 | 15 | 142 |
| 2013-14 | 73 | 89 | 73 | 62 | 23 | 3 | 15 | 146 |
| 2014-15 | 75 | 91 | 75 | 64 | 23 | 3 | 15 | 150 |
| 2015-16 | 43 | 53 | 43 | 37 | 23 | 3 | 15 | 91 |
| TOTAL | 924 | 1,130 | 924 | 792 | 311 | 35 | 255 | 1,807 |

NOTES

- "SINGLE OR DUPLEX UNITS" AND "TRIPLEX OR LARGER UNITS" BASED ON COMMUNITY DEVELOPMENT DEPARTMENT "FUTURE HOUSING UNITS" REPORT, JULY 2001.
- "SINGLE OR DUPLEX ERU" IS BASED ON 1 EQUIVALENT RESIDENTIAL UNIT PER UNIT.
- "TRIPLEX OR LARGER ERU" IS BASED ON 0.7 EQUIVALENT RESIDENTIAL UNITS PER UNIT.
- "COMMERCIAL ERU " ASSUMES EXISTING RATIO OF 3.97 EQUIVALENT RESIDENTIAL UNITS PER ACRE FOR THE 78.48 UNBUILT COMMERCIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR UNTIL BUILDOUT.
- "INDUSTRIAL ERU" ASSUMES EXISTING RATIO OF 0.14 EQUIVALENT UNITS PER ACRE FOR THE 249.09 UNBUILT INDUSTRIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR UNTIL BUILDOUT.
- UNBUILT COMMERCIAL AND INDUSTRIAL LAND PROVIDED BY COMMUNITY DEVELOPMENT DEPARTMENT MEMORANDUM "BUILDABLE COMMERCIAL AND INDUSTRIAL INVENTORY THROUGH JUNE 30, 2002" DATED JANUARY 27, 2003.
- "PRE-PAID ERU RESERVATIONS" OF 255 ERU TAKEN FROM CHIEF ENGINEER'S REPORT "PREPAID SEWER CREDITS" DATED 11/12/2002 AND ASSUMES THAT 65 ERUS WILL BE USED IN FY 2003-04 AND THE REST WILL BE USED ABOUT EQUALLY FOR EACH YEAR THEREAFTER UNTIL BUILDOUT.