

RESOLUTION NO. 1758

A RESOLUTION ADJUSTING THE CAPITAL IMPROVEMENT PLAN PROJECT LISTING FOR WATER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1693.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. 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.
2. Resolution No. 1693, which is currently in effect, established the current capital improvement plan project listing and rate for the water system development charge.
3. 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.
4. Staff has updated the Capital Improvement Plan Project Listing for the water system, adjusted the cost estimates, and proposed no change to 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 Project Listing 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 and anticipated interest income) 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 \$2,578,000, less cash on hand on June 30, 2004 of \$633,034, less projected interest earnings of \$84,123 and an estimated increase of 1,620 hydraulic equivalents, the maximum allowable cost is \$1,148 per hydraulic equivalent. The Council establishes the rate to be charged as \$1,148 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	\$1,148
1"	1.7	1,952
1 1/2"	3.3	3,788
2"	5.3	6,084
3"	10.0	11,480
4"	16.7	19,172
6"	33.3	38,228
8"	53.3	61,188

Section 5. Effective Date.

The effective date of this resolution is July 1, 2005.

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 Project Listing 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. 1693 is rescinded effective July 1, 2005.

YEAS: 7
 NAYS: 0
 ABSTAINED: 0


 Paul A. Thalhofer, Mayor
 May 25, 2005

 Date


 Debbie Stickney, City Recorder
 Adopted: May 24, 2005

**WATER SYSTEM DEVELOPMENT CHARGE
CAPITAL IMPROVEMENT PLAN PROJECT LISTING
PREPARED ON FEBRUARY 2, 2005**

PROJECT DESCRIPTION	ESTIMATED COST	PERCENT ELIGIBLE FOR SDCS	ESTIMATED SDC FUNDING	FUNDING YEAR
CONSTRUCT ADDITIONAL WELL	648,000	50%	324,000	2005-06
UPSIZE STURGES WATER LINE AND PRV VAULT ON 257TH	189,000	100%	189,000	2005-06
UPSIZE WATER LINE ON COLUMBIA RIVER HIGHWAY	91,000	100%	91,000	2007-08
CONSTRUCT WATER LINE ON SW 21ST STREET	23,000	100%	23,000	2007-08
EXTEND WATER LINE ON 244TH AVENUE	91,000	100%	91,000	2008-09
EXTEND WATER LINE FROM SPECTRO TO RMAC	57,000	100%	57,000	2008-09
CONSTRUCT ZONE II INTERCONNECT TO JACKSON PARK ROAD	57,000	100%	57,000	2009-10
WATER SYSTEM IMPROVEMENTS IN NORTH INDUSTRIAL AREA	325,000	100%	325,000	2009-10
UPDATE THE WATER MASTER PLAN	91,000	100%	91,000	2010-11
CONSTRUCT A 1.0 MG STANDPIPE	1,330,000	100%	1,330,000	2015-16
GRAND TOTAL	2,902,000		2,578,000	
NOTES				
COSTS NOT ELIGIBLE FOR SDC FUNDING WILL BE FUNDED FROM THE WATER FUND.				

**WATER SYSTEM DEVELOPMENT CHARGE
ESTIMATE OF HYDRAULIC EQUIVALENTS (HE)
PREPARED ON FEBRUARY 2, 2005**

FISCAL YEAR	SINGLE OR DUPLEX UNITS	TRIPLEX OR LARGER UNITS	SINGLE OR DUPLEX HE	TRIPLEX OR LARGER HE	COMMERCIAL HE	INDUSTRIAL HE	TOTAL HE
2004-05	106	55	106	11	9	9	135
2005-06	106	55	106	11	9	9	135
2006-07	106	55	106	11	9	9	135
2007-08	106	55	106	11	9	9	135
2008-09	106	55	106	11	9	9	135
2009-10	106	56	106	11	9	9	135
2010-11	106	56	106	11	9	9	135
2011-12	106	56	106	11	9	9	135
2012-13	106	56	106	11	9	9	135
2013-14	106	56	106	11	9	9	135
2014-15	106	56	106	11	9	9	135
2015-16	106	56	106	11	9	9	135
TOTAL	1,272	667	1,272	132	108	108	1,620

NOTES

1. "SINGLE OR DUPLEX UNITS" AND "TRIPLEX OR LARGER UNITS" BASED ON COMMUNITY DEVELOPMENT DEPARTMENT MEMORANDUM "REMAINING RESIDENTIAL CAPACITY" DATED DECEMBER 30, 2004 PROJECTED ABOUT EQUALLY FOR EACH YEAR UNTIL BUILDOUT.
2. "SINGLE OR DUPLEX HE" IS BASED ON 1 HYDRAULIC EQUIVALENT PER UNIT.
3. "TRIPLEX OR LARGER HE" IS BASED ON 0.2 HYDRAULIC EQUIVALENTS PER UNIT.
4. "COMMERCIAL HE " ASSUMES EXISTING RATIO OF 1.40 HYDRAULIC EQUIVALENTS PER ACRE FOR THE 77.25 UNBUILT COMMERCIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR UNTIL BUILDOUT.
5. "INDUSTRIAL HE" ASSUMES EXISTING RATIO OF 0.22 HYDRAULIC EQUIVALENTS PER ACRE FOR THE 514.14 UNBUILT INDUSTRIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR UNTIL BUILDOUT.
6. UNBUILT COMMERCIAL AND INDUSTRIAL LAND PROVIDED BY COMMUNITY DEVELOPMENT DEPARTMENT MEMORANDUM "FY 03-04 BUILDABLE COMMERCIAL AND INDUSTRIAL LANDS INVENTORY" DATED DECEMBER 28, 2004.