

RESOLUTION NO. 1938

A RESOLUTION ADJUSTING THE CAPITAL IMPROVEMENT PLAN PROJECT LISTING FOR SANITARY SEWER SYSTEM DEVELOPMENT CHARGES AND RESCINDING RESOLUTION NO. 1878.

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. 1878, which is currently in effect, established the current capital improvement plan project listing and rate for the sanitary sewer 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 sanitary sewer 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 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.

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.

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 sanitary sewer system, including costs of financing, until projected buildout, as reflected in the Capital Improvement Plan Project Listing provided as Attachment 1, 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 2. 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>	<i>.18</i>	<i>Per Thousand Square Feet</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>Schools</i>	<i>.04</i>	<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, 166 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 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 \$7,335,613, less cash on hand on June 30, 2007 of \$414,566, less 166 ERU's which are limited to a value of \$112,050, less projected interest earnings of \$184,699, and an estimated remaining increase of 1,586 ERU's, the maximum allowable cost is \$4,426 per ERU. The Council establishes the rate to be charged as \$4,426 per ERU.

Section 5. Effective Date.

The effective date of this Resolution is July 1, 2008.

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 Project Listing in Attachment 1, 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. 1878 is rescinded effective July 1, 2008.

YEAS: 7
NAYS: 0
ABSTAINED: 0



Paul A. Thalhofer, Mayor

May 29, 2008

Date



Debbie Stickney, City Recorder

Adopted: May 27, 2008

**SANITARY SEWER SYSTEM DEVELOPMENT CHARGE
CAPITAL IMPROVEMENT PLAN PROJECT LISTING
PREPARED ON MARCH 10, 2008**

PROJECT DESCRIPTION	ESTIMATED COST	PERCENT ELIGIBLE FOR SDCS	ESTIMATED SDC FUNDING	FUNDING YEAR
UPDATE COLLECTION SYSTEM MASTER PLAN	150,000	100%	150,000	2009-10
UPGRADE HUSKY PUMP STATION	211,000	50%	105,500	2009-10
SEWER SYSTEM IMPROVEMENTS IN NORTH INDUSTRIAL AREA	300,000	100%	300,000	2010-11
COLLECTION SYSTEM UPGRADES	672,000	100%	672,000	2011-12
SUBTOTAL, CAPITAL IMPROVEMENT PROJECTS	1,333,000		1,227,500	
GO BOND DEBT SERVICE FY 2007-08	298,833	NA	298,833	2007-08
GO BOND DEBT SERVICE FY 2008-09 THRU FY 2017-18	13,027,895	39%	5,080,879	THRU 2017-18
SDC PORTION OF DEBT PAYMENT PAID FROM PROPERTY TAXES	728,400	100%	728,400	2012-13
SUBTOTAL, DEBT SERVICE	14,055,128		6,108,112	
GRAND TOTAL	15,388,128		7,335,612	

NOTES

1. THE PORTION OF THE UPGRADE TO THE HUSKY PUMP STATION NOT ELIGIBLE FOR SDC FUNDING WILL BE FUNDED FROM THE SEWER FUND.
2. SINCE 1.4 MGD OF THE NEW PLANT'S 3.0 MGD IS ADDITIONAL CAPACITY, THIS RATIO (1.4/3.0 OR 46.7%) IS THE PORTION OF COSTS ALLOWABLE FOR SDC IMPROVEMENT REVENUE. THE ACTUAL AMOUNT ASSESSED TO SDCS IS 39% OF THE ANNUAL DEBT SERVICE PAYMENT AS STIPULATED IN THE VOTERS' PAMPHLET. THE REMAINDER IS PAID FROM THE SEWER FUND (28%) AND PROPERTY TAXES (33%).
3. "SDC PORTION OF DEBT PAYMENT PAID FROM PROPERTY TAXES" IS THE AMOUNT OF ADDITIONAL PROPERTY TAXES USED IN FY 2004-05 THRU FY 2007-08 DUE TO LACK OF SUFFICIENT SDC FUNDS.

**SANITARY SEWER SYSTEM DEVELOPMENT CHARGE
ESTIMATE OF EQUIVALENT RESIDENTIAL UNITS (ERU)
PREPARED ON MARCH 10, 2008**

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
2007-08	14	0	14	0	1	3	0	18
2008-09	46	14	46	10	0	80	0	136
2009-10	85	79	85	55	27	58	23	202
2010-11	86	79	86	55	27	59	23	204
2011-12	86	80	86	56	28	59	23	206
2012-13	86	80	86	56	28	59	23	206
2013-14	86	80	86	56	28	59	23	206
2014-15	86	80	86	56	28	59	25	204
2015-16	86	80	86	56	28	59	25	204
TOTAL	661	572	661	400	195	495	165	1,586

NOTES

- "SINGLE OR DUPLEX UNITS" AND "TRIPLEX OR LARGER UNITS" BASED ON COMMUNITY DEVELOPMENT DEPARTMENT MEMORANDUM "FY 06-07 DWELLING UNIT AND HOUSING CAPACITY YEAR-END REPORT" DATED JULY 26, 2007 AND RICH FAITH'S EMAIL DATED AUGUST 8, 2007. DEVELOPMENT IS PROJECTED ABOUT EQUALLY FOR EACH YEAR AFTER FY 2008-09.
- "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 2.6 EQUIVALENT RESIDENTIAL UNITS PER ACRE FOR THE 74.98 UNBUILT COMMERCIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR AFTER FY 2008-09 UNTIL BUILDOUT BASED ON SPREADSHEET ENTITLED "SDCs & ACREAGE FOR COMMERCIAL/INDUSTRIAL DEVELOPMENT 1996-PRESENT" DATED 6/30/07.
- "INDUSTRIAL ERU" ASSUMES EXISTING RATIO OF 0.9 EQUIVALENT RESIDENTIAL UNITS PER ACRE FOR 549.80 UNBUILT INDUSTRIAL ACRES PROJECTED ABOUT EQUALLY FOR EACH YEAR AFTER FY 2008-09 UNTIL BUILDOUT BASED ON SPREADSHEET ENTITLED "SDCs & ACREAGE FOR COMMERCIAL/INDUSTRIAL DEVELOPMENT 1996-PRESENT" DATED 6/30/07.
- ACREAGE OF UNBUILT COMMERCIAL AND INDUSTRIAL LAND PROVIDED BY COMMUNITY DEVELOPMENT DEPARTMENT MEMORANDUM "COMMERCIAL AND INDUSTRIAL LAND USE INVENTORY FY 06-07" DATED JULY 9, 2007.
- "PRE-PAID ERU RESERVATIONS" OF 165 ERUS TAKEN FROM CIVIL ENGINEER'S REPORT "PREPAID SEWER RESERVATIONS" AS OF 6/30/07 AND ASSUMES THAT THEY WILL BE USED ABOUT EQUALLY FOR EACH YEAR AFTER FY 2008-09.