



## **RESOLUTION 2011-044**

### **A RESOLUTION REPEALING RESOLUTION 2007-058, ADOPTING AN UPDATED STREET UTILITY FEE AND ESTABLISHING A GOAL FOR STREET OPERATING CONDITIONS**

**WHEREAS**, the City has demand for services, particularly street maintenance, maintenance engineering, and lighting, greater than can be adequately funded using the City's current financial resources and revenues; and

**WHEREAS**, the City has the authority to create specific fees for services that the City provides to its residents; and

**WHEREAS**, the City has reviewed a variety of revenue options and believes, as a result of that review, that a street utility fee collected as a part of water and sewer utility billings is an appropriate mechanism to pay the costs associated with the provision of street lights and road maintenance services in the City; and

**WHEREAS**, the principal purpose of street lighting is to produce quick, accurate and comfortable vision at night; and

**WHEREAS**, the principal purpose of road maintenance is to ensure City roads are in proper operating condition; and

**WHEREAS**, these qualities combine to safeguard, facilitate and encourage vehicular and pedestrian traffic; and

**WHEREAS**, good street lighting and road maintenance provides several economic and social benefits to the public, including:

- (a) Reduction in accidents
- (b) Safer and easier pedestrian traffic
- (c) Prevention of crime and aiding police protection
- (d) Facilitation of traffic flow
- (e) Promotion of business and industry
- (f) Promotion of community spirit and growth; and

**WHEREAS**, City residential customers currently pay over 90% of the existing street utility fees.

### **NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:**

**Section 1:** The City establishes a goal to maintain a Pavement Condition Index (PCI) of 80 in the year 2020.

**Section 2:**

(1) It is the intent of this resolution to provide a utility-based funding mechanism to pay for benefits conferred on City residents and businesses by street lights and road maintenance using the authority conferred upon the City by Charter.

(2) The structure of this street utility fee is intended to be a fee for service and not a charge against property. The person responsible for paying the water and sewer utility charges is responsible for paying the street utility fee, which in most cases is the occupant of improved property. Therefore, the fee is not necessarily imposed on the owner of the property and no provision is made herein for making unpaid charges a lien on the owner's property.

(3) The obligation to pay street utility fees arises when a person responsible uses street services. It is presumed that street services are used whenever there is an improved occupied premise.

(4) Unless another person responsible has agreed in writing to pay and a copy of that writing is filed with the City, the person(s) paying the water and/or sewer utility charges shall pay the street utility fee. A request for water or sewer service will automatically initiate appropriate billing for street lighting services. If there is no water or sewer service to the property or if water and sewer service is discontinued, the street utility fees shall be paid by the person(s) occupying the property.

(5) Street utility fees shall be collected on the same billing cycle as City water charges. Charges for the street utility fee shall be included on the utility billing sent to City water customers.

(6) All street utility fees shall be placed in the street fund and shall be used for the installation, maintenance, engineering, administration and operation of street lights and for road maintenance activities.

**Section 3:**

(1) The street utility fee established in Resolution 2007-058 is hereby continued, but shall be established at a level sufficient to maintain a PCI goal level of 80 by the year 2020 in accordance with the annual budget process as set out in Section 4 below.

(2) The street utility fee collection shall be administered based on the following:

- Single family residential customers will be charged for one account for each residence.
- Multi-family accounts will be charged based on total number of Equivalent Dwelling Units (EDU) per account.
- Non-residential accounts will be charged based on the total number of Equivalent Service Units (ESU) per account.

**Section 4:**

(1) The street utility fee shall be indexed to rise at a rate equal to the Oregon Department of Transportation (ODOT) four quarter moving average construction cost index or by the Seattle, WA ENR Construction Cost Index if ODOT does not produce the index in a timely manner.

(2) The amount of the street utility fee shall be included in and adopted as part of the annual schedule of fees adopted by the City Council, with opportunity for public comment as required by ORS 294.160.

**Section 5:** Resolution 2007-058: A RESOLUTION ADOPTING A STREET UTILITY FEE AND ESTABLISHING RATES FOR RESIDENTIAL AND NON-RESIDENTIAL USES is repealed as of the effective date of the new street utility fee set out in Section 6 below.

**Section 6.** This Resolution shall take effect immediately upon its adoption by the City Council. The updated street utility fee established herein shall be effective July 1, 2011 in conjunction with the effective date of the City FY 2011-12 budget and adopted fee schedule for the City.

**Duly passed by the City Council this 17<sup>th</sup> day of May 2011.**

  
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Keith S. Mays, Mayor

Attest:

  
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Sylvia Murphy, CMC, City Recorder