

CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 10-57

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 50 (SW CANTERBURY LANE).

WHEREAS, the City has initiated the Citywide Sanitary Sewer Extension Program to extend public sewers and recover costs through reimbursement districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 50 (SW Canterbury lane) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the reimbursement district, the estimated costs, a method for spreading the cost among the parcels within the district, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a reimbursement district as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

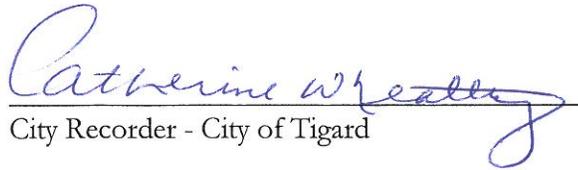
- SECTION 1: The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 50," attached hereto as Exhibit A, is hereby approved.
- SECTION 2: A reimbursement district is hereby established in accordance with TMC Chapter 13.09. The district shall be the area shown and described in Exhibit B. The district shall be known as "Sanitary Sewer Reimbursement District No. 50."
- SECTION 3: Payment of the reimbursement fee, as shown in Exhibit A, is a precondition of receiving City permits applicable to development of each parcel within the reimbursement district as provided for in TMC 13.09.110.
- SECTION 4: An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the reimbursement fee.
- SECTION 5: The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.
- SECTION 6: This resolution is effective immediately upon passage.

PASSED: This 9th day of November 2010.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard

Exhibit A
City Engineer's Report
Sanitary Sewer Reimbursement District No. 50
(SW Canterbury Lane)

Background

This project will be constructed and funded under the Citywide Sanitary Sewer Extension Program. Under the program, the City of Tigard installs public sewers to each lot within an established reimbursement district. At the time of connecting to the public sewer, the property owner:

- Pays a connection and inspection fee, currently \$4,135.
- Reimburses the City for the owner's share of the sewer installation.
- Assumes responsibility for any plumbing modifications necessary to connect to the public sewer.
- Assumes responsibility for disconnecting the owner's existing septic system in accordance with Washington County regulations.

There is no requirement to connect to the sewer or pay any fee until connection is made.

Project Area - Zone of Benefit

Serving the two lots in the following table will require extending an existing sewer in SW Inez Street. No further extension of this line will be required. The surrounding area is completely served with sewer.

The owner of 10380 SW Canterbury Lane is requesting sewer service to accommodate a proposed addition to his home. The City is the owner of the adjacent lot at 10310 SW Canterbury Lane. This lot is a City park and the site of the John Tigard House managed by the Tigard Area Historical and Preservation Association. The association has expressed an interest in constructing a restroom to the south of the house. The proposed sewer would provide service to this restroom.

The proposed project would provide sewer service to a total of two lots within the proposed reimbursement district as shown on Exhibit B to the proposed resolution.

Cost

The estimated construction cost to provide sanitary sewer service to the two lots is \$110,716. Engineering and inspection fees amount to \$14,947 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$125,663. This is the estimated amount that would be reimbursed to the sanitary sewer fund as property owners connect to the sewer and pay their share of the project costs. However, the actual amount each property owner pays may be affected by the owner's participation in the City's early connection incentive program.

In addition to sharing the cost of the public sewer, each property owner will be required to pay a connection and inspection fee, currently \$4,135, upon connection to the public line.

All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

The two lots are dissimilar but are receiving the same benefit. Therefore, it is recommended that the total cost of the project be divided equally between the two properties.

Other reimbursement methods include dividing the cost proportional to lot area or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer is \$62,831. In accordance with Resolution No. 01-46, owners who complete their connection within three years of City Council approval of the final City Engineer's Report are eligible for incentives. Under these incentives, each owner's share would be limited to \$6,000, to the extent that this share does not exceed \$15,000. In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55.

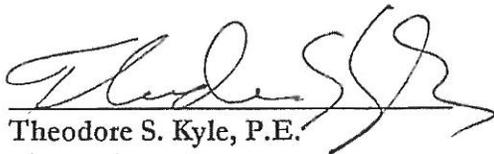
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's share of the public sewer costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the public sewer would no longer be required to pay the reimbursement fee.

Submitted October 26, 2010


Theodore S. Kyle, P.E.
City Engineer

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CANTERBURY LANE
FY 2010-11 Sanitary Sewer Extension Program

Estimated Cost to Property Owners

Monday, October 18, 2010

	Owner	Site Address	Tax Lot ID	Estimated Reimbursement Fee	Amount to be Paid by Owner	Amount to be Paid by City	Amount that can be Deferred by Owner
1	Miller, Paul E & Judith A	10380 SE Canterbury Ln	2S111BC02700	\$ 62,831	\$ 53,831	\$ 9,000	\$ 47,831
2	City of Tigard	10310 SW Canterbury Ln	2S111BC02603	\$ 62,831	\$ 53,831	\$ 9,000	\$ 47,831
Totals				\$ 125,663	\$ 107,663	\$ 18,000	\$ 95,663

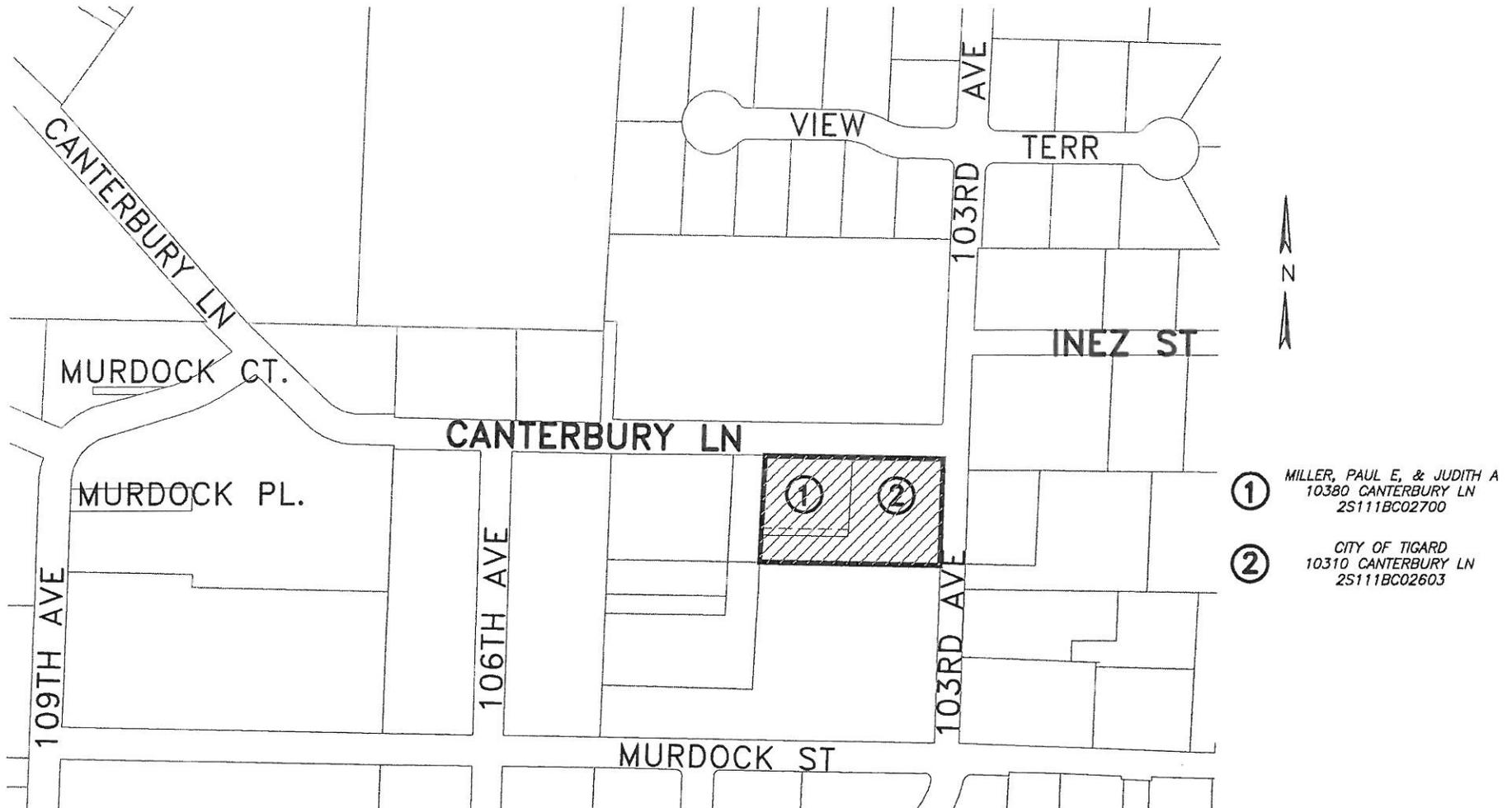
The "ESTIMATED REIMBURSEMENT FEE" column shows the estimated reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

In addition to the reimbursement fee, the owners will also be required to pay a connection fee, currently \$4,135 at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

CANTERBURY LANE-REIMBURSEMENT DIST NO. 50
FY 2010-11 SANITARY SEWER EXTENSION PROGRAM
A PORTION OF THE NW 1/4 SECTION 11 T2S R1W W.M.



NOTE:

All properties in the reimbursement district are zoned R3.5

EXHIBIT B
NTS