

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF  
A SYSTEMS DEVELOPMENT CHARGE FOR EXPANSION  
OF THE WASTEWATER TREATMENT AND EFFLUENT DISPOSAL SYSTEM;  
REPEAL OF RESOLUTION NO. 87-8, AND DECLARING AN EMERGENCY

WHEREAS, the LaPine Special Sewer District has completed a preliminary feasibility study for the planning and design of a line and capacity expansion to its Wastewater Treatment and Effluent Disposal System; and

WHEREAS, the District has adopted Ordinance No. 01-4, an ordinance authorizing the establishment and provisions governing the development and use for system development charges for sewer; and

WHEREAS, District Engineer HGE, Inc., Architects, Engineers, Surveyors & Planners (HGE, Inc.) has developed a Wastewater System Master Plan (2000), a Wastewater System Methodology Summary (2000), a Wastewater System Master Plan (2002), and a Wastewater System Methodology Summary (2002), attached respectively as Exhibits 1 through 4 and incorporated herein; and

WHEREAS, capacity has been reserved for existing dwellings in the District that do not currently have access to sewer service from the District, but lines from those dwellings to the existing system must be constructed prior to connection; and

WHEREAS, the District's existing Wastewater Treatment and Effluent Disposal System does not have lines constructed, or treatment and disposal capacity available to address new growth within the District; and

WHEREAS, the District wishes to impose the full cost of proposed capital improvements on new development based on a 2005 planning horizon for growth; and

WHEREAS, the District must adopt a methodology in order to impose or modify an improvement fee pursuant to its ordinance.

NOW, THEREFORE, be it resolved by the District Board of the LaPine Special Sewer District, as follows:

Section 1. Systems Development Charge (SDC). The Wastewater System Master Plan (2000) identifies \$2,856,000

of improvements which must be made to the District's Wastewater Treatment and Effluent Disposal System in order to meet anticipated growth demands by the year 2020. The Wastewater System Master Plan (2002) and Methodology Summary (2002) identifies \$1,053,000 as the total capital cost for new investment needed for short term interim needs by the year 2005.

Growth projections within the Wastewater Master Plan (2002), based upon a 3% growth rate, estimate a residential population of 7,673 needing to be served by the District by the year 2020. For purposes of estimating growth for an expanding service area and various classes of customers, the District has calculated this growth projection in terms of equivalent dwelling units (EDUs). An EDU is defined as the quantity of wastewater produced by an average residential dwelling unit during the non-irrigation season. HGE, Inc. has calculated that this anticipated growth will create 2,759 additional EDUs within the District by the year 2020. For the more immediate future, HGE, Inc. has calculated a capacity need to serve 1242 EDUs by the year 2005. HGE, Inc. estimates the number of EDUs in the year 2002 at 942. Therefore, the expected increase in the number of EDUs between the years 2002 and 2005 equals 300.

Section 2. Establishment of Sewer System Improvement Fee.

A. Existing Dwellings. To compensate the District for the cost of extending lines to dwellings for which system capacity has been reserved, the following formula for a systems development charge improvement fee per EDU, based upon 2020 projections, will be used:

$$\begin{aligned} & \text{Planned Capacity Increasing Project Costs} \\ & \div \text{Projected Growth Expressed in EDUs} \\ & = \text{Charge} + \text{Service-Related Costs} = \text{SDC per EDU} \end{aligned}$$

$$\$2,856,000 \div 2,759 \text{ EDUs} = \$1,035 + \$300 = \$1,335 \text{ per EDU}$$

B. New Development. To compensate the District for increased system capacity capital costs and the cost of extending lines, the following formula for a system development charge improvement fee per new development EDU, based upon 2005 projections will be used:

$$\begin{aligned} & \text{Interim Plan Opinion of Probable Costs} \\ & \div \text{Three Year Growth Expressed in EDUs} \\ & = \text{Charge} + \text{Service-Related Costs} = \text{SDC per EDU} \end{aligned}$$

$\$1,053,000 \div 300 \text{ EDUs} = \$3,510 + \$300 = \$3,810 \text{ per}$   
New Development EDU

Section 3. Collection of Charge. The Sewer Systems Development Charges as calculated above are payable upon the issuance of a permit to connect to the sewer system or at the time the usage of the improvement is increased.

Section 4.

A. Qualified Public Improvement Credit. Where a "qualified public improvement", as defined in Ordinance No.01-4, is constructed by a sewer connection applicant (Applicant), the District shall grant a credit against any and all applicable improvement charges which would otherwise be owed by the Applicant. The amount of the credit shall be determined by the District Engineer. The credit shall be only for the improvement fee charged for the type of improvement being constructed, and credit for the qualified public improvement may be granted only for the cost of that portion of such improvement that exceeds the District's minimum standard facility size or capacity needed to serve the particular development project or property. The Applicant shall have the burden of demonstrating that a particular improvement qualifies for credit under this section of this resolution, pursuant to ORS 223.304 and Ordinance No. 01-4.

B. When the construction of a qualified public improvement gives rise to a credit amount greater than the improvement fee that would otherwise be levied against the project receiving development approval, the excess credit may be applied against improvement fees that accrue in subsequent phases of the original development project. This subsection shall not prohibit the District from providing a greater credit, or from establishing a system providing for the transferability of credit, or from providing a credit for a capital improvement not identified in the District Capital Facilities Plan, adopted pursuant to Ordinance No.01-4, or from providing a share of the costs of such improvement by other means, if the District so designates by resolution.

Section 5. Repeal. Resolution No. 87-8 is hereby repealed.

Section 6. Emergency Clause. It is hereby adjudged and declared that existing conditions are such that this Resolution is necessary for the immediate preservation of the public peace, health, and safety of the LaPine Special Sewer District, and an emergency is hereby declared to exist and this Resolution, and all provisions modifying the Resolutions referred to herein, shall take effect in full force and effect when signed by the Board President.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2002, by action of the Board of Commissioners.

LAPINE SPECIAL SEWER DISTRICT  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
President

ATTESTED:

Secretary