



# AGENDA

## CLEAN WATER SERVICES BOARD OF DIRECTORS

<b>Date:</b>	May 16, 2023	
<b>Agenda Category:</b>	Public Hearing	CPO 1
<b>Agenda Title:</b>	Hold Public Hearing and Adopt a Resolution and Order Modifying Reimbursement Resolution and Order 21-7 and Establishing the Final Reimbursement Charge for the NW Cornell Road at NW 107th Avenue Sanitary Sewer Reimbursement District Project No. 6974	
<b>Presented by:</b>	Joe Gall, Chief Utility Relations Officer (ajb)	

### REQUESTED ACTION

After considering the testimony received, adopt the attached Resolution and Order establishing the final reimbursement charges for the NW Cornell Road at NW 107<sup>th</sup> Avenue Sanitary Sewer Reimbursement District (Reimbursement District).

### SUMMARY

In accordance with Clean Water Services (CWS) Ordinance 43, the CWS Board of Directors (Board) formed the Reimbursement District on March 16, 2021, by Resolution and Order No. 21-7. The Reimbursement District identifies benefited properties, sets a reimbursement methodology, and assigns Reimbursement District charges based on estimated project costs. This Reimbursement District was formed before construction of the NW Cornell Road at NW 107<sup>th</sup> Avenue Sanitary Sewer Project No. 6974 (Project) and Reimbursement District charges were assigned based on estimated Project costs.

According to Ordinance 43, when a reimbursement district is formed based on estimated costs, a second public hearing will be held after the improvements have been constructed. At the time of the second public hearing, reimbursement district charges may be modified to reflect the actual costs of the project.

The attached Final Engineering Study and Assessment Report includes detailed actual Project costs as well as recommended modifications to the outstanding Reimbursement District charge.

### ADDITIONAL INFORMATION

**Community Feedback:** CWS provided notice of sewer availability to the specially benefited owners on July 21, 2022. CWS mailed copies of the Final Engineering Study and Assessment Report and the public hearing notice required by Ordinance 43 to the affected owners in the Reimbursement District and published the notice in The Oregonian.

### Legal History/Prior Board Action

- July 28, 2020: Adopted intergovernmental agreement with Washington County to construct the Project by Minute Order 20-48.

- February 2, 2021: Adopted Ordinance 43, which revised governance for reimbursement districts.
- March 16, 2021: Accepted the Preliminary Engineering Study and Assessment Report and formed the NW Cornell Road at NW 107<sup>th</sup> Avenue Sanitary Sewer Reimbursement District by Resolution and Order 21-7.

### **BUDGET IMPACT**

Establish reimbursement charges for 15 properties in the amount of \$799,990 to be paid to CWS upon connection to public sewer.

Budget account: 108.000.0000.46000

**Attachments:** Resolution and Order  
Final Engineering Study and Assessment Report

**BEFORE THE BOARD OF DIRECTORS OF CLEAN WATER SERVICES**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

In the Matter of Establishing the Final )  
Reimbursement Charge for the NW Cornell )  
Road at NW 107<sup>th</sup> Ave Sanitary Sewer )  
Reimbursement District Project No.6974 )  
)  
)

RESOLUTION AND ORDER

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

The above-entitled matter came before the Board of Directors for Clean Water Services (Board) at its regular meeting May 16, 2023; and

It appearing to the Board that the NW Cornell Road at NW 107<sup>th</sup> Avenue Sanitary Sewer Reimbursement District (Reimbursement District) was established on March 16, 2021, by Resolution and Order 21-7 (R&O 21-7) in accordance with Ordinance 43; and

It appearing to the Board that in accordance with Ordinance 43, Clean Water Services (CWS) staff has prepared a Final Engineering Study and Assessment Report for the project attached to this Resolution and Order as Attachment 1 (Report). Exhibits A and B are attached to the Report. Exhibit A includes a map of the area, the general location of the sanitary sewer facilities constructed to provide service, and a depiction of the specially benefited properties subject to reimbursement charges; Exhibit B documents the final cost of the project, recommended apportionment of the final costs to each of the specially benefited (as defined in Ordinance 43) lots and the owners; and

It appearing to the Board that CWS R&O 21-7 established the Reimbursement District to reimburse CWS for the cost of improvements to the sanitary sewer system that services the area depicted in Exhibit A, which would be of specific benefit to the properties within that area; and

It appearing to the Board that CWS constructed the project in two phases, both of which are now complete; and

//  
//

1 It appearing to the Board that CWS as the Developing Party has incurred costs for  
2 survey, engineering, easement acquisition, and construction of \$1,287,447, of which \$949,990  
3 directly resulted in the completion of the Qualified Project (as defined in Ordinance 43). The  
4 extraordinary costs of the Qualified Project are \$150,000. Reimbursement is sought for  
5 \$799,990; and

6 It appearing to the Board that in accordance with the provisions of Ordinance 43, early  
7 connection incentives are eligible to properties that connect to the sanitary sewer system  
8 within one year of sewer availability, or if the lot is vacant, commits to commencing payments.  
9 CWS is providing up to \$144,889 in incentives if properties met the eligibility for full incentives  
10 as shown in Exhibit B.

11 The Board being fully advised, it is, therefore,

12 RESOLVED AND ORDERED that CWS as the Developing Party incurred costs for which  
13 reimbursement is sought, which include construction, survey, permitting, and engineering costs  
14 for the portion of the work that directly resulted in the completion of the Qualified Project.

15 RESOLVED AND ORDERED that in accordance with the provisions of Ordinance 43 CWS  
16 seeks reimbursement of \$799,990 from Specially Benefiting Properties; and it is further

17 RESOLVED AND ORDERED that Reimbursement Resolution and Order No. 21-7 is  
18 modified to reflect the actual costs for the Qualified Project (as defined in Ordinance 43); and it  
19 is further

20 RESOLVED AND ORDERED that the method and manner of financing the facilities will be  
21 by reimbursement at the time of connection of each parcel of real property within the  
22 Reimbursement District, based on the modified front footage method, which is reasonably  
23 calculated to reflect the special benefit received by each parcel from the improvements; and it  
24 is further

25 //

26 //

1 RESOLVED AND ORDERED that lots having greater than 100 linear feet of Cornell Road  
2 frontage will be subject to an initial Reimbursement Charge equal to that of a lot with  
3 100 linear feet of frontage upon connection of a single residential structure to the sewer, with  
4 the option to defer the balance of the Reimbursement Charge until partitioning, subdividing, or  
5 additional connection activity, at which time the amount of deferred Reimbursement Charge  
6 and accumulated interest will become immediately payable; and it is further

7 RESOLVED AND ORDERED that lots having less than 50 linear feet of Cornell Road  
8 frontage will be subject to a minimum Reimbursement Charge equal to that of a lot with  
9 50 linear feet of Cornell Road frontage upon connection; and it is further

10 RESOLVED AND ORDERED that specially benefited properties that connect to the  
11 Qualified Project within one year of the date of sewer eligibility, which was established as June  
12 21, 2022, will be credited with an early connection incentive as shown in Exhibit B to the  
13 Report, the amount of which will be prorated if less than the full frontage is paid or financed;  
14 and it is further

15 RESOLVED AND ORDERED that the final modified per front footage Reimbursement  
16 Charge is shown in Exhibit B to the Report; and it is further

17 RESOLVED AND ORDERED that the annual percentage rate multiplier to be applied will  
18 be set at 0.92 percent; and it is further

19 RESOLVED AND ORDERED that, upon entering an eligible finance agreement for costs  
20 associated with connection of the specially benefited property, the interest rate will include an  
21 additional 2 percent administrative fee and is set at 2.92 percent per annum; and it is further

22 RESOLVED AND ORDERED that the County Recorder will record this Resolution and  
23 Order as an instrument obligating the property owners of the Specially Benefited Properties to  
24 the Reimbursement Charge at such time that the owner seeks a permit to connect to the  
25 sewer; and it is further

26 //

1 RESOLVED AND ORDERED that upon receipt of a Reimbursement Charge or portion  
2 thereof, CWS will cause a record to be made of the property for which such payment is  
3 received; and it is further

4 RESOLVED AND ORDERED that collection and administration of the Reimbursement  
5 Charge by CWS will conform in all respects to Ordinance 43; and it is further

6 RESOLVED AND ORDERED that the owner of a benefited property subject to a  
7 Reimbursement Charge may apply for apportionment of the Reimbursement Charge in  
8 accordance with CWS procedures upon payment of a nonrefundable fee in the amount of  
9 \$550 per lot.

10 DATED this 16th day of May, 2023.

11 Clean Water Services  
12 By its Board of Directors

13  
14 \_\_\_\_\_  
15 Chair

16 \_\_\_\_\_  
17 Recording Secretary