

**Agenda Category:** Public Hearing CPO 1

**Agenda Title:** **HOLD PUBLIC HEARING AND ADOPT RESOLUTION AND ORDER TO FORM THE NW CORNELL ROAD AT NW 107TH AVENUE REIMBURSEMENT DISTRICT PROJECT NO. 6974**

**Presented by:** Nora Curtis, Utility Operations & Services Managing Director (ajb)

**SUMMARY**

The NW Cornell Road at NW 107th Avenue Reimbursement District Project No. 6974 (Project) will extend sanitary sewer to provide service for 15 tax lots along NW Cornell Road between NW 113th Avenue and NW 107th Avenue. The area is within the Cedar Mill Community Planning Area and within the City of Beaverton Urban Planning Area. Clean Water Services (District) has coordinated future sewer ownership and maintenance with the City of Beaverton. Work on the project will include constructing approximately 1,750 linear feet of new 8-inch diameter sewer pipe and nine new manholes in two phases.

Phase 1 includes extending 340 linear feet of 8-inch sewer from an existing manhole located in an easement on a residential property north of a Cedar Mill Creek tributary southward to the Cornell Road right-of-way. District crews will use horizontal directional drilling in this phase. District will coordinate with Washington County (County) on Phase 2. District entered into an intergovernmental agreement (IGA) with County in July 2020 to construct the Project under the same contract as the County's NW Cornell Road-NW 102nd Avenue to NW 113th Avenue roadway improvement project (County Project). Phase 2 includes installing approximately 1,150 linear feet of sewer main along NW Cornell Road and two 8-inch diameter sewers crossing to the south side of Cornell for future extensions.

**Attachments:**

- Resolution and Order
- Attachment 1: Engineering Report

(continued)

**REQUESTED ACTION**

Hold a public hearing for the NW Cornell Road at NW 107th Avenue Reimbursement District and, after considering any testimony received, adopt the attached Resolution and Order to form the NW Cornell Road at NW 107th Avenue Reimbursement District.

CWS RO-21-7

Agenda Item No.	<b>5.a.</b>
Date:	03/16/21

**HOLD PUBLIC HEARING AND ADOPT RESOLUTION AND ORDER TO FORM THE NW CORNELL ROAD AT NW 107TH AVENUE RD PROJECT NO. 6974  
03/16/21**

The Project is being initiated now to minimize overall cost and impact to the neighborhood and community. Constructing the sewer as an independent project later would result in costly reconstruction of new transportation infrastructure.

Because the new sewer in the Cornell Road right-of-way results in a special benefit to the adjacent unsewered properties, the property owners will ultimately bear the cost of the improvements through a Reimbursement District (RD). Phase 1 is considered off-site and will constitute the District's cost share of the Project.

District is holding a public hearing in conformance with RD Ordinance 43. The associated Resolution and Order and accompanying Engineering Report identify the specially benefited properties, form the RD, establish estimated reimbursement charges, and set the Project interest rate.

**ADDITIONAL INFORMATION**

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**Community Feedback:** District informed residents of the upcoming Project at a neighborhood meeting in September 2018. Property owners provided feedback, which was incorporated into RD Ordinance 43. District mailed information to property owners in January and February 2021. Due to the ongoing impacts from COVID-19, District was unable to offer additional in-person meetings for the property owners. Instead, District provided an informational web site and Project-specific email address for owners to learn more about the Project, the proposed RD, and this public hearing. In accordance with Ordinance 43, District provided the Engineering Report to all owners, notified them of the public hearing and provided instructions for submitting testimony. Two owners contacted District asking clarifying questions about the distribution of costs. One of those owners felt that given the potential for additional houses on the benefited properties, the cost to connect one existing residential structure was too high and proposed alternatives to defer more of the cost until later development. The District's original proposal remains as staff recommendation and is included in the Engineering Report.

**Legal History/Prior Board Action:**

- District's Board of Directors (Board) approved an IGA with Washington County to construct a sanitary sewer system by Minute Order 20-48 on July 28, 2020.
- Board approved an IGA with Washington County for a sewer easement on county property on Phase 1 of the Project in exchange for District revegetation services on the County Project stormwater management facility by Minute Order 20-49 on July 28, 2020.
- Board adopted Ordinance 43 establishing the regulations for RDs on February 2, 2021.

**Budget Impact:** This is a multiyear Project. The Project has \$600,000 budgeted in Fiscal Year 2020-21. Construction will take place in FY21-22. The funding necessary to construct Phase 1 and meet the terms of the County IGA for Phase 2 will be requested in the 2021-22 budget.

Budget account: 108.000.0000.52240

BEFORE THE BOARD OF DIRECTORS OF CLEAN WATER SERVICES

1 In the Matter of Establishing the )  
2 NW Cornell Road at NW 107th Avenue )  
3 Reimbursement District; Directing Staff to )  
4 Make Improvements in Accordance with )  
5 Ordinance 43. )

RESOLUTION AND ORDER  
NO. 21-7

6 The above-entitled matter came before the Board of Directors (Board) of Clean Water  
7 Services (District) at its regular meeting of March 16, 2021; and

8 It appearing to the Board that District has requested the formation of a Reimbursement  
9 District to reimburse the cost of improvements to the sanitary sewer system that serves the  
10 area described in Exhibit A of Attachment 1, which would be of specific benefit to the  
11 properties within that area; and;

12 It appearing to the Board that the proposed improvements meet the requirements of a  
13 Qualified Project under Ordinance 43; and

14 It appearing to the Board that pursuant to Ordinance 43, a properly noticed public  
15 hearing was set for March 16, 2021, to hear testimony on formation of the Reimbursement  
16 District; and

17 It appearing to the Board that in accordance with Ordinance 43, District staff prepared  
18 an Engineering Report for the project attached to this Resolution and Order as Attachment 1  
19 (Report) with Exhibits A and B. Exhibit A is a map of the project area. Exhibit B describes the  
20 estimated cost of the project and the estimated Reimbursement Charge for each specially  
21 benefited property.

22 The Board being fully advised; it is therefore

23 RESOLVED AND ORDERED that District establish the NW Cornell Road at NW 107th  
24 Avenue Reimbursement District in the area described in Exhibit A of the Engineering Report;  
25 and it is further  
26

1 RESOLVED AND ORDERED that District is authorized and directed to make  
2 improvements for the NW Cornell Road at NW 107th Avenue Reimbursement District,  
3 consistent with the approved Report; and it is further

4 RESOLVED AND ORDERED that District as the Developing Party has incurred and will  
5 incur Qualifying Project costs of \$1,041,584. Excess costs are estimated to be \$302,799.  
6 Reimbursement is sought for construction and engineering costs for the portion of the work  
7 that will directly result in Eligible Costs, estimated to be \$738,785; and it is further

8 RESOLVED AND ORDERED that the proposed method and manner of financing the  
9 facilities will be by reimbursement at the time each parcel of real property within the  
10 Reimbursement District connects to the sewer, based on the modified front footage proration  
11 method shown in Exhibit B to the Report, which method is reasonably calculated to reflect the  
12 special benefit received by each parcel from the improvements; and it is further

13 RESOLVED AND ORDERED that the Board will hold a Public Hearing after the  
14 improvements have been accepted by the District, and at that time, may modify the  
15 Reimbursement Resolution and Order to reflect the actual cost for the Qualified Project; and it  
16 is further

17 RESOLVED AND ORDERED that the annual percentage rate multiplier will be set at  
18 0.92 percent and will be applied from the adoption of the Resolution and Order accepting final  
19 project costs and Reimbursement Charges until time of connection; and it is further

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

23 RESOLVED AND ORDERED that lots having greater than 100 linear feet of Cornell Road  
24 frontage will be subject to an initial Reimbursement Charge equal to that of a lot with 100 feet  
25 of frontage upon connection of a single residential structure to the sewer, with the balance of  
26 the Reimbursement Charge deferred until partitioning, subdividing or additional connection

1 activity, at which time the amount of deferred Reimbursement Charge and accumulated  
2 interest will become immediately payable; and it is further

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

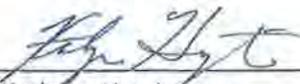
6 RESOLVED AND ORDERED that the County Recorder will record this Resolution and  
7 Order as an instrument obligating the property owners of the Specially Benefitted Properties to  
8 the Reimbursement Charge at such time that the owner seeks a permit to connect to the  
9 sewer; and it is further

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

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

15 RESOLVED AND ORDERED that the owner of a benefited property subject to a  
16 Reimbursement Charge may apply for apportionment of the Reimbursement Charge in  
17 accordance with District procedures upon payment of a nonrefundable fee in the amount of  
18 \$500 per lot.

19 DATED this 16th day of March, 2021.

	<b>AYE</b>	<b>NAY</b>	<b>ABSENT</b>	<b>CLEAN WATER SERVICES</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	By its Board of Directors
<b>HARRINGTON</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>FAI</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>TREECE</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>ROGERS</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Chair Kathryn Harrington
<b>WILLEY</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
				Recording Secretary