

**SW BULL MOUNTAIN ROAD (NEMARNIK-ROSHAK)**  
**SANITARY SEWER REIMBURSEMENT DISTRICT**

**FINAL ENGINEERING REPORT FOR PROJECT No. 7251**

**June 24, 2025**

**Background**

In November 2021, Clean Water Services (CWS) received a petition requesting the formation of a Local Improvement District (LID) to provide sewer service for five properties on Bull Mountain Road identified as Washington County map and Tax Lot ID (TLID) 2S108BA00500 (property #1), 2S108AB01500 (property #2), 2S108AB01501 (property #3), 2S108AB01502 (property #4), and 2S108AC05800 (property #5), as shown in Exhibit A. The petition was signed by the owners of three of the five properties without current access to a public sewer.

On December 9, 2021, CWS staff met with property owners in an online virtual neighborhood meeting. Two owners attended the meeting and expressed continued interest in proceeding with a study to obtain cost estimates. On February 25, 2022, staff followed up with written materials to further explain the LID program and outline the benefits to the property owners. On May 24, 2022, the CWS Board of Directors (Board) adopted Minute Order (MO) 22-19 directing staff to prepare a Preliminary Engineering Study and Assessment Report for the possible formation of the SW Bull Mountain Road (Nemarnik-Roshak) Sanitary Sewer Local Improvement District.

In September 2022, preliminary engineering was conducted to determine alternative sewer alignments. A key factor differentiating alternatives was TLID 2S108AC05800 (Property #5), as the proposed project sewer depth was driven by this property. Although under separate business ownership, this property is controlled by the same individual owning the adjacent downhill lot to the south, TLID 2S108AC01300 (Property #7), and the property uphill to the east, TLID 2S108AC05900 (Property #6), as shown in Exhibit A. The owner of properties 5, 6 & 7 signed the petition requesting consideration of an LID. Following the alternatives analysis, the owner chose to provide service to Property #5 from the sewer they constructed in 1994 and withdrew from the LID. The revised LID boundary eliminates property #5 and reduces the number of benefited properties to four.

In June 2023, due to the split support for an LID, staff recommended that this project be constructed as a Reimbursement District (RD) instead of an LID. The notable differences are:

- An RD does not have a time requirement to connect.
- An RD does not result in a lien on the property, but rather a recorded notice that the property is subject to a reimbursement charge at the time of connection.
- A vote of the property owners is not required for the Board to form an RD.

On June 27, 2023, the Board held a public hearing and adopted CWS Resolution and Order 23-10 forming the RD to provide sewer service for four properties, Property #1, Property #2, Property #3, and Property #4 on Bull Mountain Road and establish preliminary reimbursement charges. The RD boundary and proposed infrastructure are depicted in Exhibit B.

The boundary defining the specially benefited properties (District) includes four lots encompassing 2.00 acres along SW Bull Mountain Road between Newmarnik Street and Roshak Road.

### **Level of Support from Benefiting Property Owners**

Two of the four property owners in the RD previously signed the LID petition. CWS received no response from the two other property owners.

### **Nature of the Service Facilities**

The RD project entailed the construction of 548 linear feet of 8-inch gravity sanitary sewer main, 4 manholes, 4 service laterals, pavement restoration, and miscellaneous appurtenances. Of the 548 linear feet of sewer, 309 linear feet were constructed from the current sewer terminus eastward to the 90-degree bend in Bull Mountain Road at Nemarnik Drive and would not directly serve any customers. This portion of sewer is considered off-site. The remaining 239-linear-foot extension north from Nemarnik Drive serves all four properties in the RD and is considered onsite.

### **Total Project Cost**

The total project cost for the SW Bull Mountain Rd Sanitary Extension Project No. 7251, providing sewer service to the properties within the District, is \$386,260. The original estimated total was \$349,440. The roughly 10 percent increase is mainly due to an unforeseen underground utility and was applied to the off-site portion of the project. The final infrastructure is shown on the attached Exhibit C. The detailed cost breakdown is shown on the attached Exhibit D.

### **CWS Cost Share**

The four property owners in the District will be responsible for project costs associated with onsite sewer, which is considered the Qualifying Project as defined in Ordinance 43.

Total Project Cost	Off-Site Project Costs	Onsite Project Costs
	CWS Responsibility	Property Owners' Responsibility
\$386,260	\$200,099	\$186,162

CWS provides an incentive for properties that connect to the new sewer within one year of project completion by waiving engineering and administration costs. If all four property owners take advantage of this incentive, CWS would contribute an additional \$35,857, dropping the onsite costs and the property owners' responsibility total to \$150,305.

### **Proposed Method of Cost Distribution**

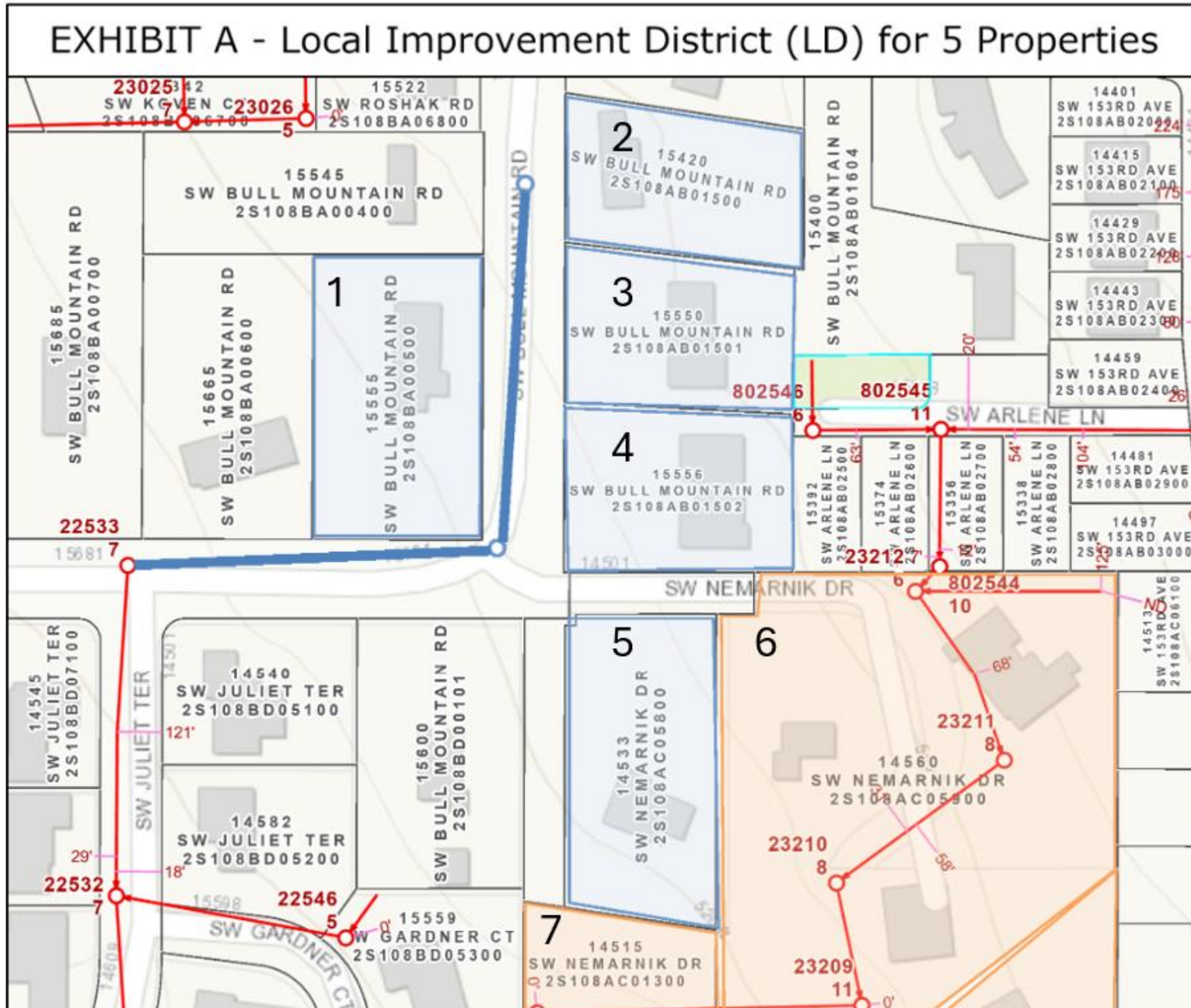
The RD properties are zoned R-6 and are within the Bull Mountain Community Plan. The lots range in size from 0.44 acres to 0.61 acres. Each RD property is improved with a detached single-family residence. The developable area of each lot is similar in size. Each lot is currently

developed with a single house, and there is insufficient area to subdivide unless the existing house were to be removed. Therefore, the recommended cost-distribution method for the RD is to divide the Qualified Project cost (called the Reimbursement Charge) equally among the four properties. The Reimbursement Charge for each RD property before any early connection incentive is \$46,540. See Exhibit D for details.

A project interest rate is established for the duration of the RD. The interest for the project was established when the Preliminary Engineering Report was distributed and is based on the 10-year Aa1/AA+ Oregon Bond Index Rate. The interest rate for this project is 2.56% per annum. Interest will accrue and compound annually on any unpaid Reimbursement Charge commencing with the date of adoption of the Final Reimbursement Charges.

### **Recommendation**

A public hearing is required regarding the Final Reimbursement charges for the four benefiting property owners. CWS staff recommends that the Board adopt the Final Reimbursement Charges as reflected in this report and the attached Exhibit D.







**EXHIBIT D  
SW BULL MOUNTAIN RD (NEWMARNIK-ROSHAK) SANITARY SEWER REIMBURSEMENT DISTRICT  
FINAL REIMBURSEMENT CHARGES**

Estimated Project Cost						
		<u>Total Project</u>	<u>Off-site</u>	<u>Owner Share</u>	<u>Admin cost</u>	
Construction	\$	280,605	\$ 146,981	\$ 133,623		
Survey	\$	8,919	\$ 5,013	\$ 3,906		
Engineering	\$	29,171	\$ 16,395	\$ 12,776		
Administration	\$	12,989	\$ 5,738	\$ 7,251	\$	7,251
Inspection	\$	54,577	\$ 25,971	\$ 28,606	\$	28,606
<b>TOTAL</b>	<b>\$</b>	<b>386,260</b>	<b>\$ 200,099</b>	<b>\$ 186,162</b>	<b>\$</b>	<b>35,857</b>

Property	TAX LOT	PROPERTY OWNER	LOT AREA (ACRES)	REIMBURSEMENT CHARGE (PER PROPERTY)	% OF TOTAL REIMBURSEMENT CHARGES	19.26%	
						EARLY CONNECTION INCENTIVE	REIMB. CHARGE WITH EARLY CONNECTION INCENTIVE
1	2S108BA00500	15555 SW Bull Mountain Rd Tigard OR, 97224	0.61	\$46,540	25.00%	\$8,964	\$37,576
2	2S108AB01500	15420 SW Bull Mountain Rd Tigard, OR, 97224	0.48	\$46,540	25.00%	\$8,964	\$37,576
3	2S108AB01501	15550 SW Bull Mountain Rd Tigard, OR, 97224	0.44	\$46,540	25.00%	\$8,964	\$37,576
4	2S108AB01502	15556 SW Bull Mountain Rd Tigard, OR, 97224	0.47	\$46,540	25.00%	\$8,964	\$37,576
<b>Total</b>			<b>2.00</b>	<b>\$186,162</b>	<b>100%</b>	<b>\$35,857</b>	<b>\$150,305</b>