



AGENDA ITEM

CLEAN WATER SERVICES BOARD OF DIRECTORS

Reference No: **CWS RO 25-14**

Meeting Date: June 24, 2025

Status: **APPROVED**

Agenda Category: PUBLIC HEARINGS

CPO:

Department(s): Clean Water Services

Presented by: Joe Gall, Chief Utility Relations Officer (slc)

Agenda Title:

Adopt a Resolution and Order Modifying Reimbursement Resolution and Order 23-10 and Establishing the Final Reimbursement Charge for the SW Bull Mountain Road (Nemarnik-Roshak) Sanitary Sewer Reimbursement District Project No. 7251

REQUESTED ACTION:

Adopt the attached Resolution and Order establishing the final reimbursement charges for the Bull Mountain Road (Nemarnik-Roshak) 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 June 27, 2023, by R&O 23-10. 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 the Bull Mountain Road (Nemarnik-Roshak) Sanitary Sewer Project No. 7251 (Project) was constructed, and Reimbursement District charges were assigned based on estimated Project costs.

Pursuant 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 and recommended modifications to the outstanding Reimbursement District charge.

ADDITIONAL INFORMATION:

Community Feedback (Known Support/Opposition):

CWS provided notice of sewer availability to the specially benefited owners on May 28, 2025. CWS mailed copies of the Final Engineering Study and Assessment Report and a public hearing notice required by Ordinance 43 to the affected owners in the Reimbursement District and published the notice in The Oregonian on June 14, 2025.

Legal History/Prior Board Action:

- May 24, 2022: Board directed CWS 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 by Minute Order 22-19.
- June 27, 2023: Accepted the Preliminary Engineering Study and Assessment Report and formed the Project by Resolution and Order 23-10.

Budget Impacts:

Establish reimbursement charges for four properties for \$186,162 to be paid to CWS upon connection to the public sewer. Budget account: 108.000.0000.46000

ATTACHMENTS:

[CWS Resolution and Order 25-14 - Final Charges for Bull Mountain Reimbursement District](#)

[Final Engineering Report - SW Bull Mountain Road Reimbursement District](#)

[CWS Presentation - SW Bull Mountain Road Reimbursement District](#)

Approved by the
Washington County Board of Commissioners
also serving as the governing body of Clean Water Services and all other County Districts



Kevin Moss, Board Clerk

June 24, 2025

Date Signed

CWS RO 25-14

BEFORE THE BOARD OF DIRECTORS OF CLEAN WATER SERVICES

| | | | |
|---|--|---|----------------------|
| 1 | In the Matter Establishing the Final |) | RESOLUTION AND ORDER |
| 2 | Reimbursement Charge for the SW Bull |) | |
| 3 | Mountain Rd Sanitary Sewer |) | NO. <u>25-14</u> |
| 4 | Reimbursement District Project No. 7251. |) | |
| | |) | |

5 The above-entitled matter came before the Board of Directors (Board) of Clean Water
6 Services (CWS) at its regular meeting of June 24, 2025; and

7 It appearing to the Board that Bull Mountain Rd Sanitary Sewer Reimbursement District
8 was established on June 27, 2023, by Resolution and Order 23-10 (R&O 23-10) in accordance
9 with Ordinance 43; and

10 It appearing to the Board that pursuant to Ordinance 43, CWS staff members have
11 prepared a Final Engineering Study and Assessment Report for the project attached to this
12 Resolution and Order as Attachment 1 (Report). Exhibits A, B, C, and D are attached to the
13 Report. Exhibit A includes a map of the area that was originally proposed for a Local
14 Improvement District. Exhibit B depicts the map of the area proposed for a Reimbursement
15 District, the general location of the sanitary sewer facilities constructed to provide service, and
16 a depiction of the specially benefited properties subject to the reimbursement charges. Exhibit
17 C shows the final infrastructure for the Reimbursement District. Exhibit D documents the final
18 cost of the project, recommended apportionment of the final costs to each of the specially
19 benefited (as defined in Ordinance 43) lots and the owners; and

20 It appearing to the Board that CWS R&O 23-10 established the Reimbursement District
21 to reimburse CWS for the cost of improvement to the sanitary sewer system that services the
22 area depicted in Exhibit B, which would be of specific benefit to the properties within that area;
23 and

24 It appearing to the Board that CWS constructed the project and it is now complete; and

25 It appearing to the Board that as the Developing Party has incurred costs for survey,
26 engineering, easement acquisition, and construction of \$386,260, of which \$186,162 directly

1 resulted in the completion of the Qualified Project (as defined in Ordinance 43).

2 Reimbursement is sought for \$186,162; and

3 It appearing to the Board that in accordance with the provisions of Ordinance 43, early
4 connection incentives are eligible to properties that connect to the sanitary sewer system
5 within one year of sewer availability or commit to commencing payments. CWS is providing up
6 \$8,964 for each property in incentives if the owner(s) meet the eligibility for full incentives as
7 shown in Exhibit D; and

8 The Board being fully advised; it is therefore

9 RESOLVED AND ORDERED that this Board finds that CWS as the Developing Party
10 incurred costs for which reimbursement is sought, which include construction, survey,
11 permitting, and engineering costs for the portion of the work that directly resulted in the
12 completion of the Qualified Project; and it is further

13 RESOLVED AND ORDERED that in accordance with the provisions of Ordinance 43 CWS
14 seeks reimbursement of \$186,162 from specially benefiting properties; and it is further

15 RESOLVED AND ORDERED that Reimbursement R&O 23-10 is modified to reflect the
16 actual costs for the Qualified Project (as defined in Ordinance 43); and it is further

17 RESOLVED AND ORDERED that the method and manner of financing the facilities will be
18 by reimbursement at the time of connection of each parcel of real property within the
19 Reimbursement District, based on an equal charge per benefited lot method shown in Exhibit D
20 to the Report, which method is reasonably calculated to reflect the special benefit received by
21 each parcel from the improvements; and it is further

22 RESOLVED AND ORDERED that the annual percentage rate multiplier will be set at 2.56
23 percent per annum and will be applied from the adoption of this Resolution and Order
24 accepting final Project costs and Reimbursement Charges until the time of connection; and it is
25 further

26

1 RESOLVED AND ORDERED that, upon entering an eligible finance agreement for costs
2 associated with the connection of the specially benefited property, the interest rate will include
3 an additional 2 percent administrative fee and is set at 4.56 percent per annum; and it is further

4 RESOLVED AND ORDERED that the County Recorder will record this Resolution and
5 Order as an instrument obligating the property owners of the specially benefited properties to
6 the Reimbursement Charge at such time that the owner seeks a permit to connect to the
7 sewer; and it is further

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

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

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

16 DATED this 24th day of June 2025.

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CLEAN WATER SERVICES
By its Board of Directors



Chair



Recording Secretary

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, and 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.

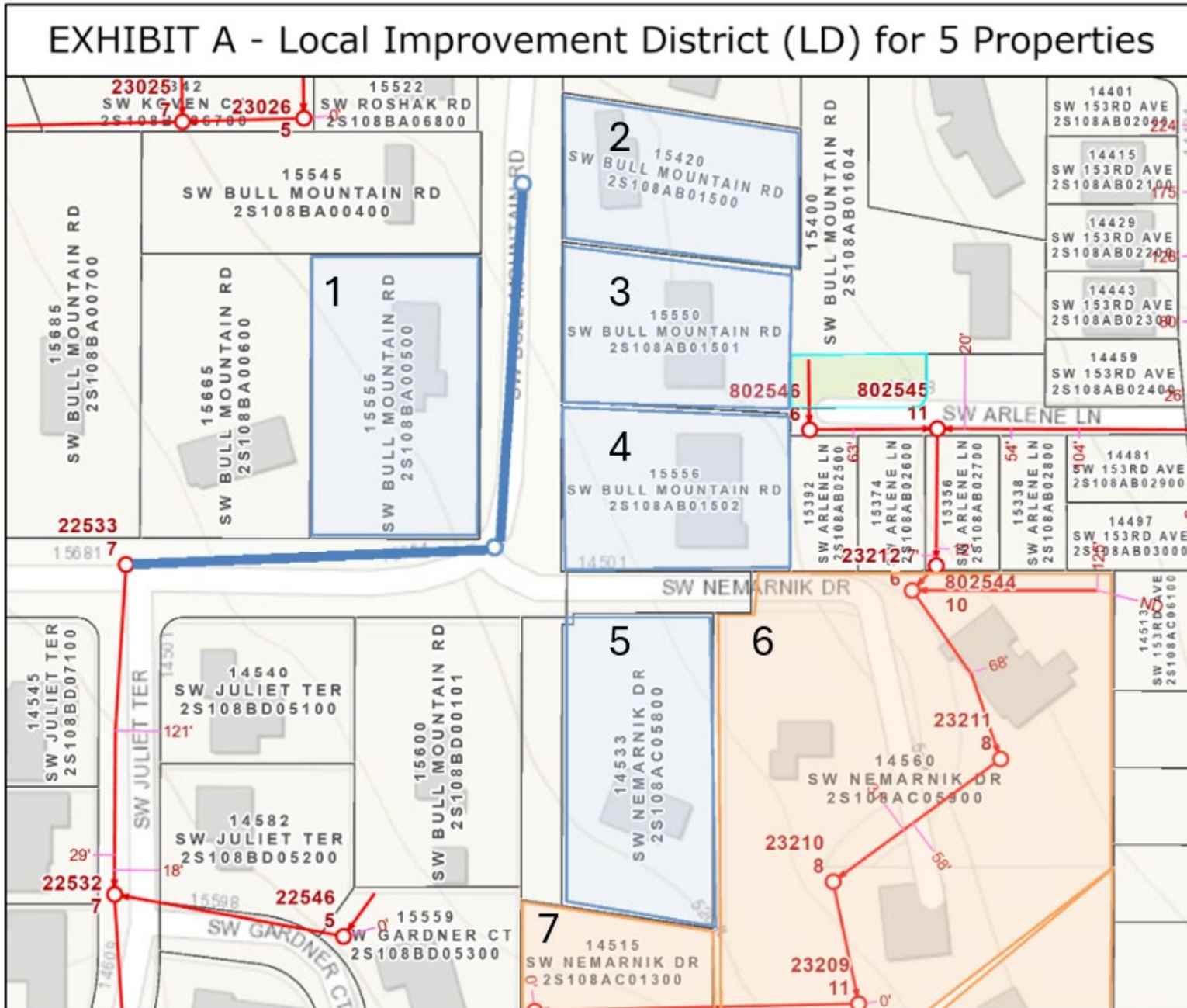
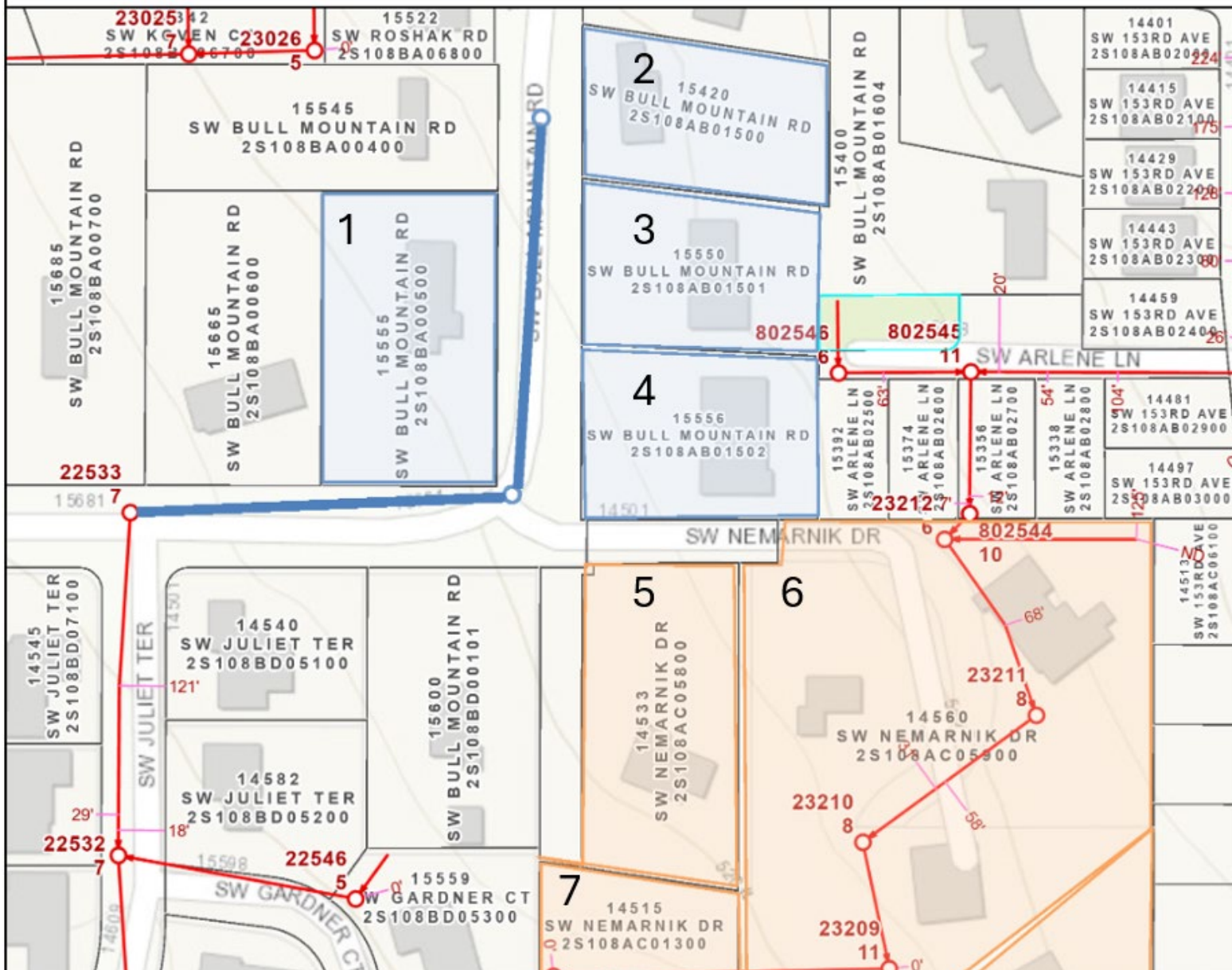
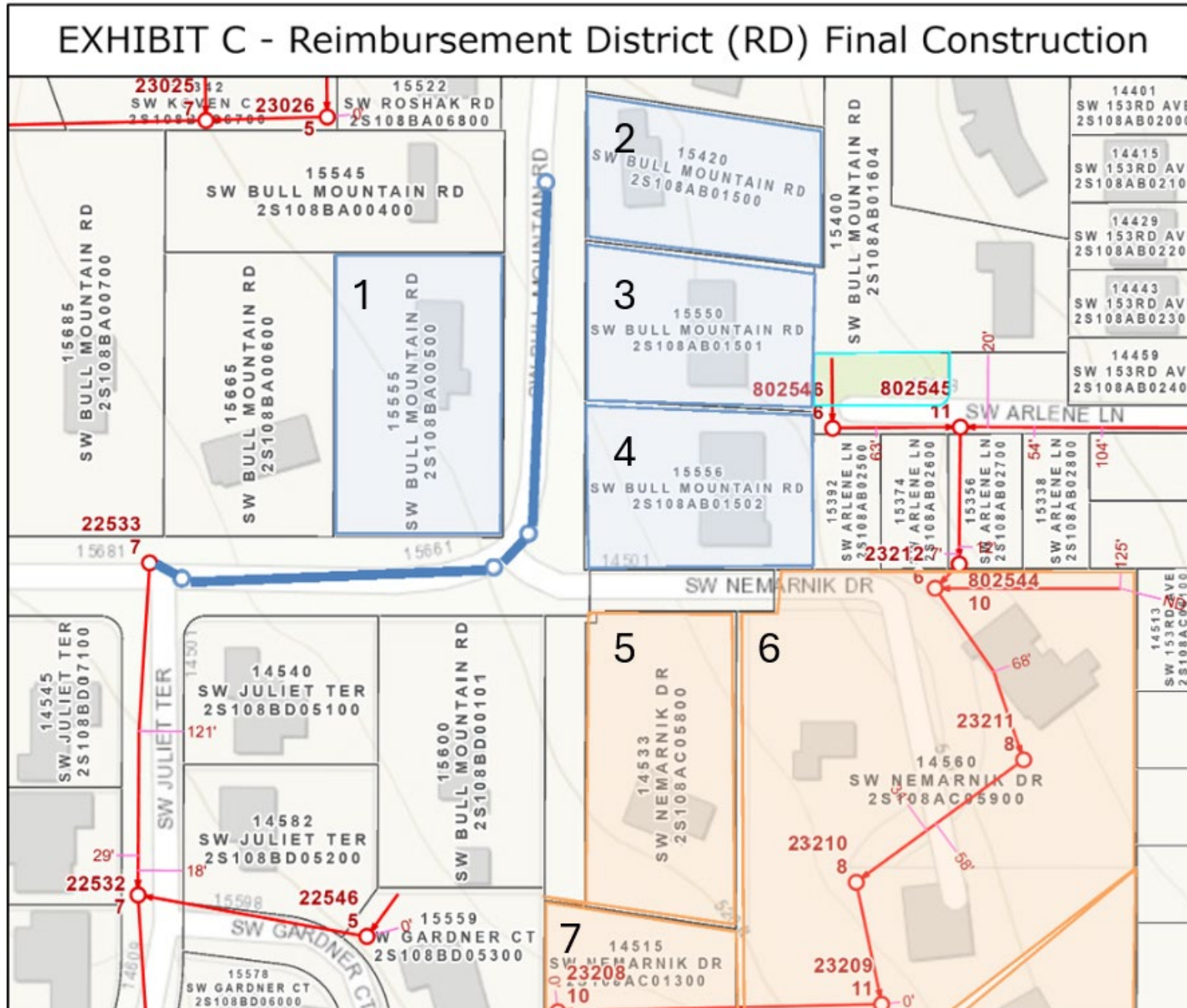


EXHIBIT B - Reimbursement District (RD) for 4 Properties





**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 |
| TOTAL | \$ | 386,260 | \$ 200,099 | \$ 186,162 | \$ | 35,857 |

| 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 |
| Total | | | 2.00 | \$186,162 | 100% | \$35,857 | \$150,305 |

Bull Mountain Road (Nemarnik-Roshak) Sanitary Sewer Reimbursement District

June 24, 2025

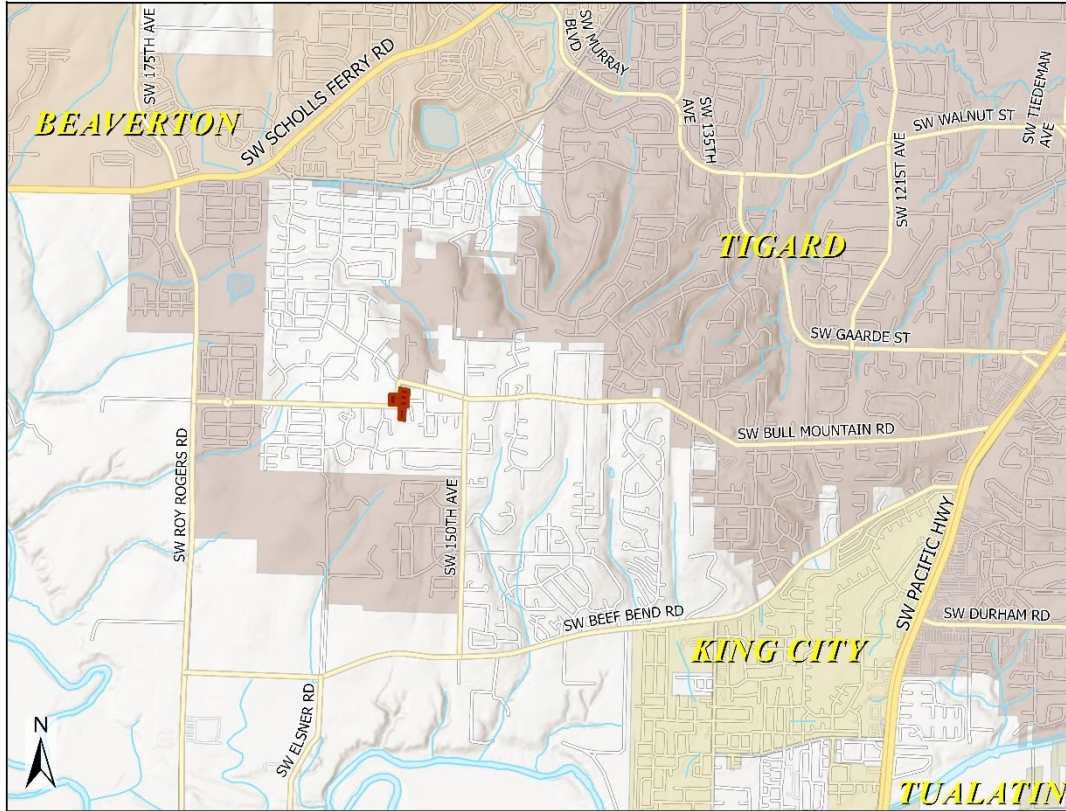
CWS Board of Directors - Public Hearing

Jeff Hart, Principal Engineer | Steve Choate, Project Manager



Bull Mountain Road (Nemarnik-Roshak) Vicinity Map

- Bull Mountain Community Plan



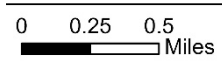
Legend

- Bull Mtn RD Area
- Major Arterials
- Arterials
- Streams

City Limits

- Beaverton
- King City
- Tigard
- Tualatin

Data as of: 6/22/2023
 Data Source:
 Clean Water Services
 Metro
 Washington County



CleanWater Services

Disclaimer: This product and its associated data is for informational purposes only and was derived from several databases. It was not prepared for, and is not suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ensure accuracy. Clean Water Services cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties for this product. Mainline and service lateral locations are depicted using best available information but must be field verified and located before digging. Service laterals are marked in the field as "Unlocatable underground facilities" as defined in OAR 952-001-0010 (20). All sanitary or storm sewer data, with the exception of sanitary lines 24" and larger located within the city limits of Beaverton, Cornelius, Forest Grove, Hillsboro, Lake Oswego, Portland, Sherwood, Tigard, or Tualatin need to be verified by contacting the individual city.

Cost Distribution Methodology

- Equal cost per property
 - 4 lots
 - ❖ Reimbursement charge \$46,540
 - ❖ Early connection incentive (\$8,964)
 - ❖ Net early connection cost \$37,576



Owner Options

- Connect within first year
 - Eligible for early connection incentive
 - Eligible for private plumbing financing
- Defer connection
 - No time requirement to connect
 - Interest accrues at 2.56% annually
- Owner support
 - 2 were in support
 - 2 did not comment



Questions?

