

Tualatin Valley Water District



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RESOLUTION NO. 05-19

A RESOLUTION AMENDING SYSTEM DEVELOPMENT CHARGES FOR THE TUALATIN VALLEY WATER DISTRICT AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on July 18, 2012, the Board of Commissioners adopted Ordinance 01-12 “System Development Charge Ordinance” to impose system development charges (SDCs) and other related procedures to comply with ORS 223.297 to ORS 223.314, inclusive, to provide revenues necessary for capital improvements constructed and to be constructed; and

WHEREAS, in accordance with the methodology identified in Section 4 of Ordinance 01-12, the administrative staff of the District calculated the amount of the SDC to be imposed by the Board of Commissioners to collect the statutorily authorized, necessary revenues; and

WHEREAS, Section 9 B of Ordinance 01-12 requires the District to review its SDCs annually in relation to the Engineering News Record (ENR) Construction Cost Index (CCI) (Seattle); and

WHEREAS, construction costs have increased 0.83% between December 2017 and December 2018 as evidenced by the ENR CCI (Seattle); and

WHEREAS, pursuant to Section 9 of Ordinance 01-12, the Board of Commissioners by this resolution amends the SDC for the District as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TUALATIN VALLEY WATER DISTRICT THAT:

Section 1: Resolution 03-18 is hereby repealed and superseded by this resolution effective at 7:00 A.M., Pacific Standard Time on March 1, 2019.

Section 2: Prior to making a connection of non-District water facilities to the District’s water system, the applicant for such a connection shall pay in full the SDC to the District, except that there shall be no SDC for a fireline.

Section 3: Further, the Board directs staff, for any calendar year, during which the Board has not adjusted SDCs based on a revised capital improvements or facilities plan, to adjust SDCs March 1 for each the ensuing year thereafter, as calculated by staff based on the change, from December of the prior year to December of the current year, in the Engineering News Record (ENR) Construction Cost Index (CCI) (Seattle).

Section 4 (a): Pursuant to Section 3 above, the SDC is calculated for a 5/8 x 3/4-inch meter by a weighting factor. The weighting factors adopted by the Board are the American Water Works Association safe operating capacities for displacement type meters.

The SDC for meter sizes up to 1-1/2 inches is:

Reimbursement Fee	\$ 1,299/ERU
Improvement Fee	5,998/ERU
Administration	<u>122/ERU</u>
Total SDC	\$ 7,419/ERU

<u>Meter Size</u>	<u>Weighting Factors (ERUs)</u>	<u>Charge</u>
5/8 x 3/4-inch	1.0	\$ 7,419
3/4 x 3/4-inch	1.5	11,129
1-inch	2.5	18,548
1.5-inch	5.0	37,095

Section 4 (b): Pursuant to Sections 4 above, for meters over 1.5-inch, the SDC shall be determined based on the customer’s anticipated water usage. Anticipated peak-day water usage will be divided by the peak-day system design flow of 844 gallons per day per equivalent residential unit (ERU) to determine peak-day ERUs. Anticipated average daily water usage will be divided by 358 gallons per day per ERU to determine average-day ERUs (storage ERUs).

Peak-Day SDC cost is:

Reimbursement Fee	\$ 853 per peak-day ERU
Improvement Fee	<u>5,248</u> per peak-day ERU
Peak-Day SDC cost	\$6,101 per peak-day ERU

Storage SDC cost is:

Reimbursement Fee	\$ 568 per storage ERU
Improvement Fee	<u>750</u> per storage ERU
Storage SDC cost	\$1,318 per storage ERU

The SDC shall be the sum of the peak-day SDC cost per ERU multiplied by the peak-day ERUs and the storage SDC cost per ERU multiplied by the storage ERUs.

Section 4 (c): The SDC paid for meters larger than 1-1/2 inches as of the effective date of this resolution may be adjusted upward based on actual usage pursuant to an SDC agreement to be executed with the District. If during the term of the SDC agreement, the usage is greater than 110% of anticipated volume during a 12-month period, an additional SDC may be charged, using the same techniques for calculating peak-day and storage ERUs and multiplying the peak-day SDC cost per ERU and the storage cost per ERU then in effect.

Section 4 (d): The SDC paid for a residential 3/4-inch or 1-inch water meter, in the circumstance where a larger meter is required only for the purpose of meeting a residential multi-purpose fire sprinkler system requirement, will consist of the SDC for the appropriate size meter that would be required without the multi-purpose fire sprinkler system plus 18% of the difference between the price of the SDC for the meter size meeting the domestic water requirements and the SDC for the meter size meeting the fire sprinkler requirement. The 18% factor represents the approximate storage cost component of the SDC. Should the customer regularly use the capacity of the 3/4-inch or 1-inch meter to

meet its domestic needs, the customer will be required to pay the remainder of the SDC at the current rate then in effect.

Section 4 (e): If the customer has been charged by the District for an illegal connection and requests a contract for payment of the SDC, the District may withhold the option of providing a contract for said payment of SDC.

Section 4 (f): If the SDC is financed as permitted by ORS 223.208, the financing charge established by the District is 9.0% as authorized in ORS 82.010 Legal Rate of Interest and for a maximum term of 10 years.

Approved and adopted at a regular meeting held on the 16th day of January 2019.

Bernice Bagnall, President

Todd Sanders, Secretary