

RESOLUTION NO. 3513

A RESOLUTION REVISING SYSTEM DEVELOPMENT CHARGES FOR CONNECTION TO THE PUBLIC SANITARY SEWER SYSTEM, ESTABLISHING AN APPEAL FEE, AND REPEALING RESOLUTION 3448 (A RESOLUTION SETTING SYSTEM DEVELOPMENT CHARGES FOR CONNECTION TO THE PUBLIC WATER AND SANITARY SEWER SYSTEMS).

WHEREAS, the Council of the City of Albany has duly adopted Ordinance No. 4966 declaring their intent to comply with the provisions of ORS 223.207 through 223.208 and 223.297 through 223.314, an ordinance regarding System Development Charges;

WHEREAS, a methodology for the calculation of System Development Charges for the sanitary sewer systems has been previously developed in 1993 as specifically described in Resolution No. 3287; and

WHEREAS, Section 15.16.040(4) of Ordinance 4966 allows for the annual adjustment of the herein established fees in accordance with the change in the Engineering News Record (ENR) Construction Cost Index; and

WHEREAS, the ENR Index at the time of adoption of Resolution 3286 was 5583, and whereas Resolutions 3448 reaffirmed the SDC fees established in Resolution 3286, and the current ENR Index is 5843 (Index Ratio = 5843/5583 = 1.0466, indexed dollars rounded to the nearest \$1); and

WHEREAS, in the interest of promoting economic development the Albany City Council has deemed it desirable to charge less than the \$1,500 legally allowable fees as developed in the methodology; and

WHEREAS, the Albany City Council deems it desirable to increase the existing fees to reflect inflation relative to the increase in the ENR Index;

NOW, THEREFORE, BE IT RESOLVED that Resolution No 3448 is hereby repealed;

BE IT FURTHER RESOLVED that Sewer System Development Charges hereby be amended as described herein;

BE IT FURTHER RESOLVED that an appeal fee is hereby established as described herein;

SANITARY SEWER SYSTEM

Calculation of Reimbursement and Improvement System Development Charges:

Sanitary Sewer reimbursement and improvement fees are based on an Equivalent Dwelling Unit (EDU). One EDU is equal to a single dwelling unit.

Residential and Multi-family Residential Development:

| | | |
|--------------------------------------|-------------------|------------|
| Single-family residences: (1 EDU) | Reimbursement Fee | \$ 400 |
| | Improvement Fee | <u>720</u> |
| | Total SDC | \$1,120 |

The System Development Charges for "Multiple-blocks" dwelling units (multi-family) is \$1,120 per dwelling unit.

Commercial Development:

For Commercial Development, the fee is determined by the following method:

\$1,120 for the first six fixtures, and \$187 for each additional fixture. Of this amount, 35.7% is allocated to the Reimbursement Fee and 64.3% to the Improvement Fee.

Recreational Vehicle (RV) Park System Development Charges are calculated based upon an assignment of three plumbing fixtures per pad or space.

Industrial Development:

For Industrial Development, the fee is determined by one of the following methods, and is the highest of the three methods used.

METHOD 1: The customer's estimated daily average biochemical oxygen demand (BOD) discharge in pounds per day for the two highest weeks in a calendar year divided by base BOD (0.5273 lb/EDU/day) which provides the number of EDUs. The number of EDUs is then multiplied by \$525, resulting in the Total System Development Charges. 69.5% of the total fee is allocated to the Reimbursement Fee and 30.5% to the Improvement Fee.

METHOD 2: The customer's estimated daily average total suspended solids (TSS) discharge in pounds per day for the two highest weeks in a calendar year divided by base TSS (0.4714 lb/EDU/day) which provides the number of EDUs. The number of EDUs is then multiplied by \$525, resulting in the Total System Development Charges. 69.5% of the total fee is allocated to the Reimbursement Fee and 30.5% to the Improvement Fee.

METHOD 3: The customer's estimated daily average total flow in gallons per day for the highest two weeks in a calendar year divided by base industrial flow (442.5 gal/EDU/Day), which provides the number of EDUs. The number of EDUs is then multiplied by \$1120 resulting in the Total System Development Charges. 35.7% of the total fee is allocated to the Reimbursement Fee and 64.3% to the Improvement Fee.

The wastewater loading for new high-strength industrial users may be monitored or sampled after normal operating conditions for the user are reached. At that point, the System Development Charges may be recalculated based on the actual loadings and an adjusted payment (or refund) may be required.

APPEAL FEE

Pursuant to Section 15.16.100(3), an appeal fee of \$50 per appeal is hereby established.

Dated this 10th day of May 1995.

Effective date: July 1, 1995

Charles McFarlan
Mayor



ATTEST:

Norm C. Withrow
Deputy City Recorder

Panolam Sanitary Sewer SDC Agreement

This Agreement is entered into between the City of Albany, Oregon, a municipal corporation, hereafter referred to as "City," and Panolam Industries, Inc., an Oregon Corporation, hereafter referred to as "Panolam."

WHEREAS, Panolam is currently expanding their facilities at 3030 Calapooia Street and desires a building permit to be issued for foundation construction; and

WHEREAS, Resolution No. 3513 (attached) provides that sanitary sewer Systems Development Charges (SDC) for industrial customers are charged based on the highest of the three methods: biochemical oxygen demand (BOD); total suspended solids (TSS); and total flow. The SDC calculation is based upon the highest two weeks in a calendar year; and

WHEREAS, ^{Panolam LWW} Panolam is an industrial customer for purposes of calculating sewer SDCs; and

WHEREAS, Panolam's current allowed discharge is 300 gallons per day (GPD), though the actual discharge rate may vary from this amount and no efficient independent method of verifying actual discharges currently exists; and

WHEREAS, recent dilution testing of Panolam's effluent has demonstrated measured BOD values are not inhibited by toxins in the effluent; and

WHEREAS, testing of Panolam's effluent during calendar year 1997 indicates a peak BOD concentration of 12,000 milligrams per liter (mg/l). Based on Panolam's projection that peak daily BOD concentrations measured after the effective date of this agreement will not exceed 10,000 mg/l and the peak daily discharge rate will not exceed 300 GPD, the peak daily BOD loading is estimated to be 25.04 pounds; and

WHEREAS, the sanitary sewer SDC for a peak daily BOD loading of 25.04 pounds is \$24,925.80; and

WHEREAS, Panolam intends to explore ways to reduce potential loadings to the sanitary system.

NOW, THEREFORE, Panolam and the City agree to the following:

Panolam agrees to pay the \$24,925.80 sewer SDC in full or to amortize the SDC over 10 years in accordance with Chapter 15, Section 15.16.070 of the Albany Municipal Code.

The City shall monitor the sanitary sewer effluent from Panolam after implementation of the SDC charges listed above. After November 30, 1998, the SDC for BOD (or COD if applicable by that date), TSS, and flow will be recalculated based upon the highest two weeks from the date of the initial SDC charge to November 30, 1998. The SDC will then be adjusted up or down to reflect the recalculated SDC dollar amount. If the SDC increases, Panolam agrees to pay the increased amount. If the SDC decreases, the City agrees to credit Panolam for any amount overpaid. After November 30, 1998, provisions of City Ordinances regarding SDCs would apply if additional sewer loadings occur.

Notwithstanding the above, if prior to July 1999, the City adjusts the fees or method of collection for sanitary sewer SDCs and the adjustment gives credit for existing sanitary sewer usage or revises the method of payment, the City will retroactively adjust the fees and/or method of payment listed herein to make Panolam's SDC payments consistent with the payment options and fees offered to other industrial customers.

Dated this 31 day of OCTOBER 1997.

IN WITNESS WHEREOF, the Grantors have hereunto fixed their hands and seals the day and year above written.

PANOLAM INDUSTRIES, INC.:

By: [Signature]
Vice President

By: [Signature]
Secretary

CITY OF ALBANY:

STATE OF OREGON)
County of Linn) ss.
City of Albany)

I, Steve Bryant as City Manager of the City of Albany, Oregon, pursuant to Resolution Number 3513 do hereby accept on behalf of the City of Albany, the above instrument pursuant to the terms thereof this 27th day of November, 1997.

STATE OF OREGON)
County of Linn) ss.
City of Albany)

[Signature]
City Manager

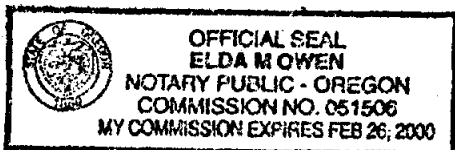
The foregoing instrument was acknowledged before me this 31 day of October, 1997, by George Wesley White, Vice President and General Manager, and by [Signature] secretary, of Panolam Industries, Inc., an Oregon corporation, on behalf of the corporation.

ATTEST:

[Signature]
City Recorder

[Signature]
Notary Public for Oregon
My Commission Expires: 2-26-2000

APPROVED AS TO FORM:



[Signature] 10-24-97
City Attorney Date