

ORDINANCE 599

CITY OF LACEY

AN ORDINANCE ESTABLISHING SEWER EXTENSION CAPACITY CHARGES, REPEALING SECTION 13.16.027, ADDING NEW SECTIONS AND AMENDING SECTION 13.30.030 TO THE LACEY MUNICIPAL CODE

WHEREAS, the ordinances of the City of Lacey have previously levied an area charge on those properties to be connected to the Lacey sewerage system to represent said properties' fair share of the construction and replacement of existing downstream facilities; and

WHEREAS, the city council has determined that a more equitable system of levying such charges would be based upon the estimated sewerage flows to be generated by said properties in place of an area charge; and

WHEREAS, the city council finds that additional connections to the Lacey sewerage system will require large, additional costs to the system for the construction of transmission facilities as those facilities have been identified in the various sewerage plans of the city; and

WHEREAS, it is necessary in order to provide for such future transmission facilities that a charge be levied upon properties proposed to be connected to the Lacey sewerage system in an amount which will allow said properties to bear an equitable share of the costs of such necessary improvements; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. Section 13.16.027 of the Lacey Municipal Code is hereby repealed.

Section 2. There is hereby added to the Lacey Municipal Code a new section, 13.16.027, to read as follows:

"A. There is hereby levied a sewerage extension capacity charge on all properties proposed to be connected for service by the Lacey sewerage system and lying outside of Utility Local Improvement Districts, Local Improvement Districts or other sewerred areas existing as of the date of this ordinance, which districts have been formed in whole or in part for sewerage improvements; provided, however, that the exemption for such existing districts shall not apply to those properties proposed for an increased equivalent residential unit use as provided in subsection 'D' of this section. The amount of the sewerage extension capacity charge levied on a particular piece of property shall be equal to the number of equivalent residential units estimated to be used by said property multiplied by the rate per equivalent residential unit determined as set forth in subsection 'B' of this section. The term 'equivalent residential unit' or 'ERU' shall be defined as provided in Section 13.16.030 of this code.

"B. The sewerage extension capacity charge for each equivalent residential unit shall be the sum of the following elements:

"1. The actual cost of existing trunk, interceptor and other common use facilities which lie downstream of the subject property minus any federal or state grants received

for such construction divided by the capacity of such downstream facility in terms of equivalent residential units.

"2. The estimated cost of the following facilities downstream of the connection point which need to be enlarged, expanded or constructed:

- "a. Enlargement of Lacey Boulevard lift stations;
- "b. Construction of additional Lacey Boulevard lift station;
- "c. Construction of Martin Way lift station, force main and trunk facilities;
- "d. Enlargement of Mt. Tahoma lift station;
- "e. Construction of Southwick lift station, force main and trunk facilities;
- "f. Enlargement of Golf Club Road lift station;

divided by the capacity of such downstream facilities in terms of equivalent residential units. The cost estimates for the construction of such future facilities shall be projected to the date of estimated construction.

"The cost estimates for purposes of the computation called for in this subsection 'B' shall include all construction, engineering, financing and administrative costs associated with the construction of each such facility.

"C. The sewerage extension capacity charge levied herein shall be due and payable for each individual service prior to the connection of such service to the Lacey water or sewerage system.

"D. If the land use of a property is proposed to be changed to a use which will increase the equivalent residential

unit use of sewerage capacity and said proposed change in use is after charges levied herein have been computed and paid, or said property is located in an area otherwise exempt from the operation of this section, a condition of allowing said increased use shall be that the owner of said property will pay to the city an additional sewerage extension capacity charge in accordance with this ordinance equal to the increase in the contemplated equivalent residential unit use.

"E. All charges collected by the city pursuant to subsection 'B-1' of this section shall be paid into the Water and Sewer Revenue Fund and held in a restricted account for the purpose of rebuilding, repairing and maintaining existing facilities, and should the city council so determine, for the purpose of debt service requirements for any bond issue for sewerage facilities authorized after the effective date of this ordinance. All charges collected by the city pursuant to subsection 'B-2' of this section shall be paid into the Sewerage Capital Reserve Fund established by Section 4 of this ordinance and used for the purposes set forth in said section.

"F. The charges established and levied by this section shall be in addition to any and all charges for reserve capacity of joint sewerage facilities under Section 13.16.025 and any and all charges resulting from a latecomers' agreement established as set forth in Section 13.52.020 through Section 13.52.040 of this

code and Section 3 of this ordinance.

"G. In order to facilitate the administration of this ordinance and inform the public of the charges to be levied, the council shall pass a resolution establishing zones within the city based upon the existing downstream facilities utilized by properties within said zone and future facilities which will be needed and further set forth the dollar amount of the charges computed as set forth in this section."

Section 3. Those costs required to be paid for properties connecting to the Lacey sewerage system to reimburse private parties for privately financed extensions of the sewerage system shall, after the expiration of the 15-year period set forth in Section 13.52.020 through Section 13.52.040, be paid to and retained by the city in the Sewerage Capital Reserve Fund created by Section 4 of this ordinance.

Section 4. There is hereby added to the Lacey Municipal Code a new chapter, 3.45, to read as follows:

"Section 3.45.010. There is hereby created a special fund to be known and designated as the Sewerage Capital Reserve Fund. Such fund shall be in the nature of a cumulative reserve fund.

"Section 3.45.020. The revenues to such fund shall consist of:

"A. All sewerage extension capacity charges levied pursuant to Section '2-B-2' of this ordinance and received by the city.

"B. All reimbursement of costs received after the expiration of 15 years pursuant to a latecomers agreement as set forth in Section 3 of this ordinance.

"C. All monies accruing to said fund from any source, including appropriations by the city council and transfers of money from other sources by the city council.

"Section 3.45.030. The monies in the fund may be allowed to accumulate from year to year until the city council determines to expend the monies in the fund for the enlargement, expansion or construction of city sewerage facilities and all costs connected with said projects, including engineering, financing and administrative costs."

Section 5. Section 13.30.030 of the Lacey Municipal Code is hereby amended to read as follows:

"The charges-in-lieu-of-assessment shall be ~~an-area charge-of-\$-0225-per-square-foot-for-all-land-within-the-development,~~ equal to the sewerage extension capacity charge levied pursuant to Section 13.16.027, together with the estimated costs of running a public collection system past the development if the construction will be necessary and the estimated cost of connecting the interim system to the public system.

"The charges-in-lieu-of-assessment must be paid in full before construction on the interim sewerage facilities is commenced."

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY,
WASHINGTON, this 9th day of April, 1981.

Attest: Timothy McGuire
Approved as to Form: _____

CITY COUNCIL
By Mark Brown
Mayor

Passed: April 9, 1981
Published: April 15, 1981