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DEPARTMENT OF
PUBLIC WORKS

ENGINEERING DIVISION

THOMAS M. FINLEY
ENGINEERING DIVISION MANAGER

CITY OF SACRAMENTO
CALIFORNIA

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CONSTRUCTION SECTION
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SUITE B
SACRAMENTO, CA
95814-0131

916-449-5282

April 18, 1989

Transportation & Community Development/
Budget & Finance Committees
Sacramento, California

Honorable Members In Session:

SUBJECT: BELL AVENUE STORM DRAINAGE AND SANITARY SEWER FEE DISTRICTS

SUMMARY

It is requested that the Joint Council Committee forward the attached ordinance, amending the Sacramento City Code by adding Chapter 78, to the City Council for approval. This ordinance will establish the Bell Avenue Storm Drainage and Sanitary Sewer Fee District. It is also requested that the Joint Committee forward the attached resolution which determines fee amounts to the City Council for approval. These Districts will enable the City to reimburse a developer for the cost to build these systems.

BACKGROUND

On March 24, 1988 the City approved improvement plans for a private development project called I-80 Industrial Park. In accordance with the approved plans, the developer has constructed approximately 8500 feet of new sanitary sewer trunk line, 4200 feet of new trunk storm drain line, and a collector sewer system. These improvements will serve the I-80 project, as well as other properties in the area, as development occurs. The developer paid for the improvements and continues to carry these costs. Staff is proposing formation of a fee district, authorized by Section 66483 (b) of the California Government Code, as a method to equitably distribute the costs to all benefitting properties within the districts and to reimburse the developer for oversizing costs.

Within the Bell Avenue benefit area, owners of developing properties would be charged a fee for trunk sanitary sewer, collector sanitary sewer, and trunk storm drainage construction, as applicable. Fees would be collected only from property owners who want to develop their properties and/or connect to the Bell Avenue systems. All properties will be charged on an acreage basis, regardless of land use type. The Area of Benefit for the storm drainage district and the sanitary sewer district are shown on Attachments A and B of the attached resolution.

Public Works staff held two community workshops to discuss the proposed fee districts and receive comments from the property owners. In addition, staff has also met on an individual basis with a number of affected landowners. Staff has made revisions to the proposed fee districts in response to public comments.

The fees which are the subject of this report are in addition to other fees currently imposed, including Regional County Sanitation District fees and standard connection fees.

FINANCIAL DATA

The formation of these fee districts will result in the establishment of three interest-bearing funds. The annual revenue amounts will vary, depending on the level of development experienced. The administration of the fee districts will be handled by current staff and will not require additional staffing. The City's costs of administering the fee districts will be funded by fee revenues.

POLICY MATTERS

Staff is recommending formation of a district to reimburse the developer for improvements constructed at the City's request, which also benefit other adjacent properties. This is in accordance with current policies.

The benefit area is characterized as an older residential neighborhood which is being infused with new industrial development. Additional residential development is also planned for this community. The existing residences are presently served by septic tanks and leach lines. Many of these homeowners are content with their current septic tanks and are not interested in a future connection to the new sanitary sewer system. For this reason, Public Works staff is proposing the use of fee districts which provide an option to the current homeowners. They may continue using their septic systems with no fee charge or connect into the new systems and pay the accompanying fees. Past policy has been to include all property owners in Assessment Districts.

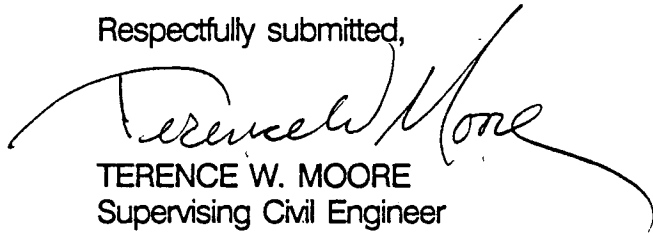
MBE/WBE EFFORTS

No Impact.

RECOMMENDATION

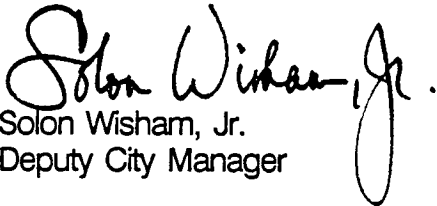
The Public Works staff supports the formation of these fee districts for sanitary sewer and storm drainage systems. Staff recommends that the Joint Council Committee forward the ordinance amending the Sacramento City Code by adding Chapter 78, to the Council for approval.

Respectfully submitted,



TERENCE W. MOORE
Supervising Civil Engineer
Development Services

Recommendation Approved:

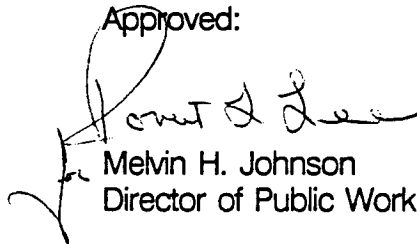


Solon Wisham, Jr.
Deputy City Manager

Contact Person:
Fran Lee Halbakken, Associate Engineer
449-2194

TM:FH:mr
ED1-02.J

Approved:



Melvin H. Johnson
Director of Public Works

April 18, 1989
District 2

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING THE SACRAMENTO CITY CODE
BY ADDING CHAPTER 78 RELATING TO THE IMPOSITION OF
FEES FOR STORM DRAINAGE AND SANITARY SEWER FACILITIES BENEFITTING
CERTAIN PROPERTIES NEAR BELL AVENUE IN THE NORTH SACRAMENTO AREA

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

Chapter 78 is added to the Sacramento City Code to read as follows:

CHAPTER 78

STORM DRAINAGE FEES AND SANITARY SEWER FEES FOR THE BELL AVENUE BENEFIT AREA

SECTION 78.100

A. **Purpose and Findings of Facts** This Ordinance provides:

- (1) A fee for trunk sanitary sewer construction and a fee for trunk storm drainage construction.
- (2) A fee for collector sanitary sewer construction.
- (3) The trunk sanitary sewer system improvements will include approximately 8,477 linear feet of new 12", 15", 18", 21", and 24" diameter sewer pipe, manholes, and appurtenances. The improvements will be constructed along Bell Avenue between Pinell Street and Rio Linda Boulevard and along Raley Boulevard between Diesel Drive and Bell Avenue. The estimated cost of the trunk sanitary system improvements is \$ 964,713.
- (4) The trunk drainage system improvements will include approximately 4,169 linear feet of new 27", 30", 36", 42", 48", 54", and 60" diameter storm drain pipe, manholes, and appurtenances. The new improvements will be constructed along Bell Avenue between Pinell Street and the west side of Marysville Boulevard and along Raley Boulevard between Diesel Drive and Bell Avenue. The system also includes 1,000 linear feet of existing 30" and 36" diameter storm drain pipe located along Bell Avenue between Beloit

Drive and Raley Boulevard. The estimated cost of the trunk storm drainage system improvements is \$ 490,381.

- (5) The collector sanitary sewer system improvements will include 6", 8", 10", and 12" diameter sewer pipe, manholes, and appurtenances. The improvements will be constructed along local and minor roads within the sewer benefit area. The estimated cost of the collector sanitary sewer system improvements is \$842,853.

B. **Findings of Fact** The Council of the City of Sacramento hereby finds and declares as follows:

- (1) Certain real property, as more particularly described as the "Bell Avenue Drainage Benefit Area", encompasses an area of approximately 195 acres that is planned to be subdivided and developed for residential and limited commercial purposes. This development cannot be accommodated without proper and adequate drainage. The Bell Avenue Drainage Benefit Area requires that this trunk drainage system project be constructed. The purpose of the fee is to pay for the construction of this system. The development of this property for residential and commercial usage requires proper drainage to protect health, safety, and property of the residents. A fee for these improvements is generally imposed on this type of development. The fee is assessed on each acre uniformly using the following procedure: The total costs are estimated by the developer's engineer and verified by City staff. Each acre within the benefit area is assessed a pro rata share of the total estimated cost. The City Council will, by resolution, designate the property encompassed by the Bell Avenue Drainage Benefit Area. Each acre of this property which can be developed as a result of the construction of the drainage improvements will receive a direct benefit from the drainage system.
- (2) Certain real property, as more particularly described as the "Bell Avenue Sewer Benefit Area", encompasses an area of approximately 444 acres that is planned to be subdivided and developed for residential and limited commercial purposes. This development cannot be accommodated without a proper and adequate sanitary sewer system. The Bell Avenue Sewer Benefit Area requires that this trunk and collector sanitary sewer system project be constructed. The purpose of the fee is to pay for the construction of this system. The development of this property for residential and commercial usage requires adequate sewerage to protect the health and safety of the residents. A fee for these improvements is generally imposed on this type of development. The fee is assessed on each acre uniformly using the following procedure: The total costs are estimated by the developer's engineer and verified by City staff. Each acre within the benefit area is assessed a pro rata share of the total estimated cost. The City Council will by resolution, designate the property encompassed by the Bell Avenue Sewer Benefit Area. Each acre of this property which can be developed as a result of the construction of the sanitary sewer improvements will receive a direct benefit from the sewer system.
- (3) The Plan entitled "Bell Avenue Storm Drainage and Sanitary Sewer Facilities Plan", a copy of which is on file at the City's Department of Public Works, is hereby adopted as such pursuant to Section 66483(b) of the California Government Code. This plan includes a description and cost estimate of the storm drainage and sanitary sewer improvements.
- (4) The purpose of this Ordinance is to establish a fee district by which the owners of property within the aforementioned Benefit Areas will pay their pro rata share of the cost of the Plan Improvements if they desire to connect to said improvements. Fees shall be

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paid prior to approval of a final subdivision map, or parcel map, issuance of a building permit, or connection to the Plan Improvements.

- (5) There is a direct relationship between the need for the Plan Improvements being financed by the fees and the subdivision and development of the property within the Benefit Areas. The development creates a need for storm drainage and sanitary sewer improvements beyond the facilities currently available to these developing areas. Public health and safety also require that adequate drainage and sewage facilities be constructed to serve the residents of the area if they desire to connect to said facilities.

The Trunk Fees provided herein are fairly apportioned within the Benefit Areas on the basis of benefits conferred by the implementation of the Plan.

- (6) The Trunk Fees as to any property within the Benefit Areas will not exceed the pro rata share of the total estimated cost of all trunk facilities within such areas which would be assessable on such property if said costs were apportioned uniformly on a per-acre basis.
- (7) The Plan Improvements are in addition to existing facilities serving the Benefit Areas at the time of adoption of this Ordinance.
- (8) The Trunk Fee section of this Ordinance is exacted pursuant to the authority set forth in Article XI, Section 7 of the California Constitution and Sections 66483 and 66488 of the California Government Code.
- (9) The Collector Sewer Fee section of this Ordinance is exacted pursuant to the authority set forth in Article XI, Section 7 of the California Constitution, Section 50140 of the California Government Code and Section 4742.3 of the California Health and Safety Code.

SECTION 78.110 TRUNK FEES

A. Establishment and Administration of the Trunk Fee Fund

The City's Director of Finance is hereby directed to establish and administer two (2) special interest-bearing funds entitled "Bell Avenue Planned Local Storm Drainage Facilities Fund" and "Bell Avenue Planned Local Sanitary Sewer Facilities Fund". All storm drainage and sanitary sewer trunk fees collected pursuant to this Section shall be deposited into the respective funds. These funds shall be kept segregated from the General Fund. The monies in said funds shall be expended solely for the construction or reimbursement of construction of the Plan Improvements and to reimburse the City for the cost of engineering and administrative services related to district formation, administration, design and construction of the Plan Improvements.

B. Payment of Trunk Fees

The fees imposed by this Section shall be paid to the City of Sacramento by any owner of a property within the Benefit Areas, not exempted pursuant to paragraph D of this Section herein, prior to approval of a final subdivision map, final parcel map, issuance of a building permit or connection to the Plan Improvements, whichever occurs first. After the maximum fees per gross acre as set forth herein have been paid for a property, no

additional fees pursuant to this Section shall be imposed for further subdivision, permits or other entitlements granted to such property.

C. **Determination of Trunk Fees**

The fees determined by this Section shall be determined by resolution of the City Council.

D. **Properties Exempted from Trunk Fees**

Subsequent to adoption of this Ordinance, the City may initiate proceedings to form a special assessment district within a portion of the Bell Avenue Benefit Areas. The bond proceeds of this District will be used to finance the construction of the Trunk portion of the Plan Improvements. All properties which have joined in said Assessment District prior to formation and which pay their pro rata share of the Plan Improvements through annual installments to the Assessment District shall be exempt from all trunk fees imposed under this Section.

E. **Termination of Trunk Fees**

The Trunk fees imposed herein shall be collected until such time as all properties subject to this Section have paid their fees or until ten (10) years from the effective date of this Ordinance, which ever occurs first.

SECTION 78.120 COLLECTOR SEWER FEES

A. **Establishment and Administration of Collector Sewer Fee Fund**

The City Director of Finance is hereby directed to establish and administer a special interest-bearing fund entitled "Bell Avenue Collector Sewer Fee Fund". All Collector Sewer Fees collected pursuant to this Section shall be deposited into this fund. The monies in said fund shall be expended solely for the construction or reimbursement of construction of the Collector Sanitary Sewer Improvements and to reimburse the City for the cost of engineering and administrative services related to district formation, administration, design and construction.

B. **Payment of Collector Sewer Fee**

The fees imposed by this Section shall be paid to the City of Sacramento by any owner of a property within the Sewer Benefit Area, not exempted pursuant to Section 78.120 paragraph D herein, prior to approval of a final subdivision map, final parcel map, issuance of a building permit or connection to the Plan Improvements, whichever occurs first. After the maximum fee per gross acre as set forth herein has been paid for a property, no additional fee pursuant to this Section shall be imposed for further subdivision, permits or other entitlements granted to such property.

C. **Determination and Adjustment of Collector Sewer Fee**

The fees determined by this Section shall be determined and adjusted as necessary by resolution of the City Council.

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D. Properties Exempted from Collector Sewer Fee

The City Council will by resolution designate the property encompassed by the I-80 Industrial Park Area. All properties designated by the City Council to be within the "I-80 Industrial Park Area" shall be exempted from the Collector Sewer Fee. The cost of Collector Sanitary Sewer serving this area shall be financed by a future assessment district or developer funding.

E. Reimbursement and Fee Credit Agreement

If a collector sewer is constructed such that it will benefit properties other than those funding the construction, the City may enter into a reimbursement agreement with the party funding the construction to reimburse, or partially reimburse, said party for the pro rata cost of the portion of the construction which benefits such other non-participating properties. For the purposes of this Ordinance, the cost of construction shall be the amount of the low bid plus a fifteen (15) percent allowance for engineering, administration, and inspection. The agreement may also provide for a credit in-lieu of payment of all or a portion of the Collector Sewer Fee. The credit will be based on the Collector Sewer Construction costs and will be determined by the Department of Public Works. The following shall be considerations in the agreement:

- (1) The time limit on said agreements shall be ten (10) years from the date of approval by the City.
- (2) The estimated cost to the City in administering each of the agreements, which will be determined by resolution of the City Council shall be deducted from the amount to be reimbursed. This amount so determined shall be deducted from the initial reimbursement.
- (3) A minimum of three (3) bids must have been received for the construction being considered for reimbursement.

SECTION 78.130 VARIANCES, DEVIATIONS AND APPEALS

A. Variances and Deviations

The Director of Public Works may approve and allow such variations and deviations from the participation and fee requirements of this Chapter as he determines are made necessary by existing parcel size or conditions of developments.

B. Appeal

Any person required to participate or pay fees under the provisions of this Chapter may appeal any determination made by the Director of Public Works within ten days after the determination is made. Such an appeal must be made to the City Council in accordance with the provisions of Chapter 2, Article XIX of the City Code. The appeal shall be in writing and shall be filed with the city clerk who shall present it to the council. The council shall set such appeal for hearing on a date not later than thirty days after the date on which the appeal is presented to the council by the clerk. The council shall direct the clerk to give written notice of the hearing date to the appellants at their address given in the written appeal.

SECTION 78.140 MODIFICATIONS AND VALIDITY

A. MODIFICATIONS

The City Council may make such modifications in the requirements of this Section or may grant such waivers or modifications of the determinations which are appealed to them hereunder as it shall determine to be required in order to prevent an unreasonable hardship under the facts of each case; provided, however, that each such modification or waiver shall be in conformity with the general spirit and intent of the requirements of this chapter.

B. VALIDITY

If any section, subsection, sentence, clause or phrase of this Ordinance be for any reason held to be unconstitutional, such decision shall not effect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared to be unconstitutional. The fees established pursuant to this Ordinance shall be in addition to any other fees established by ordinance or law including but not limited to sewer development fees and sewer service installation charges.

This Ordinance shall take effect and be in force on the thirtieth (30) day from and after its passage.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

ED1-02.J

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION DETERMINING FEES FOR BELL AVENUE STORM DRAINAGE AND SANITARY SEWER FEE DISTRICTS

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

I. BOUNDARY MAPS

- A. The Council approves the map shown as Attachment A and adopts the boundaries shown on the map as describing the Bell Avenue Drainage Benefit Area. The map describes the extent of the territory included in a proposed fee district to be known as the Bell Avenue Storm Drainage Fee District.
- B. The Council approves the map shown as Attachment B and adopts the boundaries shown on the map as describing the Bell Avenue Sewer Benefit Area. The map describes the extent of the territory included in a proposed fee district to be known as the Bell Avenue Sanitary Sewer Fee District.
- C. The Council approves the map shown as Attachment C and adopts the boundaries shown on the map as the I-80 Industrial Park Area. The map describes the extent of the territory to be exempted from the Collector Sewer Fee.

Said fees for the Bell Avenue Fee Districts shall become effective on May 31, 1989.

II. DETERMINATION OF TRUNK FEES

- A. Trunk Storm Drainage Fees - The total estimated trunk storm drainage cost is \$490,381. These costs are reasonably related to a 195 acre Benefit Area. Equal distribution of these costs over the entire Bell Avenue Drainage Benefit Area results in a fee of \$2,515 per acre.
- B. Trunk Sanitary Sewer Fees - The total estimated trunk sanitary sewer cost is \$964,713. These costs are reasonably related to a 444 acre Benefit Area. Equal distribution of these costs over the entire Bell Avenue Sewer Benefit Area results in a fee of \$2,175 per acre.
- C. The trunk fees per acre shall be based on the rate per gross acre. Said fees shall increase at the rate of 0.67 percent per month commencing on the effective date of this resolution until the total fee increase has reached 100% of the base fee. Said fee increase and total fee shall be calculated on the first of each month and remain in effect until the first of the following month.

III. DETERMINATION AND ADJUSTMENT OF COLLECTOR SEWER FEE

- A. The total estimated Collector Sanitary Sewer Cost is \$842,853. These costs are reasonably related to a 342 acre Benefit Area. Equal distribution of these costs over the entire Bell Avenue Sewer Benefit Area minus the exempted I-80 Industrial Park Area results in a fee of \$2,464 per acre.
- B. The Collector Sewer Fee shall be based on the rate per gross acre. The Collector Sewer Fee shall be subject to an annual adjustment commencing on March 1, 1990 and each succeeding March 1 thereafter. At the beginning of each year the Department of Public Works shall review the Engineering News Record Construction Cost Index (ENRCCI). The January ENRCCI for 20 cities and the index for San Francisco will be averaged. When the average index thus computed differs from 5012, and adjustment factor shall be applied to the Collector Sewer Fee. Said factor shall be equal to the ratio of the current 20 cities/San Francisco average index divided by 5012.

IV. REIMBURSEMENT AGREEMENT

The cost to the City in administering each of the Agreements is established at \$250.00 for Agreements in the amount of \$10,000 or less and \$500.00 for Agreements in excess of \$10,000.

MAYOR

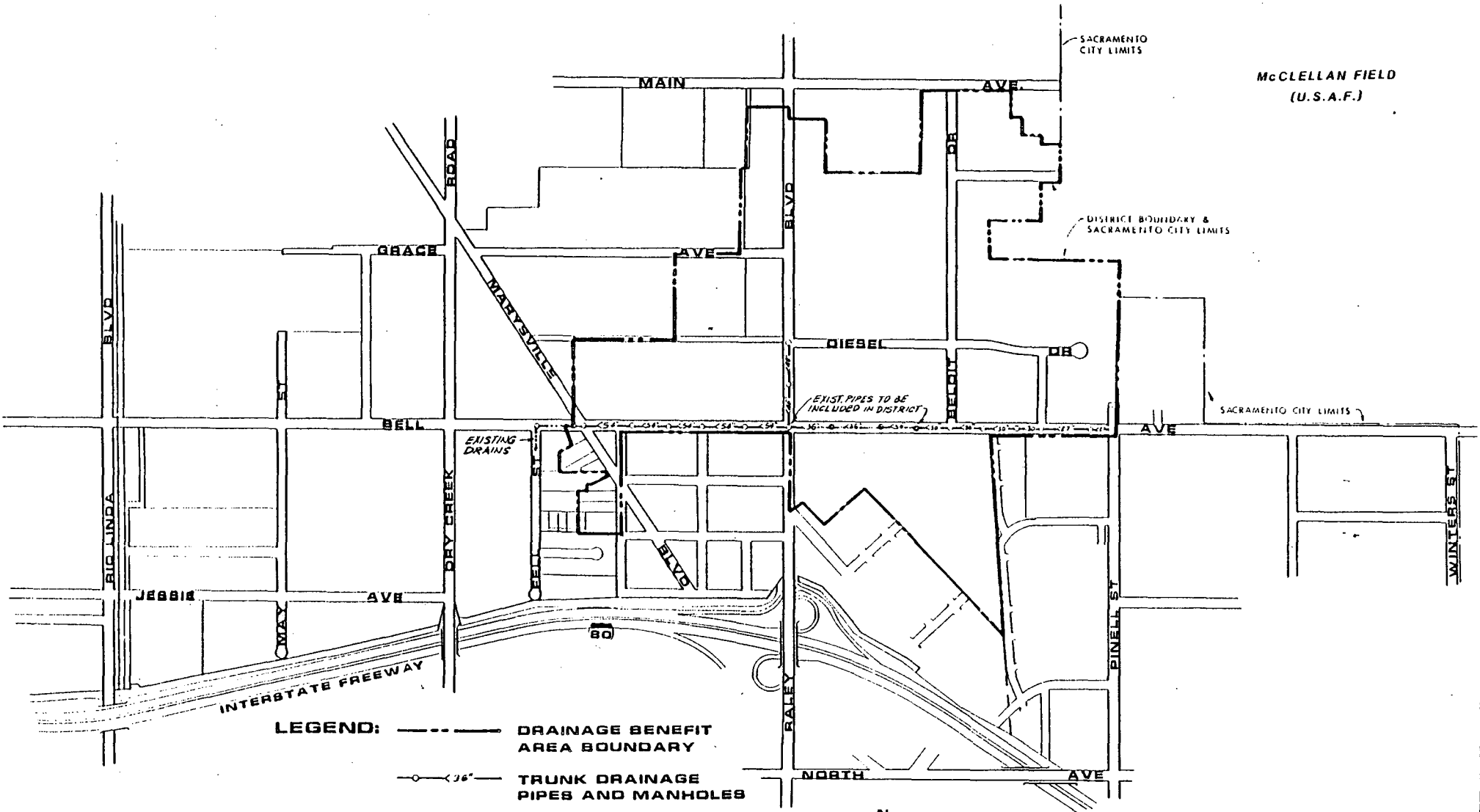
ATTEST:

CITY CLERK

ED1-02.J

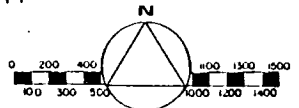
BELL AVENUE STORM DRAINAGE BENEFIT AREA

Attachment A

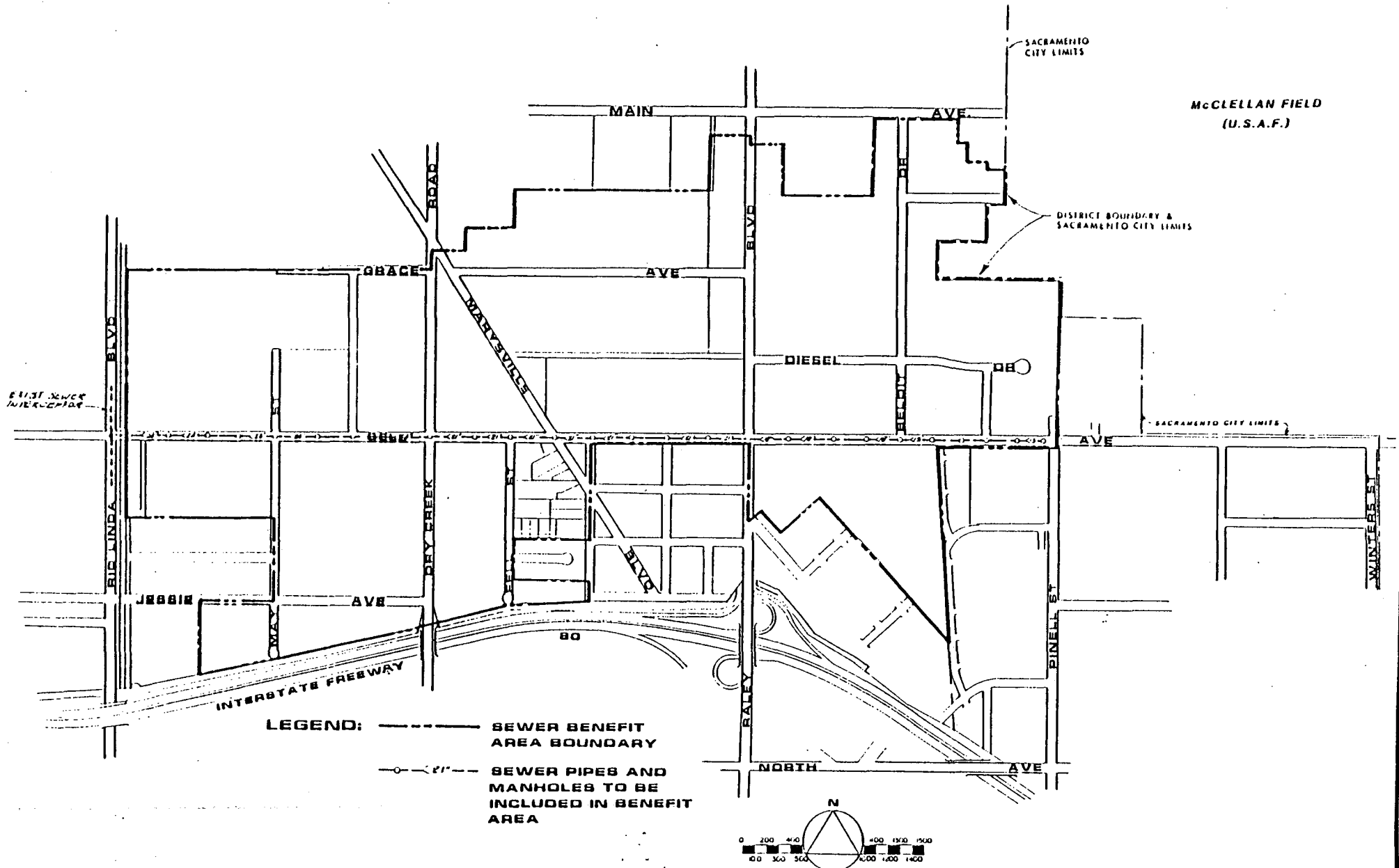


LEGEND:

- DRAINAGE BENEFIT AREA BOUNDARY
- TRUNK DRAINAGE PIPES AND MANHOLES



BELL AVENUE SEWER BENEFIT AREA



Attachment B

Attachment C
Will be distributed