

1 **ORDINANCE BILL NO. 11-21**

2 AN ORDINANCE RELATING TO GENERAL ASSESSMENT PROCEDURES;  
3 AMENDING SRC 21.090

4 *The City of Salem ordains the following:*

5 **Section 1.** *Salem Revised Code (SRC)* chapter 21, section 21.090 is hereby amended as  
6 set forth in Exhibit A, attached hereto and by reference incorporated herein.

7 **Section 2. Findings.** The amendment will reduce the interest rate accrued on  
8 assessments levied for local infrastructure improvements from 9.5 percent to 0 (zero)  
9 percent when those improvements are needed to supply water to private water district  
10 customers when that district is dissolving and the City is succeeding that district.

11 Several private water districts operate within the City’s water service area and are not  
12 connected to the City’s water system. When a private water district dissolved, which can  
13 be for various reasons (e.g., contamination, declining well production), the existing  
14 customers of the district must connect to the City’s water system and become customers  
15 of the City.

16 SRC chapter 21, section 21.090 requires the City charge interest at a rate of 9.5% per  
17 annum on assessments. In cases where assessments are levied to City residents to  
18 alleviate health and safety concerns from private drinking water systems, this high  
19 interest on the assessments can unduly add to the financial burden borne by the residents  
20 to convert to City-supplied drinking water.

21 **Section 3. Codification.** In preparing this ordinance for publication and distribution, the  
22 City Recorder shall not alter the sense, meaning, effect, or substance of this ordinance,  
23 but within such limitations, may:

24 (a) Renumber sections and parts of sections of the ordinance;

25 (b) Rearrange section;

- 1 (c) Change reference numbers to agree with renumbered chapters, sections or other
- 2 parts;
- 3 (d) Delete references or repealed sections;
- 4 (e) Substitute the proper subsection, section or chapter, or other division numbers;
- 5 (f) Change capitalization and spelling for the purpose of uniformity;
- 6 (g) Add headings for purposes of grouping like sections together for ease of reference;
- 7 and
- 8 (h) Correct manifest clerical, grammatical or typographical errors.

9 **Section 4. Severability.** Each section of this ordinance, and any part thereof, is  
10 severable, and if any part of this ordinance is held invalid by a court of competent  
11 jurisdiction, the remainder of this ordinance shall remain in full force and effect.

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13  
14  
15 PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2021

16 ATTEST:

17  
18 City Recorder

19 Approved by City Attorney: \_\_\_\_\_

20  
21 Checked by: Thomas Cupani, Deputy City Attorney