



## Staff Report

---

**File #:** 21-105

**Version:** 1

**Date:** 3/22/2021

**Item #:** 4.b.

---

**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Peter Fernandez, PE, Public Works Director

### **SUBJECT:**

Public Hearing to consider Resolution No. 2021-9 to amend the Trelstad Reimbursement District by lowering the district fees based on actual construction costs.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Natural Environment Stewardship

### **ISSUE:**

Shall Council adopt Resolution No.2021-9, approving the adjustment of the Trelstad Reimbursement District fee to reflect actual construction costs after conducting a public hearing on the matter?

### **RECOMMENDATION:**

Adopt Resolution No. 2021-9, (Attachment 1) approving the adjustment of the Trelstad Reimbursement District fee to reflect actual construction costs after conducting a public hearing on the matter.

### **SUMMARY:**

On March 14, 2016, Council approved formation of the Trelstad Reimbursement District under Resolution 2016-12 to collect funds for reimbursement of a developer's costs associated with future construction of street improvements at the intersection of 36<sup>th</sup> Avenue SE and Trelstad Avenue SE. Prior to construction of the street improvements, the estimated costs of construction were \$620,696, resulting in a reimbursement district fee of \$53.76 per vehicle trip for developments within the district boundary. The Public Works Director recently authorized actual construction costs to be \$352,754. Because actuals costs were lower than the estimated costs of construction, the reimbursement district fee should be lowered to \$30.55 per vehicle trip.

## FACTS AND FINDINGS:

### *Procedural Findings*

1. Premier Protection, LLC, filed a reimbursement district application on February 2, 2016, to collect funds for reimbursement of a developer's costs associated with future construction of street improvements at the intersection of 36<sup>th</sup> Avenue SE and Trelstad Avenue SE.
2. The Improvements had not been constructed prior to the Trelstad reimbursement district application being filed; the applicant had submitted an engineer's estimate of costs totaling \$617,562 that are eligible for reimbursement pursuant to SRC 200.350.
3. On March 14, 2016, Council approved formation of the Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs under Resolution 2016-12.
4. On December 4, 2020, the Public Works Director authorized actual construction costs to be \$352,754. (Attachment 2)
5. The improvements are eligible for reimbursement as follows: 19 percent from SDCs; 69 percent from reimbursement district fees; and the remaining 12 percent is the developer's share of the improvements and not eligible for reimbursement. The calculations demonstrating the fee adjustment are shown below:

	Original Resolution	Adjusted Resolution
Total Cost	\$620,696	\$352,754
SDC Eligible	\$117,932	\$67,023
Non-SDC Cost	\$502,764	\$285,731
Cost per Trip	\$53.76	\$30.55
Developer's Share	\$74,135	\$42,128
Maximum Reimbursed	\$428,629	\$243,603

6. Pursuant to SRC 200.320, a public notice was published and all persons owning property within the proposed district were notified by first class mail of the public hearing and purpose thereof not less than 10 days prior to the hearing date.(Attachment 4)
7. Any reimbursement district fees collected to date will be partially refunded to reflect the adjusted costs, and reimbursement district fees will be paid to the applicant based on the adjusted costs.

Public Works staff supports the adjustment of the Trelstad Reimbursement District fee based on actual construction costs.

## BACKGROUND:

On March 14, 2016, Council approved formation of the Trelstad Reimbursement District to collect funds for reimbursement of a developer's costs associated with future construction of street improvements at the intersection of 36<sup>th</sup> Avenue SE and Trelstad Avenue SE under Resolution 2016-12. The street improvements were required in conjunction with the new Oregon State Policy facility. The estimated costs of street construction were \$620,696, resulting in a reimbursement district fee of \$53.76 per vehicle trip for future developments within the district boundary. After the developer completed construction of the intersection improvements, the Public Works Director authorized actual construction costs to be \$352,754 and adjusting the reimbursement district fee to \$30.55 per vehicle trip.

Robert D. Chandler, PhD, PE  
Assistant Public Works Director

**Attachments:**

1. Resolution No. 2021-9
2. Authorized Construction Costs
3. Exhibit A to Resolution No. 2021-9
4. Public Hearing Notice