AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO SANITARY SEWERS, PROVIDING FOR AN EMERGENCY SEWER MAIN EXTENSION PROGRAM TO BRING SEWER MAINS TO PROPERTIES WITH FAILED OR FAILING SEPTIC TANK SYSTEMS, PROVIDING FOR THE FINANCING OF THE PROGRAM INCLUDING ESTABLISHMENT OF A SEWER EXTENSION FEE AND THE METHOD OF PAYMENT THEREOF.

WHEREAS, inefficient or failing septic tank systems contribute to surface and ground water contamination, and potentially result in other health, sanitary and environmental problems; and

WHEREAS, the King County Health Department has identified the following characteristics as indicative of potentially ineffective septic tank systems:

Septic system age is over 25 years;

More than one septic repair (per property) in the last 3 years; Small lot size (less than 1/2 acre) with insufficient drain field; 3 or more small lots being grouped together; Neighborhood density being greater than 4 units per acre; Property exhibits shallow and wet soil conditions; and

WHEREAS, the King County Health Department has identified neighborhoods within the City of Kirkland having frequent septic tank system failures on small lots with shallow and wet soil conditions; and

WHEREAS, the Kirkland City Council finds it to be in the interest of the general health, safety and welfare, and to improve the efficiency of the sanitary sewer system, to establish a program for extending existing City of Kirkland sanitary sewer mains so as to be able to permit connection of properties having a failing septic tank systems to the public sanitary sewer system; and

WHEREAS; the City Council has approved an emergency fund to provide initial financing for construction of sewer extensions into and within areas where failing septic tank systems exist, with connecting properties to reimburse their beneficial share of the cost of extension construction as required by KMC 15.08.041.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Kirkland as follows:

Section 1. The owner of an existing single or multi-family dwelling within the Kirkland sewer system service area, having a failed or failing septic tank system, may request to connect to the public sewer system, even though such property may be located more than 330 feet from an existing sewer main (requiring construction of a sewer main extension in order to be connected.) Whenever construction of a sewer main extension is required to make such connection possible, the City shall plan, design and construct such extension within a reasonable time pursuant to the criteria for sewer main extension projects and construction priorities authorized by Section 3.5 of this ordinance. Upon completion of construction and acceptance of the sewer main extension, the City shall give notice to the requesting property owner that the property shall, within 30 days of receipt of the notice, connect to the public sewer system. Other property owners benefited by the extension construction may also connect to the public sewer system.

Section 2. Any single or multi-family dwelling connecting to the public sewer after the effective date of this ordinance shall, as required by KMC 15.08.041 and, in addition to the capital facilities charge required by KMC 15.12.063 and the side sewer charge required by KMC 15.12.060, pay to the City the "extension" charge established in Section 3 of this ordinance.

## Section 3. Extension Charge.

1. The City shall collect sewer extension charges from owners of properties which individually benefit from publicly built sewer extension facilities constructed after adoption of this ordinance, except property owners who previously paid their fair share of such an extension through an LID or ULID. Facilities that may be covered in an extension charge include, but are not limited to, stubs built from the sewer main to the property line, pump stations and sewer main extensions which bring the sewer main to the farther boundary of the property.

2. The extension charge is the property owner's equitable share of the established costs of the facilities extension from which the property owner benefits. The equitable share shall include interest charges applied from the date of construction acceptance of the sewer extension until the property connects, at a rate commensurate with the rate of interest established in Subsection 4(c) of this section, as applicable at the time of construction of the facility to which the property owner is seeking to connect.

3. The extension facilities cost shall be allocated to benefiting property owners based on the number of "residential customer equivalents". For the purposes of this ordinance, "residential customer equivalents" means the number of dwelling units existing on a lot or parcel of land as of the date of construction acceptance of the sewer extension to which the property will be connected or a vacant lot or parcel of land of reasonable residential lot size as determined by the Director of Public Works pursuant to Subsection 5 of this section. At completion of each extension construction project the Department of Public Works shall record, with the King County Office of Records and Elections, a document which identifies the project and includes a statement of total construction cost, the amount of such cost per residential customer equivalent, a legal description of each lot or parcel of land benefited and the amount of the extension charge allocable for each lot or parcel so described.

4. The extension charge shall be payable to the City as follows:

a. Upon receipt of the 30 day Notice to Connect given by the City to a requesting property owner required by Section 1, or as to other property owners upon connection of the lot or parcel to the public sewer; or

b. As to those lots or parcels which have a properly functioning septic tank system and are not required by KMC Section 15.28.010 to connect to the public sewer system or vacant parcels of land, 10 years following acceptance of the construction of the extension, or

C. The City may enter into contracts with the owners of existing single-family residences and multifamily residences that meet criteria specified by the Department of Public Works for payment of extension charges over 10 successive years instead of as a lump sum. In addition to the installment payment on the extension charge principal, each time payment shall include an administrative handling fee to be established by the Finance Director, together with interest on the unpaid balance of the extension charge principal at a rate to be set quarterly on the first working day of the guarter by the Finance Director, which shall not exceed ninety-five percent (95%) of the market yield to maturity for the most recently issued U.S. Treasury Note. The interest rate and administrative handling fee to be set quarterly shall remain in effect for said contracts for the term of the contract. The interest rate to be set guarterly for time payment contracts entered into during that current year. The contract shall provide that the first annual payment shall be payable as of the date of signing the contract.

d. Not withstanding the foregoing, the entire amount of the extension charge or any remaining unpaid balance thereof shall be payable in full at the time of closing upon sale of the property whether or not the property has been connected to the sewer extension.

e. The extension charge or any unpaid balance of the time payment contract shall be secured by a lien against the connecting property. The lien shall attach as of the date of connection of the property to the public sewer and continue thereafter until the extension charge or any unpaid balance of the time payment contract has been fully paid. 5. Administrative Procedures. The Director of Public Works is authorized to adopt administrative procedures for the purpose of administering the provisions of this Ordinance, including establishment of criteria for sewer main extension projects and construction priorities.

Section 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 5. This Ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in regular, open meeting this <u>23rd</u> day of <u>June</u>, 1998.

Signed in authentication thereof this <u>23rd</u> day of <u>June</u>, 1998.

Attest:

City Clerk

Approved as to Form:

City Attorney

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