ORDINANCE 4032

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO SEWER MAIN EXTENSIONS, AND AMENDING SECTIONS 15.38.010 AND 15.38.030(d) OF THE KIRKLAND MUNICIPAL CODE.

WHEREAS, the City Council desires to clarify the process for delaying connection to a City constructed sewer main extension, and to provide for payment of the extension charge upon refinancing of property;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Section 15.38.010 of the Kirkland Municipal Code is amended to read as follows:

The owner of an existing single-family or multifamily 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 three hundred thirty 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 15.38.040 of this chapter. Upon completion of construction and acceptance of the sewer main extension, the city shall:

(b) Give notice to . Otherother property owners benefited by the extension construction to may also connect the property to the public sewer system within thirty days of receipt of the notice; provided, that in lieu of connection, such property owners may delay connection of the property and payment of the extension charge pursuant to Section 15.38.030 by executing a written request and authorization, in a form approved by the director of public works in accordance with Section 15.38.040, that requests delay of connection and payment and that acknowledges filing of the document described in Section 15.38.040(c) and creation of the lien of Section 15.38.030(d)(5). The department of public

works shall record the written request with the King County office of records and elections.

Section 2. Section 15.38.030(d) of the Kirkland Municipal Code is amended to read as follows:

(d) The extension charge shall be payable to the city as follows:

- For a requesting property owner and for other property owners who do not execute a written request and authorization to delay payment of the extension charge. Upon—upon receipt of the thirty-day notice to connect—given—by the city to a requesting property owner required—by pursuant to Section 15.38.010—of this chapter—, or—as—to other property owners upon connection of the lot or parcel to the public sewer; or
- (2) For other property owners who execute a written request and authorization to delay payment of the extension charge pursuant to Section 15.38.010, upon connection of the property to the public sewer system pursuant to Section 15.28.010, or As to those lots or parcels which have a properly functioning septic tank system and are not required by Section 15.28.010 of this code to connect to public the public sewer system or vacant parcels of land, ten years following acceptance of the construction of the extension, whichever occurs first; or
- (3) The city may enter into contracts with the owners of existing single-family residences, multifamily residences and businesses that meet criteria specified by the department of public works for payment of extension charges over ten 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 quarter by the finance director, which shall not exceed ninety-five percent of the market yield to maturity of the most recently issued U.S. Treasury note. The interest rate administrative handling fee to be set quarterly shall remain in effect for said contracts for the term of the contract. The interest rate shall be set quarterly for time payment contacts entered into during that current year. The contract shall provide that the first annual payment shall be payable as of July 1st following connection with

the remaining payments due on July 1st of each successive year.

- (4) Notwithstanding 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, or upon refinancing of the property unless the owner requests that the City waive its right to collect this charge out of the refinance proceeds, whether or not the property has been connected to the sewer extension.
- (5) Pursuant to RCW 35.67.360, Thethe 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 recording of the document required to be recorded by the department of public works by subsection (c) of this section and continue thereafter until the extension charge or any unpaid balance of the time payment contract has been fully paid.

Section 3. 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 open meeting this <u>17th</u> day of <u>January</u>, 2006.

Signed in authentication thereof this <u>17th</u> day of <u>January</u>, 2006.

Attest:

Approxed as to Form: