City Council, City of Grand Junction and County Commissioners of Mesa County

JOINT RESOLUTION ESTABLISHING SEPTIC SYSTEM ELIMINATION PROGRAM

G.J. Resolution No. 38-00 Mesa County Resolution No. MCM 2000-73

Whereas, approximately 1800 septic systems remain within the 201 Sewer Service Area; and

Whereas, these systems are aging and many have failed or will fail within the near future; and

Whereas, feasibility studies have been completed that indicate that installing piped sewage collection systems in these areas will cost homeowners between \$10,799 and \$17,358 per lot over the next ten years. These costs represent estimated construction costs and do not include plant investment fees, trunk line extension fees or service line construction costs. Construction costs, alone, will be burdensome to homeowners; and

Whereas, the City Council and the Board of Mesa County Commissioners have determined it is in the best interests of the community and the sewer system to establish a program to provide incentives to property owners to join together and create improvements districts to eliminate these septic systems and to write down the inflated estimated construction costs per lot; and

Whereas, to provide incentives it will be necessary to appropriate additional capital funds in the joint sewer funds to design and construct sewage collection systems and to underwrite a portion of the improvement district assessment to reduce the overall cost to the customer.

Now therefore, be it resolved by the City Council of the City of Grand Junction and the County Commissioners of Mesa County that:

- 1. \$1,000,000 per year between the years 2001 and 2005 is set aside from the Joint Sewer System Fund to encourage the creation of local sewer improvement districts and finance the improvements.
- 2. \$1,500,000 per year between the years 2006 and 2010 is set aside for the same purpose.
- 3. Priority will be given to homeowner groups with failing septic systems willing to create local improvement districts for the construction of sewage collection systems. The sewer system will assess only 70% of the inflated estimated construction cost per lot for these improvements. Not included in the assistance is the cost of plant investment fees, trunk line extension fees, or service line

construction costs. An interest rate of 8% is established for those property owners utilizing the long-term financing mechanism of a local improvement district.

- 4. The Sewer Fund will continue to meet all other planned operating and long-range capital commitments, established minimum fund balances, continued payment of bond principal and interest until the year 2005, and anticipated rate increases. The latter is estimated to be 2.50 % annually.
- 5. The Septic System Elimination Program will be reviewed annually by the City Council and the Mesa County Commissioners in terms of property owner participation, per lot assessments, total Sewer Funds appropriated, and overall status of the long-term sewer financial plan. The City Council and the Mesa County Commissioners may modify the program from time to time.

Passed and Adopted this 3rd day of May, 2000, by the City Council of the City of Grand Junction.

Attest:

<u>/s/ Stephanie Nye</u> City Clerk <u>/s/ Gene Kinsey</u> President of the Council

Passed and Adopted this 22 day of May, 2000, by the Mesa County Commissioners.

MESA COUNTY BOARD OF COUNTY COMMISSIONERS:

By: <u>/S/ Doralyn B. Genova</u> Doralyn B. Genova, Chairman

Attest:

<u>/s/ Monika Todd by Roberta Raley, Deputy</u> Monika Todd Mesa County Clerk & Recorder