



January 22, 2026

BCC Agenda Date/Item: _____

Board of County Commissioners
 Acting as the governing body of Water Environment Services
 Clackamas County

Approval of a Board Order for the Creation of Water Environment Services Reimbursement District Scouters Mountain Phase 3, Vradenburg Rd. No WES Funds are involved. No County General Funds are involved.

Previous Board Action/Review	Policy Session Sept 30, 2025		
Performance Clackamas	1. This action supports the WES Strategic Plan to strategically plan and upgrade WES' infrastructure to ensure the sustainable delivery of reliable, high-quality, and climate-resilient clean water services that support the growth and vitality of our communities, natural environment, and economy. 2. This project supports the County's Strategic Priorities of Strong Infrastructure, Vibrant Economy, and Safe, Secure and Livable Communities.		
Counsel Review	Yes	Procurement Review	No
Contact Person	Ron Wierenga	Contact Phone	503-742-4581

EXECUTIVE SUMMARY: WES Rules and Regulations (Rules) Chapter 5.6 provides for the establishment of Reimbursement Districts for qualifying public sanitary sewer and stormwater improvements to recuperate from future connections the eligible costs of construction. A Developing Party, who is not otherwise eligible for system development charge credits for Qualified Projects and who chooses or is required as a condition of development to finance or cause construction of public sanitary, storm sewer, stormwater or surface water management improvement, or some combination of improvements serving Specially Benefitting Properties, may request that WES establish a Reimbursement District.

Scouters Mountain, LLC, the Developing Party of Scouters Mountain Phase 3 Subdivision, through their agent AKS Engineering, submitted an application for the establishment of a Reimbursement District for sanitary sewer and stormwater improvements for the Scouters Mountain Phase 3 Subdivision. In accordance with WES Rules Chapter 5.6.1, the Developing

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Party has fully financed and constructed, and WES has accepted, the public improvements from the development project.

A Reimbursement District Report, attached as Exhibit A to the Order, addresses factors and criteria mandated in the WES Rules Chapter 5.6.1(A-C). The report makes the required analysis and findings and concludes that the proposed Reimbursement District complies with applicable WES Rules.

RECOMMENDATION: Staff recommends that the Board of County Commissioners of Clackamas County, acting as the governing body of Water Environment Services, approve a Board Order for the Creation of Water Environment Services Reimbursement District Scouters Mountain Phase 3 Vradenburg Rd.

Respectfully submitted,



Greg Geist
Director, WES

Attachment: Board Order, WES Report Reimbursement District Scouters Mountain Phase 3, Vradenburg Rd.

BEFORE THE BOARD OF COUNTY COMMISSIONERS

OF CLACKAMAS COUNTY, STATE OF OREGON

In the Matter of Approving the Creation of
Water Environment Services Reimbursement
District Scouters Mountain Phase 3
Vradenburg Rd.



Board Order No. _____

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Whereas, the Board of County Commissioners serves as the governing body of Water Environment Services (“WES”) is an Oregon ORS 190 organization that provides sanitary sewer and surface water management services to certain cities and unincorporated urban areas of Clackamas County; and

Whereas, WES Rules and Regulations Chapter 5.6 provides for the establishment of Reimbursement Districts for public sanitary, storm sewer, stormwater or surface water management improvements. A Developing Party who is not otherwise eligible for SDC credits for Qualified Projects and who chooses or is required as a condition of development to finance or cause construction of public sanitary, storm sewer, stormwater or surface water management improvement, or some combination of improvements serving Specially Benefitting Properties may request that WES establish a Reimbursement District; and

Whereas, Scouters Mountain, LLC, the Developing Party of Scouters Mountain Phase 3 Subdivision, submitted an application for the establishment of a Reimbursement District for sanitary sewer and stormwater improvements. In accordance with WES Rules Chapter 5.6.1, the Developing Party has fully financed, and WES has accepted, the public improvements of Scouters Mountain Phase 3 Subdivision; and

Whereas, the representative of the Developing Party, AKS Engineering and Forestry, LLC, requested that WES establish a Reimbursement District for a portion of the public sanitary and stormwater improvements that directly benefit properties adjacent to the subdivision; and

Whereas, a staff report that addresses factors and criteria for the establishment of the requested Reimbursement District and was made public by publication, not less than five (5) calendar days nor more than thirty (30) days prior to the hearing, in a newspaper of general circulation within the WES service area. WES has also mailed copies of the notice by regular mail not less than fourteen (14) calendar days prior to the hearing to the property owners of any lots or parcels that are proposed to be subject to the reimbursement charge. The Staff Report is attached hereto as Exhibit A.

Whereas, a public hearing is held before the Board on January 22, 2026, and that a decision of approval was made on January 22, 2026. In determining whether to approve the establishment of the Reimbursement District as described in Exhibit A, the Board considered the WES Rules;

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BEFORE THE BOARD OF COUNTY COMMISSIONERS

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In the Matter of Approving the Creation of
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District Scouters Mountain Phase 3
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Board Order No. _____

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NOW THEREFORE, the Clackamas County Board of Commissioners do hereby order:

1. The Analysis, Findings, and Conclusions in the Staff Report attached as Exhibit A are adopted by the Board of County Commissioners and demonstrate that the criteria for establishment of the Reimbursement District Scouters Mountain Phase 3 Vradenburg Rd. have been met.

2. The Water Environment Services Reimbursement District Scouters Mountain Phase 3 Vradenburg Rd. ("District") is established, the properties included in Exhibit A shall be included within the District and the method of apportioning improvement costs among properties within the Reimbursement District, the reimbursement charge, administration fee, and applicable interest rate shall be as specified in Exhibit A.

DATED 22nd day of January 2026.

**BOARD OF DIRECTORS OF
WATER ENVIRONMENT SERVICES**

Chair

Recording Secretary



CLACKAMAS

**WATER
ENVIRONMENT
SERVICES**

***Water Environment Services (WES)
Report
Reimbursement District
Scouters Mountain Phase 3
Vradenburg Rd.***

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DEFINITIONS

The following words and terms apply to WES Rules, Chapter 5.6 Reimbursement Districts:

Developing Party. The person, private entity or public entity that funds the construction of a project that is eligible to apply for a Reimbursement District.

Qualified Project. A public improvement or some combination of improvements that is eligible for reimbursement, including the following:

A. Extension of a sanitary sewer or storm sewer pipeline improvement project, or a portion of a sanitary sewer or storm sewer improvement project, that makes service available to properties, and any subsequent subdivisions thereof, which are off-site and downstream of the Developing Party's own property.

B. Construction of a storm and surface water treatment project larger or with greater capacity than necessary to meet the stormwater quality and/or quantity management requirements of the property of the Developing Party in order to provide future stormwater quality and/or quantity management to other properties which would otherwise need to construct additional stormwater quality and/or quantity management facilities to provide service to the same area.

Reimbursement District. The area that is determined by the Board to derive a benefit from the construction of public improvements, financed in whole or in part by a Developing Party.

Specially Benefitting Properties. For the purpose of establishing a Reimbursement District, all properties or parcels which are either:

A. Off-site of the Developing Party's own property and capable of receiving gravity sewer service through connection to a Qualified Project. Properties which are adjacent to and upstream of the Developing Party's property and which will be required to further extend sanitary sewer or storm sewer are not Specially Benefitting; or

B. Off-site of the Developing Party's own property and capable of receiving benefit from a Qualified Project such that the property would not be required to build additional conveyance or stormwater or surface water management improvements to provide service to the same area served by the Qualified Project.

INTRODUCTION

Clackamas Water Environment Services (WES) Rules and Regulations (Rules) Chapter 5.6 provides for the establishment of Reimbursement Districts for public sanitary, storm sewer, stormwater or surface water management improvements. A Developing Party who is not otherwise eligible for SDC credits for Qualified Projects and who chooses or is required as a condition of development to finance or cause construction of public sanitary, storm sewer, stormwater or surface water management improvement, or some combination of improvements serving Specially Benefitting Properties may request that WES establish a Reimbursement District.

Scouters Mountain, LLC, the Developing Party of Scouters Mountain Phase 3 Subdivision, submitted an application for the establishment of a Reimbursement District for sanitary sewer and stormwater improvements. In accordance with WES Rules Chapter 5.6.1, the Developing Party has fully financed, and WES has accepted, the public improvements of Scouters Mountain Phase 3 Subdivision. The representative of the Developing Party, AKS Engineering and Forestry, LLC, requested that WES establish a Reimbursement District for a portion of the public sanitary and stormwater improvements that directly benefit properties adjacent to the subdivision.

The establishment of a Reimbursement District supports the County's strategic priority to build a strong infrastructure and ensure long-term investments in infrastructure that will support the diverse needs of Clackamas County residents. Reimbursement Districts align with the capital planning and delivery strategy in WES's Performance Clackamas Plan, which is to strategically plan and upgrade WES' infrastructure to ensure the sustainable delivery of reliable, high quality, and climate resilient clean water services that support the growth and vitality of our communities, natural environment, and economy.

1. APPLICATION PROCESS

Establishing a Reimbursement District, WES Rules Chapter 5.6.1 (A-C)

AKS Engineering, the representative of the Developing Party, has submitted a Reimbursement District application for the public sanitary, stormwater and surface water facilities that were constructed and will benefit the adjacent property owners. The application was submitted within the required one hundred and twenty (120) day period after public improvements were accepted by WES.

The attached Reimbursement District application includes:

- a. Detailed plans showing all public improvements for which reimbursement is sought.
- b. A map showing the boundaries and tax lot numbers of the Specially Benefitting Properties.
- c. The ownership of Specially Benefitting Properties according to County records and the mailing addresses of the property owners.
- d. The actual and/or estimated direct and indirect costs to construct the Qualified Project, consistent with WES Rules Chapter 5.6.
- e. A nonrefundable application fee to cover WES's costs in providing notice of public hearing and WES's examination and report.

2. WES REVIEW

WES Rules Chapter 5.6.1 (D)

As part of the construction of Scouters Mountain Phase 3 Subdivision, public sanitary, storm and surface water improvements were provided to serve four additional properties adjacent to the subdivision. The improvements were financed by the Developing Party and directly benefit the four properties should they choose to connect to receive service. The improvements consist of 647.85 linear feet of public sanitary sewer and storm infrastructure. The Developing Party financed the entire cost of constructing the improvements that serve a subdivision on one side of the street. The four Specially Benefitting Properties are on the opposite side of the street, therefore only fifty-percent (50%) of the costs are eligible for reimbursement consideration. **Direct Benefit is obtained when a Specially Benefitting Property owner receives approval from WES to make a direct connection to, or use of a Qualified Project for which a reimbursement charge has been established.**

The tables below summarize the sanitary, storm and surface water facility construction costs, Benefitting Properties, and the rational formula for apportioning the total cost per linear foot of the Qualified Project and the corresponding reimbursement charge for each properties.

a. The Developing Party has financed the following Qualified Projects:

Eligible Qualified Project Costs (50%)	
Public Sanitary	\$ 31,764.00
Public Storm	\$ 47,987.00
SW Facility	\$ 134,910.00
Total Cost	\$ 214,661.00

b. The following parcels will be Specially Benefitting Properties:

Tax Map TL#	Parcel #	Ownership	Site Address
12E25DD00300	36160	JIMMY & CHRISTINE YOO	10080 SE VRADENBURG RD
12E25DD00400	36179	JOSEPH & KATARZYNA MARTA BENOIT	10180 SE VRADENBURG RD
12E25DD00500	36188	CARL P CECILIANI	10280 SE VRADENBURG RD
12E25DD00600	36197	DMITRIY & LYUBOV KUZIK	10380 SE VRADENBURG RD

c. The Developing Party has assigned a rational formula for apportioning the cost of the Qualified Projects:

Qualified Project Cost per Linear Foot			
Qualified Project	Total Cost (50%)	Frontage LF	Cost per Foot
Public Sanitary	\$ 31,764.00	647.85	\$ 49.03
Public Storm	\$ 47,987.00	647.85	\$ 74.07
SW Facility	\$ 134,910.00	647.85	\$ 208.24

d. The reimbursement charge apportioning to each of the properties based on linear feet of the sanitary and storm improvements:

Reimbursement Charges					
Tax Map TL#	Site Address	Linear Feet	Sanitary	Storm	SW Facility
12E25DD00300	10080 SE VRADENBURG RD	133.83	\$ 6,561.67	\$ 9,912.94	\$ 27,869.11
12E25DD00400	10180 SE VRADENBURG RD	164.74	\$ 8,077.18	\$ 12,202.48	\$ 34,305.89
12E25DD00500	10280 SE VRADENBURG RD	164.6	\$ 8,070.32	\$ 12,192.11	\$ 34,276.74
12E25DD00600	10380 SE VRADENBURG RD	184.68	\$ 9,054.84	\$ 13,679.46	\$ 38,458.25

e. Interest Rate: WES is recommending to use the 20-City Engineering News Record (ENR) Construction Cost Index calculated as the prior calendar year 2024, which is 1.60% over a period of ten (10) years starting on the date the Reimbursement District is established and expiring on the tenth (10) year anniversary of the establishment.

RECOMMENDATION: Based on a review of the Scouters Mountain Phase 3 Subdivision Reimbursement District application, WES staff recommends the Board adopt an order to establish a Reimbursement District that specifies the properties within the Reimbursement District, method of apportioning improvement costs among properties within the Reimbursement District, reimbursement charge, administration fee, and applicable interest rate as specified in this report.

3. PUBLIC HEARING AND APPROVAL

Reimbursement District Public Hearing Notice, WES Rules Chapter 5.6.1(E)

WES shall provide notice of the public hearing by publication and by mailing copies of the notice by regular mail as follows:

- a. WES shall provide notice of the public hearing on the application to establish a Reimbursement District by publication, not less than five (5) calendar days nor more than thirty (30) days prior to the hearing, in a newspaper of general circulation within the WES service area.
- b. WES shall mail copies of the notice by regular mail not less than fourteen (14) calendar days prior to the hearing to the property owners of any lots or parcels that are proposed to be subject to the reimbursement charge.

Reimbursement District Public Hearing, WES Rules Chapter 5.6.1(E)

- a. The Board shall conduct a public hearing where it shall consider WES's Report, application and any testimony or evidence presented at the hearing. The Board has the sole discretion after the public hearing to decide whether to adopt an order approving and forming the Reimbursement District. After the hearing, in lieu of not approving the formation, the Board may modify the proposed Reimbursement District or reimbursement charge(s) or both by adjusting the area or particular properties from which the reimbursement charges will be collected, adjusting the amount of reimbursable costs, adjusting the formula used in apportioning reimbursable costs, or adjusting the amount of the applicable interest rate by which the reimbursement charge will be increased.
- b. The Board shall determine whether a Reimbursement District and reimbursement charge should be established, and shall do so by adopting an order that references the WES Report that includes the properties within the Reimbursement District, method of apportioning improvement costs among properties within the Reimbursement District, reimbursement charge, administration fee, and applicable interest rate.

4. RECORDING AND MAILING

Public Notice of Reimbursement Charge, WES Rules Chapter 5.6.1(E)

The WES Director, Clerk to the Board or a designee will ensure a copy of the Reimbursement District order is recorded in the real property records of Clackamas County to provide public notice of the reimbursement charge applicable to Specially Benefitting Properties described in the order. A copy of the order shall be sent by regular mail to the owners of properties subject to the reimbursement charge and to any other persons who have requested a copy.

5. PAYMENT

Payments, WES Rules Chapter 5.6.2

- A. If within ten (10) years from the date on which a Reimbursement District and reimbursement charge is established by the Board Order, the Specially Benefitted Property owner receives approval from WES and utilizes such approval for connection, direct connection to, or use of a Qualified Project for which a reimbursement charge has been established, then the owner shall pay to WES, in addition to any other applicable fees and charges, the reimbursement charge established by the Board and adjusted to reflect the applicable interest rate. Installment Payments. The owner of owner-occupied residential property who is charged a reimbursement charge may apply for payment in accordance with Section 5.6.2A. i for a maximum of twenty (20) semi-annual installments over a ten (10) year period, to include interest on the unpaid balance in accordance with ORS 223.205 through 223.295. The applicable interest rate shall be the current United States Federal prime rate plus 2.0 percentage points.
- B. Exceptions. When the Developing Party is a public entity, the Board has discretion to determine whether the reimbursement charge is subject to the ten-year expiration date or an extended period of time. No person shall be required to pay the reimbursement charge for Development of property for which the reimbursement charges have been previously paid. The owner of a Specially Benefitting Property may choose to pay the reimbursement charge at any time without penalty.
- C. WES Procedures. Upon receipt of a reimbursement charge or portion thereof, WES will remit such funds to the Developing Party, less an administrative fee of \$200 per reimbursement charge, for the cost of administering the program and processing reimbursements. WES shall not issue a site development or connection permit, or allow a sanitary or storm sewer connection until the reimbursement charge has been paid in

full, until provision for installment payments has been made and approved, or until the Developing Party provides an unconditional waiver allowing WES to issue such permits without collecting the reimbursement charge.

- D. Delinquency, Collection, Interest, and Penalties. It is unlawful and a violation of these Rules and Regulations for any person to use, discharge to, or maintain connection to, WES's sanitary or stormwater and surface water management systems without paying the appropriate charges and fees established through a Reimbursement District.

6. JUDICIAL REVIEW

Judicial Review, WES Rules Chapter 5.6.2

Final decision of the Board, WES Director, WES, or its designated review authority, under this Chapter shall be reviewable solely and exclusively under the provisions of ORS 34.010 through 34.100. Judicial review of a determination by the WES Director or designee made according to Chapter 5.6 may be started only by a property owner who has properly followed WES's administrative appeal process. Failure to do so shall constitute a failure to exhaust administrative remedies.