

ORDINANCE NO. 5211

AN ORDINANCE of the City Council of the City of Bremerton, Washington, creating a new Section 15 06 025 entitled "Sewer Conservation Loan Program "

WHEREAS, Chapter 15 06 BMC requires property owners to pay a General Facilities Charge (GFC) in order to connect to the City's sewer system,

WHEREAS, some residential homeowners in the City's utility service area have failing septic systems and are required by the Health District to connect to the City's sewer system but cannot afford to install the sewer laterals and pay the GFC, and

WHEREAS, RCW 35 67 360 authorizes cities to use public moneys or credit derived from operating revenues from the sale of storm water or sewer services to assist property owners in financing a sewer connection, and

WHEREAS, the City Council desires to enact a new section of the BMC entitled Sewer Conservation Loan Program to allow residential homeowners with failing septic systems to pay the GFC by making monthly payments over a period of time not to exceed five years, NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF BREMERTON, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS

SECTION 1. Section 15 06 25 of the Bremerton Municipal Code entitled "Sewer Conservation Loan Program" is hereby created to read as follows

15.06.025 SEWER CONSERVATION LOAN PROGRAM

(a) Property owners who meet the requirements of this section may qualify for a loan known as a Sewer Conservation Loan pursuant to RCW 35 67 360 A Sewer Conservation Loan under this section is a loan from the City to a property for all, or a portion, of the GFC established under BMC 15 06 020 and any inspection fees related to connection to the City's sewer system The principal amount of the loan authorized by this section shall not exceed the amount of the GFC, together with inspection fees

(b) In order for a property owner to qualify for a loan under this section, the property to which the connection is to be made must be

- (1) within the City's sewer service area,
- (2) a developed lot with an existing single-family home, and
- (3) served by a septic system that has been designated as a failed septic system by the Kitsap Public Health District

(c) In order to qualify for a loan under this section, the property owner must

- (1) complete a Sewer Conservation Loan Application,
- (2) pay the Sewer Conservation Loan Application fee,
- (3) have no utility shut-offs within the 36 months prior to the date of the Sewer Conservation Loan Application,

(4) execute a promissory note and deed of trust under the terms set out in this section,

(5) pay the recording fee to record the deed of trust, and

(6) if outside city limits, agree not to protest any annexation petition that includes the property being connected to the City's sewer system and grant the City a Limited Power of Attorney to include consent to the annexation of said property as part of any Notice of Intent or Petition for Annexation presented to the City

(d) The terms of the loan shall be as follows

(1) The loan will be structured as a simple promissory note

(2) The term of the note shall not exceed 5 years, commencing on the date the property owner executes the promissory note

(3) The note will bear interest at the rate which is based on the City's current investment yield at the time of the loan, plus a two percent margin to cover administrative costs and interest rate fluctuations over the loan period

(4) The loan will be secured by a deed of trust, or such other instrument as may be acceptable to the City Finance Director and City Attorney

(5) The note shall provide for acceleration of the principal upon default in any payment. In the event of default, the City shall have all available remedies, including, but not limited to, foreclosure of its interest in the property, notification of credit bureaus, use of collection agencies, and terminating service

(6) Loan principal and interest charges will be amortized and billed by the City and due monthly. The monthly payment will be no lower than \$50.00. Appropriate penalties may be imposed by the City for delinquent accounts

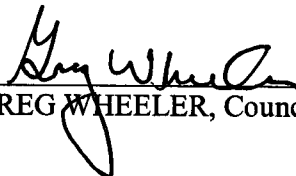
(7) There shall be no penalty for prepayment

(8) The note will contain a due on sale clause which provides for payment in full of all outstanding principal and interest upon sale of the property. Loans shall be limited by available funds. The amount of available funds shall be at the discretion of the City Council and shall be determined periodically by City Council motion, resolution, or ordinance. All funds used for loan purposes shall be derived from operating revenues from the sale of sewer services

SECTION 2. Severability If any one or more sections, subsections, or sentences of this Ordinance are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this Ordinance and the same shall remain in full force and effect

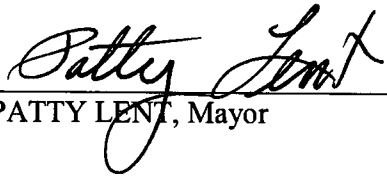
SECTION 3. Effective Date This ordinance shall take effect and be in force ten (10) days from and after its passage, approval and publication as provided by law

PASSED by the City Council the 3rd day of April, 2013



GREG WHEELER, Council President

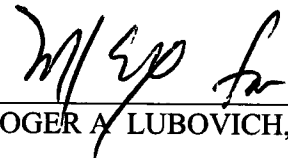
Approved this 3RD day of APRIL, 2013


PATTY LENT, Mayor

ATTEST


SHANNON CORIN, City Clerk

APPROVED AS TO FORM


ROGER A. LUBOVICH, City Attorney

PUBLISHED the 5th day of April, 2013
EFFECTIVE the 15th day of April, 2013
ORDINANCE NO 5211

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AFFIDAVIT OF PUBLICATION

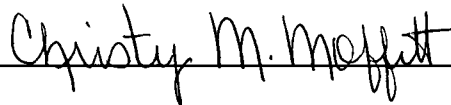
Account #42742 AD# 20132470
STATE OF WASHINGTON
COUNTY OF KITSAP

I, Rolene Buswell, being first duly sworn on oath, deposes and says That she is now, and at all times embraced in the publication herein mentioned was the principal clerk of the printers and publishers of KITSAP SUN, that said newspaper has been approved as a legal newspaper by order of the Superior Court of the County of Kitsap, in which County it is published and is now and has been for more than six months prior to the date of the publication hereinafter referred to, published in the English language continually as a daily newspaper in Bremerton, Kitsap County, Washington, a weekly newspaper in Kitsap County, Washington and is now and during all of said time, was printed in an office maintained in the aforesaid place of publication of said newspaper, that the following is a true text of an advertisement as it was published in regular issues (and not in supplement form) of said newspaper on the following date, to wit And on April 5, 2013 such newspaper was regularly distributed to its subscribers during all of said period The full amount of the fee charged for the foregoing publication is the sum of \$32 19 This amount has not been paid in full

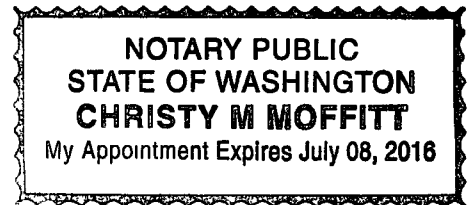


(Signature of Principal Clerk)

Subscribed and sworn to before me this day of April 12, 2013



Notary Public in and for the State of Washington, Kitsap County



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AN ORDINANCE of the City Council of the City of Bremerton, Washington, creating a new Section 15 06 025 entitled "Sewer Conservation Loan Program "

PASSED by the City Council on the 3rd day of April, 2013

The full text of this ordinance is available from the City Clerk's Office, 345 Sixth Street, Suite 600,
Bremerton, WA 98337
April 5, 2013
Ad# 20132470