

CITY ENGINEER'S PRELIMINARY REPORT
DELAKE HEIGHTS LOCAL IMPROVEMENT DISTRICT

October 6, 2022

Background

Lincoln City Public works has received repeated inquiries for sanitary service within the "Delake Heights" subdivision. This subdivision was platted in 1946 no utility service. The city installed water service in select areas in 1992. Since then, some additional water service has been added through individual lot development. Other utilities (power, communication, and gas) are largely present, streets are constructed with surfacing of ~60% gravel, ~40% asphalt.

In 2007 a hardship case regarding a failed septic system was submitted to the city's public works department. This led to a quarter-mile long, 4-inch sewer lateral allowed to be installed as a temporary connection. This runs from 1839 SE Port, to the sanitary sewer manhole at SE 14th and Oar. (~1,500 feet).

Since the installation of this lateral the city has received requests from numerous homes to utilize this as a temporary connection for sanitary sewer service. Thus far, there are 4 separate residences utilizing this for service, with more requests for new connections coming in regularly.

Pursuant to the City of Lincoln City's Municipal Code of Ordinances Chapter 13.04, the City Engineer is submitting the following report pertaining to the formation of a local improvement district. Within the proposed LID area there are 34 Deferred Improvement Agreements that specifically reference formation of an LID for installation of a sanitary sewer improvement.

Location of the Improvements

Exhibit "A" presents a map outlining the Local Improvement District boundary.

Wastewater Facilities Plan

The proposed Delake Heights Sanitary Sewer LID flows to the SE 3rd St. Pump Station. This pump station is part of the "System Backbone" and has a current capacity rating of 4000 gallons per minute. The identified flow in 2004 was 2800 gallons per minute.

The addition of Variable Frequency Drives (VFDs) to the SE 3rd street pump station were completed during the 2021-2022 fiscal year. Additional budget for the design, maintenance, and improvement of this pump station has been put forward for the 2022-2023 fiscal year.

Description of the Sanitary Sewer Improvements

A concept plan of the Local Improvement District design is put forward in Exhibit "B"; the design is adequate for cost estimating & proof-of-concept, but will likely change with the addition of survey information, additional utility data, and property owner input.

The planned improvement include 3,155 feet of gravity sewer, with an estimated additional 263 feet of low pressure sewer where gravity sewer installation is no longer feasible. The gravity main will be 8" PVC. 4" gravity sewer laterals will provide service to each lot of record at the time of construction; an additional lateral will be provided for the two (2) lots with the potential to subdivide. 1-1/4", HDPE laterals with backflow devices will be provided to the five (5) estimated properties served by low-pressure sewer. Property owners for these areas will need to install an E-One grinder pump when connecting to the provided lateral connection. Cost of the sanitary sewer improvements is shown in Exhibit "C" and estimated at \$750,000.00

Roadway Improvements

Per LCMC 13.04.095 alternate local improvement street standards may be considered. The current LID proposes improving the roadway with 20' of paving, sidewalk on one side of the roadway, and installation of necessary roadway drainage improvements. These have been included in the total LID costs and shown in Exhibit "C". Council may authorize payment for a portion of local improvement cost when warranted by characteristics of the work in accordance with LCMC 13.04.110[A].

Project Cost Summary

The estimated total LID cost is \$1,982,000. See Exhibit "C". Line items for the sanitary & roadway improvements are shown along with additional project cost of construction administration, survey, and design assistance.

Zoning and Method of Assessment

Within the local improvement district there are 55 properties. These vary in size from 5964 – 18,934 square feet. All properties benefitting are zoned Residential, 1-7.5 (R-1-7.5).

Fifty-two (52) of the benefitting lots have existing single family homes and/or development potential requiring only 1 standard lateral connection. Three (3) of the benefitting lots have the potential for subdivision into one (1) additional lot each, under current R-1-7.5 requirements; Staff has designed additional lateral connections on these lots and proposed an additional portion of LID costs assessed to these lots.

Staff proposes that the LID assessment be divided among the 58 proposed connections; this results in a cost of \$34,172.41 per connection for the sanitary sewer improvements. This number is based on the estimated construction and administrative cost; the actual construction cost, will be used to calculate the final reimbursement amount. The full list of property owners and assigned costs is shown in Exhibit "D"

Sanitary cost appears higher than previous, recent LID payments, but is off-set by the provision of gravity sewer, rather than the low-pressure sewer provided to previous districts. In comparison, this reduces the property owner cost of connection by the cost of the E-one pump & installation. *(This is roughly \$6,000 – \$8,000.00)*

Financing

Each lot owner will be given the option to finance the cost of the Local Improvement District. The City will finance up to 20 years, at a rate 2% over the current Local Government Investment Pool (LGIP) rate. The LGIP rate is 1.90% as of October 6, 2022. Each property's monthly cost for 20 year financing at 3.9% has been estimated using the project estimate. See Exhibit "D".

The City will place a lien on the property until the LID cost is paid in full. The City assessment lien shall be superior to all other liens or encumbrances on property insofar as Oregon Law permits. The property owner will have 60 days after the final assessment public hearing to either pay the LID assessment off in full or apply for the City financing. Property owners must pay or finance at least the base unit cost. Additional assessment may then be deferred until property sale or issuance of a building permit.

When a property has applied for financing of the LID cost, the owner shall pay at the time of submission of the application a processing fee in the amount of \$100.00. The property owner will also pay the amount for the county recording fee, if any, for the assessment lien.

If the property owners have signed applications to pay in installments, the owner at any time may pay to the City the unpaid balance of the amount of the assessment. This includes interest to the next installment date, charges, and lay payment penalties and/or charges accrued to the date of payment. LID lot assessments must be paid in full at (1) change in ownership of the property or (2) issuance of a building permit.

The estimated \$34,172.41 per connection is to reimburse the City for the cost to install the public sewer. The total cost to connect to the sewer system would additionally include the items outlined in Exhibit "C":

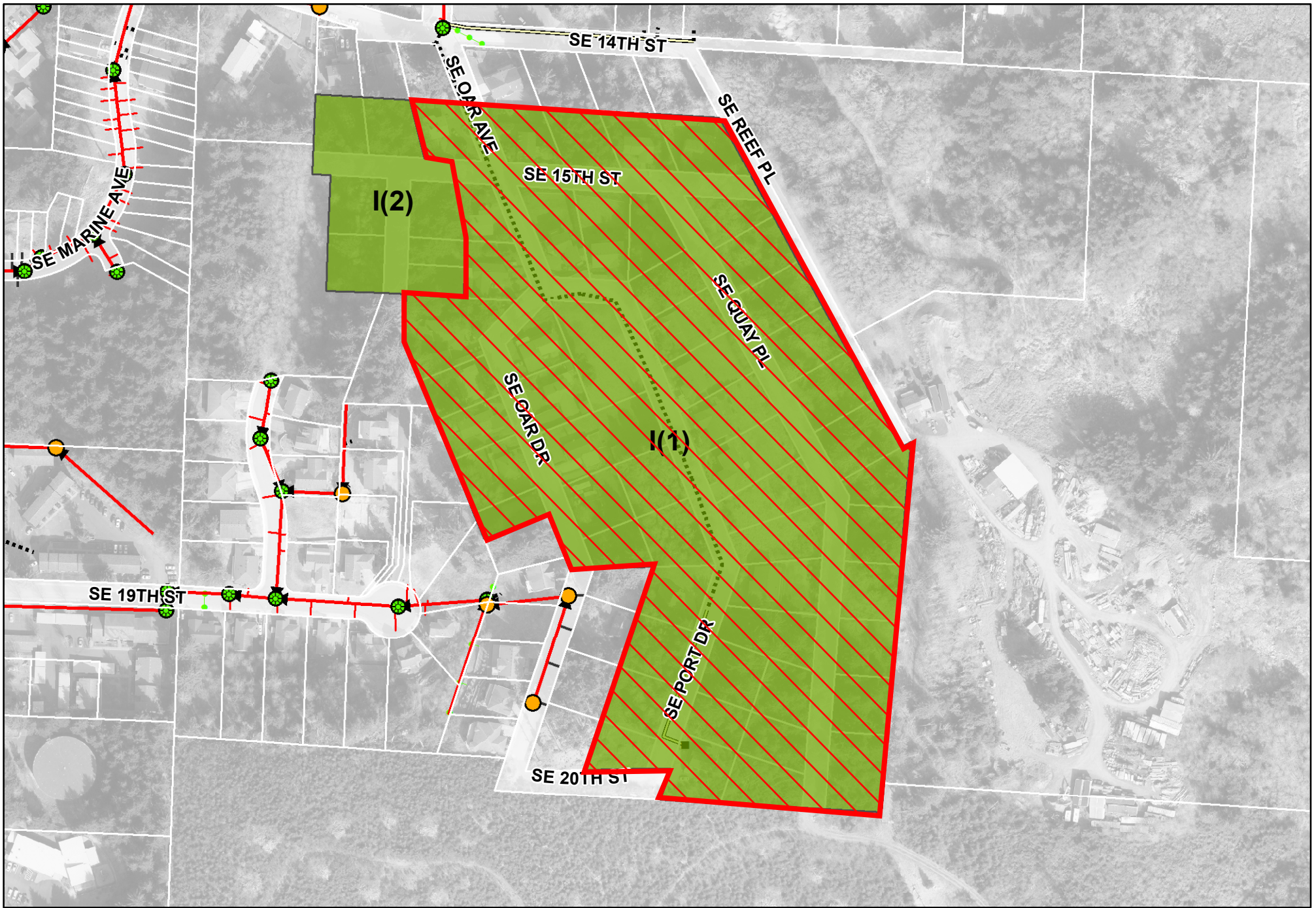
- System Development Charges (\$4,475.00 in 2022)
- Inspection Fees/Permit Fees
- On-site construction costs
- Abandoning existing septic tank (if applicable)

SEWER CONNECTION MANDATES

Existing developed properties in the LID will be required to connect to the sewer system under the following circumstances:

1. Septic tanks must be inspected at 5, 10, and 15 years. If the septic system fails an inspection, the owner will not be allowed to fix the septic system but must connect to the public sewer system
2. If an existing home is sold, a condition of the sale is for the home to be connected to the public sewer system.
3. If an existing home is remodeled or enlarged more than 50% of the existing value, or the remodel requires the expansion of the septic system, the home will be required to connect to the public sewer system.
4. All existing homes within the LID must connect to the public sewer system within the LID financing period of 20 years.

City Engineer's Signature:



**Potential
Sewer Improvement District - I(1)**
DRAFT (04/16/2021)



1 inch = 220 feet

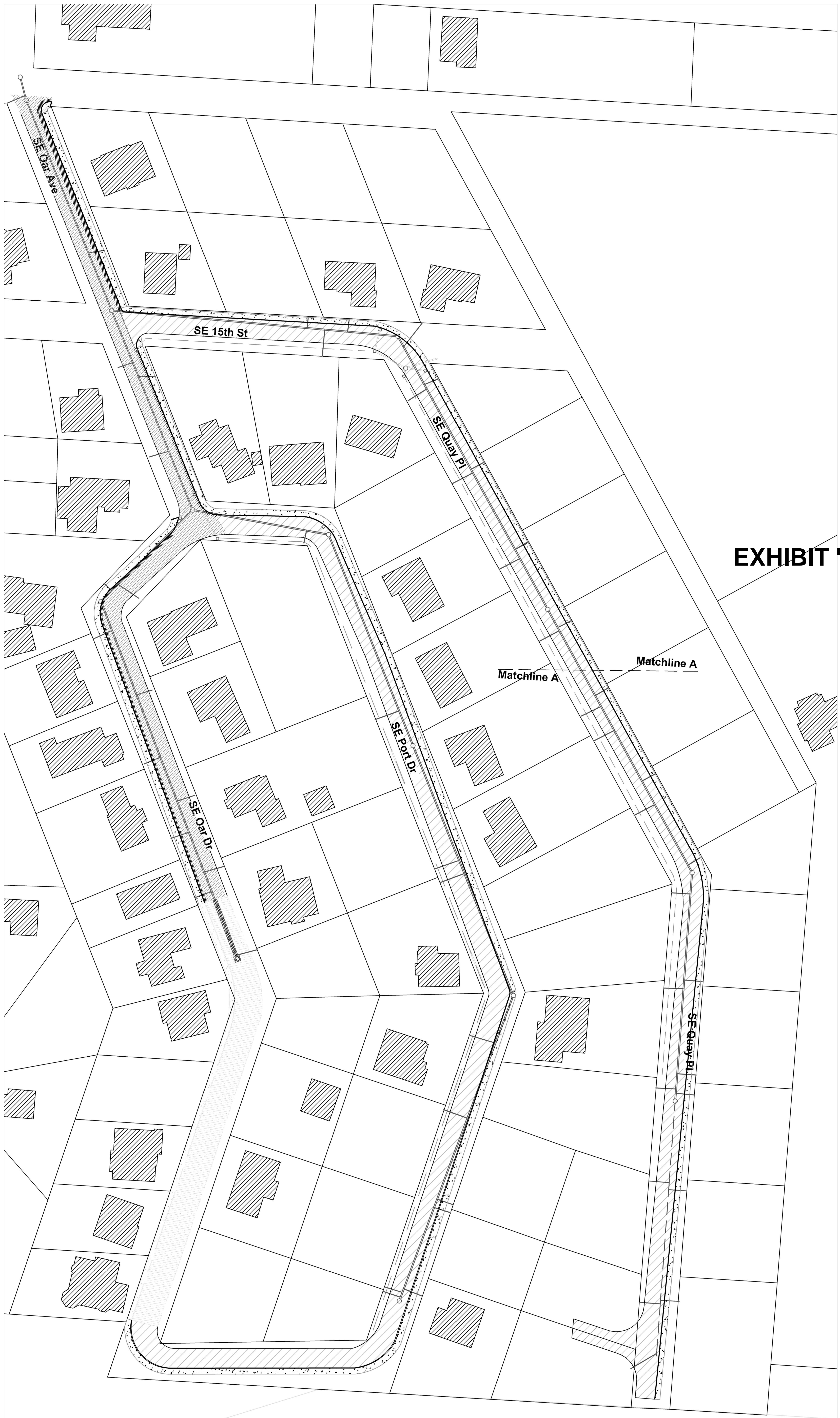


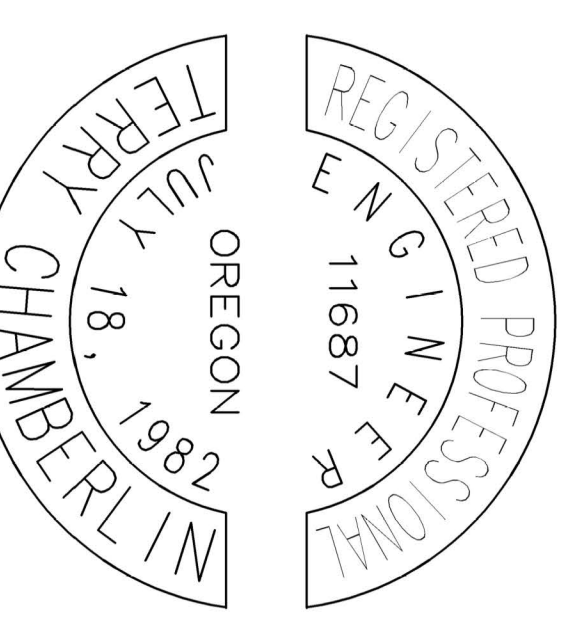
EXHIBIT 'B'

SE PORT LID OVERVIEW

General Notes

OWNER:
 CITY OF LINCOLN CITY
 801 SW HUNNWAY 101
 P.O. BOX 50
 LINCOLN CITY, OREGON 97367
 CONTACT: TERRY CHAMBERLIN, P.E.
 PHONE: 541.985.1292

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No.	Revision/Issue	Date

LINCOLN CITY PUBLIC WORKS
 801 SW HWY 101
 P.O. BOX 50
 LINCOLN CITY, OREGON 97367
 PHONE: (541) 994-4881
 FAX: (541) 994-4881
 www.lincolncity.org

PROJECT INFORMATION

###

SHEET TITLE:
 ###

DESIGNED BY: TL

DRAFTED BY: --

IF LESS THAN FULL SIZE, NTS

PROJECT NO.: ###

DATE: 9/2/2022

SCALE: AS SHOWN

SHEET NO.: #####

EXHIBIT C

ESTIMATED LID COST SUMMARY

Estimated Engineering	<i>(Contracted CAD & Design Services)</i>	\$25,000.00
Total Surveying		\$35,000.00
Estimated Sanitary Construction Cost		\$635,000.00
Estimated Roadway Construction Cost		\$1,110,000.00
Estimated Total Construction Cost		\$1,745,000.00
Administration	10% of Engineering Cost	\$2,500.00
	+10% of Construction Cost	\$174,500.00
Total Administration Cost		\$177,000.00
LID Total Project Cost (Engineering, Construction and Administrative)		\$1,982,000.00
Number of Connections		58
Estimated Cost per Sewer Connection		\$34,172.41

2021 SYSTEM DEVELOPMENT CHARGES AND ESTIMATED ON-SITE COST

Sewer System Development Charge in 2021		\$4,475.00
On-Site Improvements (Estimated Average Cost)		
Gravity sewer connection		\$1,000.00
Installation of System and Decommission Septic		\$5,500.00
Sewer Connection Inspection		\$100.00
Total Estimated On-Site Improvements		\$6,600.00
Estimated total Resident cost per connection		\$45,247.41

Exhibit "D" - Benefitted Lots & Cost Estimate

Summary				Per Connection Sanitary Assessment		H2O Assesment		Financing
Map & Taxlot #	Address (If Existing)	Owner	2021 Total Valuation (per county assessment data)	Proposed Sanitary Sewer Connections	Cost	Cost2	Total Assessment	Monthly LID Payment (20 years @2.25%)
07-11-23-BB-00100-00	1442 SE OAR AVE	OKEEFE GREGORY F & TUGMAN SARAH J	\$369,150.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-00200-00		MORGAN ROBERT J PC	\$42,440.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-00300-00	2171 SE 15TH ST	REDD ELAYNEA N & REDD CHRISTOPHER D	\$420,960.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-00400-00	2211 SE 15TH ST	IMHOLT THOMAS & IMHOLT ANGELA	\$433,760.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-00900-00	1431 SE OAR AVE	NEWMAN MICHELLE A	\$475,850.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-01400-00		TER SARKISSOFF MICHEL & TER SARKISSOF RITA	\$52,340.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-01601-00	1721 SE OAR DR	GOULET KEN	\$378,480.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-01602-00	1739 SE OAR DR	ALEXANDER PATRICK J & EDDY KRISTA L	\$211,320.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02000-00	1501 SE OAR AVE	GREENWOOD-GEER TODD D	\$356,960.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02100-00	1531 SE OAR AVE	THURSTON STREET LLC ATTN KATHLEEN ARONSON	\$582,510.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02300-00	1623 SE OAR DR	COVERT JAMES K TRUSTEE	\$584,200.00	2.0	\$68,344.83	\$0.00	\$68,344.83	\$410.56
07-11-23-BB-02400-00	1639 SE OAR DR	QUILLMAN LAURA TSTEE & ROVA STEVE TSTEE	\$258,460.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02401-00	1649 SE OAR DR	OAR LLC	\$319,040.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02500-00	1626 SE OAR DR	LEE INKEE & LEE SAM	\$373,560.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02600-00	1636 SE OAR DR	HARRIS BRIAN & HARRIS ABBY	\$587,460.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02700-00	1720 SE OAR DR	BAKER DONALD M	\$366,270.00	2.0	\$68,344.83	\$2,501.00	\$70,845.83	\$425.59
07-11-23-BB-02800-00	1740 SE OAR DR	DOVER JEFFREY K	\$285,710.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-02900-00		DOVER JEFFREY K	\$131,800.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-03400-00		WILLIAMS MICHAEL & WILLIAMS SETH JUSTIN	\$111,190.00	2.0	\$68,344.83	\$5,002.00	\$73,346.83	\$440.61
07-11-23-BB-03600-00		ANTHONY ELIZABETH & HAGAN TODD	\$56,080.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-03700-00	1793 SE PORT DR	THOMPSON JON M & THOMPSON NORMA J	\$63,470.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-03800-00	1801 SE PORT DR	ERNST GREGORY S TSTEE	\$470,930.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-03900-00		LIU CURTIS R	\$56,080.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-04000-00		MELSHEIMER EDWIN S JR (TOD) & MORRIS THERESE M (TOD)	\$56,080.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-04100-00		NELSON STEVEN W & NELSON ANTOINETTE L COTRUSTEES	\$53,900.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-04200-00	1540 SE OAR AVE	DAHLMAN ROBERT S JR & DAHLMAN TRACY A	\$624,870.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04300-00	1554 SE PORT DR	ANGERSTIEN KRISTEN DERYN & ANGERSTIEN ROBERT E JR	\$581,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04400-00	1505 SE QUAY PL	BROWN JERRY W & BROWN JERITHA M	\$355,660.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04500-00		DAHLMAN ROBERT S JR & DAHLMAN TRACY A COTRUSTEES	\$42,830.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04600-00	1602 SE PORT DR	SHIRLEY MARY ELIZABETH & SHIRLEY MELVIN V & SHIRLEY BARBARA L	\$433,110.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04700-00	1642 SE PORT DR	KNUDSON DENNIS S	\$483,350.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04800-00	1660 SE PORT DR	KEHR LEZLIE A	\$498,890.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-04900-00	1710 SE PORT DR	CROSBY RICHARD MILTON & CROSBY MAE GAURANA	\$593,720.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05000-00		EDWARDS ANDREW J & EDWARDS LAURA J	\$35,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05100-00		EDWARDS ANDREW J & EDWARDS LAURA J	\$35,900.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05200-00	1798 SE PORT DR	EDWARDS ANDREW J & EDWARDS LAURA J	\$602,870.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05300-00		EDWARDS ANDREW J & EDWARDS LAURA J	\$58,900.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05400-00		HANSEN JIM	\$44,650.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-05500-00		HANSEN JIM	\$40,660.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-05600-00	1939 SE PORT DR	WOOLSEY RALPH LEE & WOOLSEY JILL C	\$431,740.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05700-00		HASAN WASIMUL & HASAN SHAGUFTA A	\$24,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05800-00		CHIBA SHARON NAOMI	\$24,970.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-05900-00		OCONNELL MARK	\$25,620.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06000-00		KLIEVER ROBERT H RLT LLC	\$34,380.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28

07-11-23-BB-06100-00	GOSSETT CONNOR	\$37,760.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06200-00	SADANG ESMENIA P	\$26,970.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06300-00	MONAHAN JEFF & BAN YANXIA	\$17,730.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06400-00	DRAYTON JAMES W TRUSTEE	\$27,730.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06500-00	DRAYTON JAMES W TRUSTEE	\$27,730.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06600-00	DRAYTON JAMES W TRUSTEE	\$24,050.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06700-00	DRAYTON JAMES W TRUSTEE	\$26,260.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06800-00	GOLOMBEK BRIAN & GOLOMBEK HEIDI	\$26,260.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-06900-00	GOLOMBEK BRIAN W & GOLOMBEK HEIDI	\$27,720.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-07000-00	PETERS DONALD E JR & PETERS SUSAN R	\$26,260.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-07100-00	PETERS DONALD E JR & PETERS SUSAN R	\$19,090.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
TOTALS:		\$12,358,610.00	58.0	\$1,982,000.00	\$20,008.00	\$2,002,008.00	
	Total Cost:	\$1,982,000.00		LID Rate per Sewer Connection			
	Number of Connections:	58		\$34,172.41			