1		RESOLUTION NO. 2022 - 46
2	Α.	RESOLUTION OF THE CITY OF LINCOLN CITY DECLARING AN INTENT TO CONSTRUCT
3 4		NITARY SEWER FACILITIES BY ESTABLISHING A LOCAL IMPROVEMENT DISTRICT FOR
5	TH	IE CITY OF LINCOLN CITY, IN THE AREA OF SE OAR, SE PORT, AND SE QUAY, KNOWN
6	A:	S THE "DELAKE HEIGHTS LID PROJECT"; AND CALLING FOR A PUBLIC HEARING AND
7		DIRECTING THAT NOTICE BE PUBLISHED
8		DECITALS
9		RECITALS
10 11 12	A.	Numerous properties on SE Port Drive are served off a private, undersized sewer lateral within the public right-of-way. This runs over 0.25 miles to the closest public sewer on SE
13 14		14 th Street; and
15 16	В.	Additional connections have been requested onto this undersized, private lateral to accommodate development; and
17 18 19	C.	Development inquiries about available sewer service on undeveloped lots within the proposed LID area are received by the public works department on a weekly basis; and
20 21 22 23	D.	Over 50% of the properties within the proposed LID area are encumbered by a Deferred Improvement Agreement (DIA) agreeing to participate in an LID for roadway & sanitary sewer improvements; and
242526	E.	On July 13, 2022 the city code was amended to remove the allowance for septic system use for single family homes within the city (Ord. 2022-25); and
27 28 29 30	F.	The City Engineer report, titled "Delake Heights Sanitary Sewer Local Improvement District", was submitted to the City Council for its review at a regularly-scheduled meeting of the City Council on December 12, 2022; and
31 32 33 34	G.	Following a presentation by staff & comments by citizens present on December 12, 2022, the City Council approved by motion the Engineer's report and a Resolution of Intent, initiating a Local Improvement District; and
35 36 37 38	H.	Staff is hereby authorized to advertise the LID formation public hearing for January 23, 2023 pursuant to LCMC 13.04.030.
39 40 41		OW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLN TY, AS FOLLOWS:
41 42 43 44	int LII	Section 1. Project Initiation. Pursuant to LCMC §13.04.030, the City Council declares its tent to make the sanitary sewer and roadway improvements known as the "Delake Heights" Delay Project" and described in the Engineer's Report dated October 2022. The proposed

improvement would consist of a gravity sewer, a small portion of pressure sanitary sewer, and roadway improvements serving SE Oar, SE Port, and SE Quay from SE 14th St to SE 20th St. Section 2. Delake Heights LID. The proposed Delake Heights LID Project shall be carried out by the City of Lincoln City under the procedures established in LCMC Chapter 13.04, with the cost assessed to the benefitted owners through formation of a local improvement district within the boundaries of the area shown in the attached Engineer's Report, and including those benefitted properties as described in the attached Engineer's Report - Benefitted Lots and Cost Estimate'. Section 3. Public Hearing. Under the procedures established in LCMC Chapter 13.04, the City Council will hold a public hearing on the proposed improvement on January 23, 2023. Not earlier than 10 days before the public hearing, the City Recorder is directed to publish notice of a public hearing on the proposed improvement and mail notice to the owners of property within the boundaries of the area as described in the incorporated Engineer's Report and indicating that the cost of said improvements will be assessed against the benefitted properties. Section 4. Recitals Adopted. The City Council adopts the recitals of this resolution, which are incorporated into this section by reference, as additional facts supporting its conclusion that the improvements are in the public interest of the City of Lincoln City and the owners of the affected property. Section 5. Effective Date. This resolution is effective as of the date of its adoption. PASSED AND ADOPTED by the City Council of the City of Lincoln City this 12th day of December 2022. ATTEST: JAMIE YOUNG, CITY RECORDER APPROVED AS TO FORM: RICHARD APPICELLO, OFY ATTORNEY

1	EXHIBIT A
2	
3	October 2022 Engineer's Report

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 in1992. 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:

Exhibit A







1 inch = 220 f

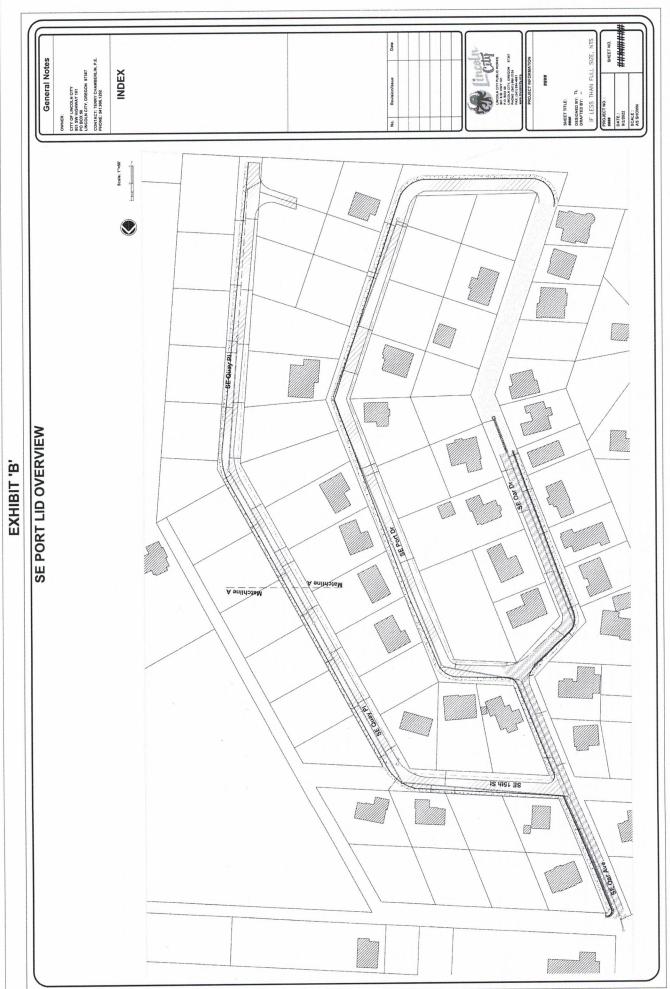


EXHIBIT C

ESTIMATED LID COST SUMMARY

Estimated Engineering Total Surveying	(Contracted CAD & Design Services)	\$25,000.00
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)	onstruction and Administrative)	\$1,982,000.00
Number of Connections Estimated Cost per Sewer Connection		\$34,172.41
2021 SYSTEM DE	2021 SYSTEM DEVELOPMENT CHARGES AND ESTIMATED ON-SITE COST	⊢ ı
Sewer System Development Charge in	2021	\$4,475.00
On-Site Improvements (Estimated Average Cost)	rage Cost)	
Gravity sewer connection		\$1,000.00
Installation of System and		0000
Decommission Septic		00.005
Sewer Connection Inspection		\$100.00
Total Estimated On-Site Improvements		\$6,600.00
		· 日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日
	Estimated total Resident cost per connection	\$45,247.41

Exhibit "D" - Benefitted Lots & Cost Estimate

	TAIIIDIC D						Einancing
	Summary		Per Connection Sanitary Assessment	tary Assessment	HZU Assesment		Monthly 110
Address Map & Taxlot # (If Existing)	Owner	2021 Total Valuation	Proposed Sanitary	toct	(1047	Fotal Assessment	Payment (20 years @2.25%)
7	OKEEFE GREGORY E & TIIGMAN SARAH J	\$369,150.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-BB-00 100-00 1442 3L OAN AVE	MORGAN ROBERT J PC	\$42,440.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
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	\$202.28
	IMHOLT THOMAS & IMHOLT ANGELA	\$433,760.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
	NEWMAN MICHELLE A	\$475,850.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	TER SARKISSOFF MICHEL & TER SARKISSOF RITA	\$52,340.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
07-11-23-BB-01601-00 1721 SF OAR DR	GOULET KEN	\$378,480.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	A FXANDER PATRICK J & EDDY KRISTA L	\$211,320.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202:28
	GREENWOOD-GEER TODD D	\$356,960.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	THIIRGION STREET ILC ATTN KATHLEEN ARONSON	\$582,510.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	COVERT JAMES K TRUSTEE	\$584,200.00	2.0	\$68,344.83	\$0.00	\$68,344.83	\$410.56
$\overline{}$	OF THE MAN FAURA TSTEF & ROVA STEVE TSTEE	\$258,460.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202:58
	OAR LLC	\$319,040.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
$\overline{}$	I FE INKEE & LEF SAM	\$373,560.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202:38
$\overline{}$	HARRIS BRIAN & HARRIS ABBY	\$587,460.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	BAKER DONALD M	\$366,270.00	2.0	\$68,344.83	\$2,501.00	\$70,845.83	\$425.59
	DOVER FEFREY K	\$285,710.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202:58
$\overline{}$	DOVER PEFEREY K	\$131,800.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
07-11-23-88-02900-00	WILLIAMS MICHAEL & WILLIAMS SETH HISTIN	\$111,190.00	2.0	\$68,344.83	\$5,002.00	\$73,346.83	\$440.61
07-11-23-88-03400-00	ANTHONY ELIZABETH & HAGAN TODD	\$56,080.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
07-11-23-BB-03000-00	THOMPSON ION M. S. THOMPSON NORMA I	\$63,470.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
$\overline{}$	FRNST GREGORY S TSTEE	\$470,930.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
	LI CLIRITS R	\$56,080.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-03900-00	MEI SHEIMER 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 44 22 00 04400 00	NEI SON STEVEN W & NEI SON ANTOINETTE L'COTRUSTEES	\$53,900.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07-11-23-BB-04 100-00 07-44-23-BB-04-000 00 1540-SE OAR AVE	DAHIMAN ROBERT SIR & DAHIMAN TRACY A	\$624,870.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
	ANGERCTIEN KRISTEN DERVN & ANGERSTIEN ROBERT E JR	\$581,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
\neg	RROWN IFRRY W & BROWN IFRITHA M	\$355,660.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
_	DAHIMAN ROBERTS IR & DAHIMAN TRACY A COTRUSTEES	\$42,830.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
07 -11 -23 -BB-04300-00 07 -11 -23 -BB-04600-00 1602 SE PORT DR	SHIRLEY BARBARA L	\$433,110.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
	KNIDSON DENNIS S	\$483,350.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
	KEHR LEZLIE A	\$498,890.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
$\overline{}$	CROSBY RICHARD MILTON & CROSBY MAE GAURANA	\$593,720.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
$\overline{}$	EDWARDS ANDREW J & EDWARDS LAURA J	\$35,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
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	\$2025.28
07-11-23-RB-05200-00 1798 SF PORT DR	EDWARDS ANDREW J & EDWARDS LAURA J	\$602,870.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$205.28
+	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-05500-00	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	\$40,660.00	1.0	\$34,172.41	\$2,501.00	\$36,673.41	\$220.31
07 11 23 PB-05500-00 1030 SF PORT OR	WOOLSEY RAIPH LEF & WOOLSEY JILL C	\$431,740.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202:28
	HASAN WASIMUL & HASAN SHAGUFTA A	\$24,310.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28
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	\$202.28
07-11-23-BB-06000-00	KLIEVER ROBERT H RLT LLC	\$34,380.00	1.0	\$34,172.41	\$0.00	\$34,172.41	\$202.28

						Number of connections:	
				\$34.172.41		83	
			nection	LID Rate per Sewer Connection		Total Cost \$1,982,000.00	
	\$4,002,008.00	\$20,008.00	\$1,982,000.00	58.0	\$12,358,610.00		TOTALS:
9203.20	\$34,172.41	\$0.00	\$34,172.41	1.0	\$19,090.00	PETERS DONALD E JR & PETERS SUSAN R	07-11-23-BB-07100-00
¢20E 28	C24 172 A1	00 00	C24 173 41		00:001	PETERS DOINALD EST & PETERS SOSAIN IN	U/-11-23-BB-U/000-00
\$2025	\$34,172.41	\$0.00	\$34,172.41	1.0	\$26.260.00	DETERS DONAID F IR & DETERS SUISAN R	07 44 22 00 07000 00
\$205.28	\$34,172.41	\$0.00	\$34,172.41	1.0	\$27,720.00	GOLOMBEK BRIAN W & GOLOMBEK HEID!	07-11-23-BB-06900-00
\$205.28	\$34,1/2.41	\$0.00	\$34,1/2.41	1.0	\$26,260.00	GOLOMBEK BRIAN & GOLOMBEK HEIDI	07-11-23-BB-06800-00
\$205.28	\$34,1/2.41	\$0.00	\$34,1/2.41	1.0	\$26,260.00	DRAYTON JAMES W TRUSTEE	07-11-23-BB-06700-00
\$2.02.58	\$34,1/2.41	\$0.00	\$34,1/2.41	1.0	\$24,050.00	DRAYTON JAMES W TRUSTEE	07-11-23-BB-06600-00
3203.20	534,1/2.41	30.00	\$34,172.41	1.0	\$27,730.00	DRAYTON JAMES W TRUSTEE	07-11-23-BB-06500-00
02:000	11:3/1/200	00.00	14:7/1/400	1.0	\$27,730.00	DRAYTON JAMES W TRUSTEE	07-11-23-BB-06400-00
\$20E 30	C24 173 A1	00 00	424 472 44				00-00000-00-07-11-70
\$202:58	\$34,172.41	\$0.00	\$34,172.41	1.0	\$17,730.00	MONAHAN JEFF & BAN YANXIA	07-11-23-BB-06300-00
\$205.28	534,1/2.41	\$0.00	\$34,172.41	1.0	\$26,970.00	SADANG ESMENIA P	07-11-23-BB-06200-00
\$203.20	554,172.41	\$0.00	\$34,1/2.41	1.0	\$37,760.00	GOSSETT CONNOR	07-11-23-BB-06100-00