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3 **RESOLUTION NO. 2017 - 13**

4 **A RESOLUTION OF THE CITY OF LINCOLN CITY DECLARING AN INTENT TO**
5 **CONSTRUCT GRAVITY AND LOW PRESSURE SANITARY SEWER FACILITIES**
6 **BY ESTABLISHING A LOCAL IMPROVEMENT DISTRICT FOR THE CITY OF**
7 **LINCOLN CITY, IN THE AREA OF NE 36th DRIVE AND NE WEST DEVILS LAKE**
8 **ROAD TO BE KNOWN AS “NE 36th DRIVE SANITARY SEWER LOCAL**
9 **IMPROVEMENT DISTRICT” AND REVISING THE DISTRICT DESCRIBED IN**
10 **RESOLUTION 2017-04 AND DIRECTING THAT NOTICE OF THE REVISION BE**
11 **PROVIDED**

12 **RECITALS**

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14 A. On April 10, 2017 the City Council Conducted a public hearing on a proposed
15 reimbursement district for sanitary sewer improvements to NE 36th Drive in Lincoln City;
16 during the hearing, staff’s comprehensive report to Council presented an option for Council
17 to proceed with a Local Improvement District in a larger area of 36th Drive, including up to
18 53 connections.

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22 B. After deliberation, Council on April 10, 2017 did not proceed with the reimbursement
23 district; instead, by unanimous consent, Council initiated a Local Improvement District,
24 accepted the report of the Engineer on the proposed NE 36th Street LID option and directed
25 staff to expeditiously proceed to hearing on the proposed larger LID option, pursuant to
26 LCMC §13.04.030.

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29 C. Resolution 2017-04 acknowledged the Council’s acceptance of the Engineer’s Report on
30 April 10, 2017 as regards the larger LID option and Council’s Intention to proceed with a
31 hearing on the larger option; Resolution 2017-04 also authorizes the advertisement of the
32 LID formation hearing held on May 8, 2017 pursuant to LCMC 13.04.040.

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34 D. On May 8, 2017 Council conducted a Public Hearing on the proposed Alternative – Local
35 Improvement District originally described in the April 10, 2017 Reimbursement District
36 Report. Council continued the hearing several times to May 22, 2017, June 12, 2017 and
37 June 26, 2017 and directed staff to hold a neighborhood meetings, and provide notice to
38 affected property owners of all the alternatives under consideration in this hearing. The
39 result of the neighborhood meetings was a proposed modification of the LID to include

several options, including one providing a system consisting of both pressure sewer and gravity sewer. Notice was provided to property owners of the options and alternatives under consideration at the June 26, 2017 continued hearing. The revised District also included alternative methodology changes as regards the larger undeveloped commercial parcel. The Council closed the hearing and the record on June 26, 2017; after deliberation Council directed staff to proceed with the noticed “hybrid” option.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLN CITY, AS FOLLOWS:

Section 1. Project Initiation. Pursuant to LCMC §13.04.030, the City Council declares its intent to make the sanitary sewer improvements known as the “NE 36th Drive Sanitary Sewer Local Improvement District” as described in the June, 2017 City Engineer’s Report to Council on the proposed NE 36th Drive Sanitary Sewer Reimbursement District. The proposed improvement has been revised to consist of both a gravity sewer and pressure sewer (hybrid option) serving NE 36th Drive and NE West Devils Lake Road.

Section 2. NE 36th Drive Sanitary Sewer Local Improvement District. The proposed NE 36th Drive Sanitary Sewer 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 June 2017 continued public hearing staff report attached hereto and incorporated herein by reference as “Exhibit A”, and including those benefitted properties as described and shown in the Report and Exhibits.

Section 3. Public Hearing. Under the procedures established in LCMC Chapter 13.04, the City Council held a public hearing on the original April 10, 2017 proposal and continued the hearing to May 22, 2017, June 12, 2017 and June 26, 2017. At two additional public neighborhood meetings public input was gathered resulting in a substantial change. Pursuant to LCMC 13.04.050.C. mailed notice of the alternatives and options has been sent to all the owners in the proposed LID boundary indicating that the cost of said improvements to be assessed against the benefitted properties. Published notice is not necessary. The Council must approve a “LID Formation Resolution” within 90 days of the June 26, 2017 public hearing.

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 24th day of July 2017.


DON WILLIAMS, MAYOR

ATTEST:


CATHY STEERE, CITY RECORDER

EXHIBIT A [ATTACHED] –

“June 2017 Engineer’s Report”

NE 36th DRIVE SANITARY SEWER LOCAL IMPROVEMENT DISTRICT

City Engineer's Report June 2017

INTRODUCTION

City staff received a request for sanitary sewer on NE 36th Drive & West Devils Lake Road and first proposed a Reimbursement District to serve seven properties. At the Public Hearing for the proposed district on April 10, 2017, City Council directed staff to instead initiate a Local Improvement District (LID) and expand the service boundary. One reason for the change is the ability to finance the construction cost over 20 years using an LID, another reason for the change is to provide sewer service to additional properties on NE 36th Drive.

At the May 8, 2017 Public Hearing, Council directed staff to hold a neighborhood meeting to answer questions and ensure there was a good understanding of how the LID process works and the impacts to the property owners. The neighborhood meeting was held May 16, 2017 at 5:30 p.m. at City Hall. Over 15 property owners attended, as an outcome of the meeting and in an effort to reduce project costs; staff developed a hybrid gravity sewer and low-pressure sewer to serve the area. This hybrid plan was presented to City Council at the May 22nd Public Hearing. Staff was then directed by Council to hold another neighborhood meeting to more fully explain the LID process and answer further questions. The Council expressed a desire to determine if the low-pressure services could be included in the overall cost of the project.

PROPOSED BOUNDARY

The proposed LID property list is described in Exhibit "A" and the boundary is shown in Exhibit "B". The boundary includes 20 properties along NE 36th Drive; 18 existing single family residences with septic systems, one commercial property and building on a septic system and one undeveloped residential zoned lot.

ZONING

All properties within the proposed LID are zoned R-1-7.5 (Residential) except for the property 7-11-02CA 00103 which is zoned G-C (General-Commercial) see Figure 2. The R-1-7.5 zone allows single family homes with a minimum lot size of 7,500 square feet or a duplex with a minimum 8,000 square feet. The G-C zone accommodates a wide range of retail commercial uses. With a conditional use, it allows Multi-family dwellings developed under the standards and provisions of high density section of the R-M zone.

WASTEWATER MASTER PLAN BASINS

The proposed LID is located within the West Devils Lake Road & Highway 101 sewer basin; see Figure 3. The sewer flow from this LID would be conveyed to the West Devils Lake Pump Station.

IMPROVEMENTS

The project will consist of constructing 800 feet of 8-inch sanitary sewer and 700 feet of low-pressure sewer line with services to each property for future connection.

PROJECT COST SUMMARY

The estimated total cost of the project is \$333,560.00, see Exhibit "C". This includes \$12,500.00 for surveying and \$3,860 in administrative costs. This total also includes 10 E-ONE pumps. The final assessed cost per connection will be based on the actual construction cost.

METHOD OF ASSESSMENT

Each residential zoned benefitted lot will receive one service lateral and will be assessed 1 unit of assessment. One undeveloped lot 7-11-02CA 00103, zoned G-C (General-Commercial), is proposed to receive received 22 units of assessments based on its 4.72 acres that is undeveloped and zoned commercial; the 22 units is based on the property owner's plan to develop 30 multi-family units (equivalent to 22 single family units).

FINANCING LID COST

The City will finance the LID cost. The financing is proposed to be over a 20 year period with monthly payments. Interest shall be charged at a fixed rate of 2.0% over Local Government Investment Pool rate, which currently would be 3.31%.

When a property applies for financing of the LID cost, the owner shall pay at the time of application, a processing fee in the amount of \$50 to cover the costs of processing the application and a \$10 fee for the electronic recording fee for the assessment lien.

If the property owners have signed applications to pay in installments, the owners at any time may pay to the City the unpaid balance of the amount of the assessment, together with the full amount of interest to the next installment date, charges, and late payment penalties and charges accrued to the date of payment, in full payment.

The City will place a lien on the property until the LID cost is paid in full. The City assessment lien shall be superior and prior to all other liens or encumbrances on property insofar as the laws of the state permit. 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.

SEWER CONNECTION MANDATES

Connection to the sewer system is required withing six months if on graivity sewer and four years if on a pressure sewer, per Lincoln City Municipal Code 13.12.160. For this LID these connection requirements are waived.

Exhibit A - NE 36TH DRIVE ASSESSMENT LIST

Tax Map & LOT	Owner	Address	Assess Value	Lot Area (Sf)	Number of Connections	Assessment Amount based on 42 connections and Gravity/Low-Pressure including E-One Pumps
7-11-02CA 00102	James & Diane Rodriguez	2955 NE 36th Drive Lincoln City, OR 97367	\$183,500.00	10,629.00	1	\$7,941.90
7-11-02CA 00103	Kim Biddle	PO Box 214 Glenden Beach, OR 97388	\$342,210.00	205,794.00	22	\$174,721.90
7-11-02CA 00105	Thomas & Carolyn Adkins	2875 NE 36th Drive Lincoln City, OR 97367	\$149,396.00	14,228.00	1	\$7,941.90
7-11-02CA 00106	Ronald Krieger & Caprice Davis	PO Box 2557 Shelton, WA 98584	\$84,780.00	8,364.00	1	\$7,941.90
7-11-02CA 00107	Ronald Krieger & Caprice Davis	Shelton, WA 98584	\$28,950.00	7,970.00	1	\$7,941.90
7-11-02CA 00109	Barbara Kist, Trustee	2909 NE 36th Drive Lincoln City, OR 97367	\$185,560.00	10,188.00	1	\$7,941.90
07-11-02CA 00111	Sherry Jean Carlson & Cathy Cox & Julie McClenny	214 NE Crest Street OR 97385 Sublimity,	\$92,060.00	9,795.87	1	\$7,941.90
7-11-02CA 00112	Richard Welton ET AL	PO Box 44 Depoe Bay, OR 97341	\$55,120.00	14,846.00	1	\$7,941.90
7-11-02CA 00200	Richard & Melanie Emerson	2888 NE 36th Drive Lincoln City, OR 97367	\$323,240.00	8,102.59	1	\$7,941.90
07-11-02CA 00400	John Miller	2844 NE 36th Drive Lincoln City, OR 97367	\$201,820.00	5,230.83	1	\$7,941.90
7-11-02CA 00800	Jeffrey & Lisa Herndon	116 N. Alder Ct. OHS, OR 97368	\$229,640.00	36,178.00	1	\$7,941.90
7-11-02CA 00900	Madrone Lynda Mullen & Madrone Carol Mullen	2740 NE 36th Dr. Lincoln City, OR 97367	\$147,150.00	15,410.00	1	\$7,941.90
7-11-02CA 01000	Michael & Danise Trute	PO Box 582 Lincoln City, OR 97367	\$172,400.00	10,810.00	1	\$7,941.90
7-11-02CA 01100	Carol Culbertson	2714 NE 36th Dr Lincoln City, OR 97367	\$235,880.00	10,593.00	1	\$7,941.90
7-11-02CA 01200	Rebecca Stone & Michael Stone & Genevieve Stone	2700 NE 36th Dr Lincoln City, OR 97367	\$227,170.00	10,546.00	1	\$7,941.90
7-11-02CA 01300	Arturo Villa, Jr.	PO Box 1214 Depoe Bay, OR 97341	\$83,030.00	10,473.00	1	\$7,941.90
7-11-02CA 01400	Wells Fargo Bank, Attention Customer Service	1 Home Campus Des Moines, IA 50328	\$120,450.00	10,401.00	1	\$7,941.90
7-11-02CA 01500	Donald & Karla Rutherford	PO Box 977 Lincoln City, OR 97367	\$294,500.00	10,330.00	1	\$7,941.90
7-11-02CA 01600	Rosmarie Leday & Norman Leday	PO Box 1803 Woodland, WA 98674	\$281,210.00	10,396.00	1	\$7,941.90
7-11-02CA 01700	Kirk & Anita Ehrenfelt	2576 NE 36th Dr Lincoln City, OR 97367	\$188,400.00	20,630.00	1	\$7,941.90
7-11-02CA 01800	Michael & Mary Blasquez	2536 NE 36th Dr. Lincoln City, OR 97367	\$134,390.00	10,926.00	1	\$7,941.90
Total					42	\$333,560.00



1 inch = 150 feet
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Exhibit B

Exhibit C

ESTIMATED LID COST SUMMARY

FOR COMBINATION GRAVITY/LOW-PRESSURE SEWER PER UNIT

Engineering	in-house
Survey	\$12,500.00
DEQ	\$650.00
Advertising/Plan Center	\$150.00
Bureau of Labor and Industries Fee	\$260.00
Construction	\$260,000.00
Ten (10) E-ONE Pumps and Control Panels	\$60,000.00
Construction Management and Inspection	in-house
Total Estimated LID Costs	\$333,560.00

Total Number of Sewer Connections = 42

FINANCING

LID Total Estimated Cost per Connection	\$7,941.90
Sewer System Development Charge in 2017	\$3,653.00
Total Financing (LID and SDCs)	\$11,594.90
Monthly Estimated Cost per Connection- for 20 years @ 3.31% interest	\$66.12

ESTIMATED ON-SITE COST FOR GRAVITY CONNECTIONS

On-Site Improvements are those required to connect from the property plumbing to the new sewer. These costs are estimates only, site conditions and costs will vary site to site.

Connection to gravity sewer	\$1,000.00
Decommission Tank	\$1,000.00
Sewer Connection Inspection Fee	\$100.00
Total Estimated On-Site Costs	\$2,100.00

ESTIMATED ON-SITE COST FOR E-ONE PUMP CONNECTIONS

On-Site Improvements are those required to connect from the property plumbing to the new sewer. These costs are estimates only, site conditions and costs will vary site to site.

E-One pump, controls, installation	\$4,000.00
Decommission Tank	\$1,000.00
Sewer Connection Inspection Fee	\$100.00
Total Estimated On-Site Costs	\$5,100.00