

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

RESOLUTION NO. 2016-09

A RESOLUTION OF THE CITY OF LINCOLN CITY AUTHORIZING AND ESTABLISHING THE “SE KEEL AVENUE SEWER REIMBURSEMENT DISTRICT.” REIMBURSEMENT DISTRICT PURSUANT TO LCMC CHAPTER 13.06 – REIMBURSEMENT TO CITY OF LINCOLN CITY

RECITALS

- A. The City budget contains an unbonded assessment fund for the purpose of funding construction of local improvements; and
- B. The City received a request for an extension of sanitary sewer service in SE Keel Avenue. north of SE 9th Street. The reason for the request is a failed septic system and unsuitable soils for septic systems in the area; and
- C. Staff recommends the City initiate, design and fund a sanitary sewer project consisting of a low pressure sewer system to service the area (hereinafter “the SE Keel Avenue.”) from legally available funds and establish a reimbursement district to recover the cost; and
- D. On March 14, 2016, the Council at the request of the City Public Works Department initiated an application for a Reimbursement District pursuant to LCMC Chapter 13.06; and
- E. City staff estimates the project will cost approximately \$75,000; however, as the construction of the improvement is yet to be completed, City public works staff will verify, document and support the expenditures for the authorized improvement; and
- F. Pursuant to LCMC 13.06.020 the City Engineering Department prepared an Engineering Report, entitled “ City Engineer’s Report SE Keel Avenue. (SE Keel Avenue. north of SE 9th Street) Sanitary Sewer Reimbursement District (hereinafter “Engineering Report”) said Engineering Report being attached as **Attachment 1**, hereto and made a part hereof by this reference; and
- G. The Engineering Report identifies the boundaries of the Reimbursement District as including the benefitted properties identified in Exhibit A to the Final Report; and
- H. Council finds and determines that the Engineering Report and supporting materials in the record support the fair share reimbursement formula pursuant to LCMC 13.06.065, to the City unbonded assessment fund from the benefitted property owners, subject to the terms and conditions of this Resolution and the City Code; and

- 1 I. The amount of the reimbursement pursuant to the Engineering Report for the
2 twelve (12) potential benefitted lots is established at \$6,250 per sewer
3 connection service to one dwelling unit (subject to administrative fee and
4 interest as noted herein). If more than eleven connections are made, the City
5 shall recalculate the reimbursement among the benefitted property owners;
6 and
7
- 8 J. The Council finds and determines the reimbursement formula is fair and
9 equitable and will result in proportionate reimbursement to the City unbonded
10 assessment fund; and
11
- 12 K. Only one connection is permitted per legal lot and all lots shall be required to
13 pay per the referenced formula when such payment is triggered by City
14 ordinance [LCMC 13.06.065], including upon required connection [LCMC
15 13.12.160] to the sewer improvement identified herein; and
16
- 17 L. Pursuant to LCMC 13.06.030 on February 25, 2016, notice of a public hearing
18 before the City Council on March 14, 2016, was mailed, certified mail return
19 receipt requested, to each of the benefitted property owners; and
20
- 21 M. On March 14, 2016, the City Council conducted a public hearing and heard and
22 considered oral and written testimony on the proposed Reimbursement
23 District. The hearing was closed on March 14, 2016 and the record was closed
24 on March 14, 2016; and
25
- 26 N. After close of the hearing and the record, the Council, on March 14, 2016, after
27 due consideration and deliberation, finds and determines such improvements
28 to be constructed and dedicated to the public are of benefit to the City and all
29 property to be assessed reimbursement will be benefitted to the extent of the
30 amount identified in the Engineers Report; and
31
- 32 O. The Council made no substantial modification to the findings or conditions in
33 the Engineering Report or supporting documentation; Council directed staff to
34 prepare a Resolution approving the District; and
35
- 36 P. Accordingly, pursuant to LCMC 13.06.035 the City Council for the City of
37 Lincoln City elects to establish and approve the proposed SE Keel Avenue
38 Reimbursement District as described in the Engineering Report. Council
39 further directs as a precondition to receipt of any city permit necessary for
40 development of the benefitted properties and as a precondition to any
41 additional connection whatsoever to the improvement identified herein, the
42 benefitted property owners, prior to their connection or connections in the
43 event of a land division, shall pay the City the identified reimbursement
44 amount(s) as calculated by the formula in the Engineering Report, together
45 with an administrative fee of \$100 and interest at the rate of 2.5% from the
46 effective date of this Resolution; and

1 Q. Because this Reimbursement District formation is occurring prior to
2 construction of the improvement, a second public hearing is required pursuant
3 to LCMC 13.06.030.D. to make any adjustments to the reimbursement amount
4 after actual costs are known.
5

6 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE**
7 **CITY OF LINCOLN CITY, AS FOLLOWS:**
8

9 **SECTION 1. INCORPORATION.** The above Findings and Recitals are true and
10 correct and are incorporated herein by this reference.
11

12 **SECTION 2. ESTABLISHMENT OF DISTRICT.** Effective upon satisfaction of the
13 Conditions enumerated below, a Reimbursement District is hereby created and shall
14 consist of all the benefitted properties described in the Exhibit A in the Engineer's
15 Report (**Attachment 1**), being attached hereto and incorporated herein by
16 reference. The District created herein shall be referred to as the "SE Keel Avenue
17 Sewer Reimbursement District."
18

19 **SECTION 3. CONDITIONS.** The establishment of the Reimbursement District is
20 contingent upon satisfaction of all the conditions identified in or incorporated into
21 this Resolution, including but not limited to:
22

- 23 • Completion of construction of the improvement in accordance with approved
24 plans as part of the SE Keel Avenue sewer project. All costs subject to
25 adjustment and modification based upon the permissible range of flexibility
26 set forth in Chapter 13.06; and
27
- 28 • Compliance with all applicable provisions of LCMC Chapter 13.06; and
29
- 30 • Satisfaction of any and all conditions and terms in the Resolution, Engineering
31 Report and supporting documentation.
32

33 **SECTION 4. ORDER ON CONNECTION.** The City Council orders and directs that
34 as a precondition to receipt of any city permit necessary for development of the
35 benefitted properties and as a precondition to any additional connection whatsoever
36 to the pressure sewer improvement identified herein, the benefitted property owners,
37 prior to triggering development [LCMC 13.06.065] or connection, shall pay to the
38 City their identified reimbursement amount pursuant to the appropriate Engineering
39 report formula together with an administrative fee of \$100.00 and interest at the rate
40 of 2.5% from the effective date of this Resolution. Further, in the event the City takes
41 over maintenance of sewer pumps approved for use on this system, the applicant and
42 any benefitted property owners on the system shall cooperate with the City to provide
43 legal access for maintenance by City staff. All benefitted properties are identified in
44 Exhibit A to the Engineering Report.
45

46 **SECTION 5. NO LIEN/ENFORCEMENT.** This Resolution does not impose a lien
47 against the benefitted properties; however, unlawful connection to the improvement

1 specified herein may be punished as a daily civil violation pursuant to City Code or as
2 felony or misdemeanor criminal mischief against a public utility under State law.

3
4 **SECTION 6. AGREEMENT.** The City of Lincoln City is the applicant for purposes of
5 the Reimbursement District. Accordingly an agreement with the applicant is
6 unnecessary. City does however stipulate and agree that:

- 7
8
9 A. The public improvement shall meet all applicable city standards, including
10 construction standards and location within a public right-of-way or easement;
11 Public Works shall conduct such inspections or tests within 60 days, and
12 accept or reject the improvements; and
13
14 B. City will ensure contractor, if any, warrants and guarantees for a period of one
15 year from the date of acceptance, the quality of the improvements dedicated to
16 the public; City will further require contractor, if any, to reimburse the City for
17 the cost of repair or replacement if during the warranty period the installation
18 is defective; and
19
20 C. Contractors shall agree to defend, indemnify and hold harmless the City of
21 Lincoln City, its officers, agents and employees from any and all losses, claims,
22 damage, judgments or other costs or expenses arising as a result of or related
23 to the City's construction of the Improvements and establishment of the
24 District; and
25
26 D. The applicant agrees that except as provided in LCMC 13.06.065 [Obligation to
27 Pay Reimbursement Fee] the City is *not obligated* to collect the
28 reimbursement fee from affected property owners; and
29
30 E. Consistent with LCMC 13.06.065 and LCMC 13.06.075, City shall reimburse
31 the City unbonded assessment fund, from payments received from benefitted
32 property owners for additional connections noted herein for the 10 year
33 reimbursement period, as well as a ten (10) year extension period [total
34 twenty (20) years] beginning on the effective date of this Resolution. The
35 Council may extend the Reimbursement period on its own motion as provided
36 in Chapter 13.06 by Resolution.
37
38 F. No SDC credit is awarded by this Resolution. All property owners must pay
39 SDC fees when triggered by City ordinance.
40

41 **SECTION 7. ADJUSTMENT AUTHORIZED.** The City of Lincoln City shall annually
42 adjust the reimbursement amount on the anniversary date of the Council's resolution.
43 The adjustment shall be fixed and computed against the reimbursement fee as simple
44 interest and shall remain the same for each year the district exists. The interest rate
45 shall be (2.5%) percent. Cost of construction shall be subject to such increase, given
46 the formula set forth in the Engineering Report. Further, as noted above, because
47 this Reimbursement District formation is occurring prior to construction of the

1 improvement, a second public hearing is required pursuant to LCMC 13.06.030.D. to
2 make any adjustments to the reimbursement amount after actual costs are known.

3
4 **SECTION 8. NOTICE OF SEWER CONNECTION TRIGGERS AND RECORDING.**

5 The City Recorder shall notify all owners within the district as provided by LCMC
6 13.06.050. The City Recorder shall also cause notice of the formation and nature of
7 the Reimbursement District to be filed in Lincoln County official records in order to
8 provide notice to potential purchasers of property within the district boundaries. As
9 an alternative and if permitted by Ordinance the City may file a Notice of the
10 Reimbursement District in the City's electronic lien record. Failure to make such
11 recording shall affect neither the legality of the Resolution nor the obligation to pay
12 the fee. [LCMC 13.06.050 and LCMC 13.06.055] Owners and Purchasers: Be
13 Advised that LCMC 13.12.160 identifies mandatory connection triggers for
14 abandonment of septic systems and connection to sanitary sewer.

15
16
17 **SECTION 9. FINDINGS ADOPTED.** The City Council finds and determines the
18 public hearing, (conducted on March 14, 2016) was properly noticed and conducted.
19 The Council further finds the establishment of the Reimbursement District boundary
20 includes all directly benefitted properties, is logically configured based on topography
21 and engineering constraints, and is in the best interest of the city and the public. The
22 City further finds the allocation of the cost of the improvement is a logical and
23 reasonable allocation of costs (formula) based upon the benefits received by the
24 affected properties. The Council adopts the findings and competent evidence
25 contained in the entire record as supporting its conclusion that the improvements are
26 in the public interest of the City of Lincoln City.

27
28 **SECTION 10. EFFECTIVE DATE.** This resolution is effective as of the date of its
29 adoption and signature by the Mayor, provided the failure of satisfaction of the
30 Conditions identified herein shall render the Resolution null and void.

31
32 PASSED AND ADOPTED by the City Council of the City of Lincoln City this 14th day
33 of March 2016.

34
35
36 
37 _____
38 DON WILLIAMS, MAYOR

39 ATTEST:

40
41 
42 _____
43 CATHY STEERE, CITY RECORDER

44
45 ATTACHMENT A



CITY ENGINEER'S REPORT

SE KEEL AVENUE SANITARY SEWER REIMBURSEMENT DISTRICT

February 25, 2016

One property within the proposed Reimbursement District has a failing septic tank and requested sanitary sewer service. City is proposing to design and construct a low pressure sewer system to serve eleven existing lots that will be the area for establishing a reimbursement district.

Pursuant to the City of Lincoln City's Municipal Code of Ordinances Chapter 13.06, the City Engineer is submitting the following report pertaining to the formation of a reimbursement district.

Description of the Improvements

The Reimbursement District will construct a low pressure sanitary sewer system that will provide a sanitary sewer with a service lateral to each lot of record at the time of construction, with the exception of a City owned lot assumed to have two potential connections. Based on this definition, there are eleven lots that will be benefited by the construction of the sewer system, see Exhibit "A".

Location of the Improvements

See Exhibit "B" for a map showing the Reimbursement District Boundary.

Zoning for the Properties benefited by the Improvements

The properties being benefited are zoned (Residential-Multi-Family) R-M, see Exhibit "C". The minimum lot area shall be 5,000 square foot for a single-family dwelling and a minimum of 8,000 square foot for a duplex of first two units of a multifamily development. Higher density is allowed in the zone.

Reimbursement Cost

Within the reimbursement district there are eleven lots varying in size from 4,006 square feet to 14,998 square feet; the existing development pattern is single family residential dwelling. Staff is proposing each potential 5,000 square foot lot would be assessed a share in the project cost, Two of the lots have existing structures on them and would only be assessed one connection. Tax Lot 200 is owned by the City with two potential connections and tax lots 202 and 203 are owned by Lincoln County with a connection for each lot.

The estimated construction cost of sanitary sewer improvements within the reimbursement district is \$75,000.00. Divided by twelve potential connections, this equals approximately \$6,250.00 per connection to the system. This number is based on the estimated construction cost; actual construction cost will be used to calculate the final reimbursement amount.

The estimated \$6,250.00 per sewer connection is to reimburse the City for the cost to install the public sewer. The total cost to connect to the sewer system would also include:

- System Development Charges
- Inspection Fees/Permit Fees
- On-site construction costs for the pump and appurtenances
- Abandoning existing septic tank (if applicable)

City Engineer's Signature: Stephanie Reid

Date: February 25, 2016

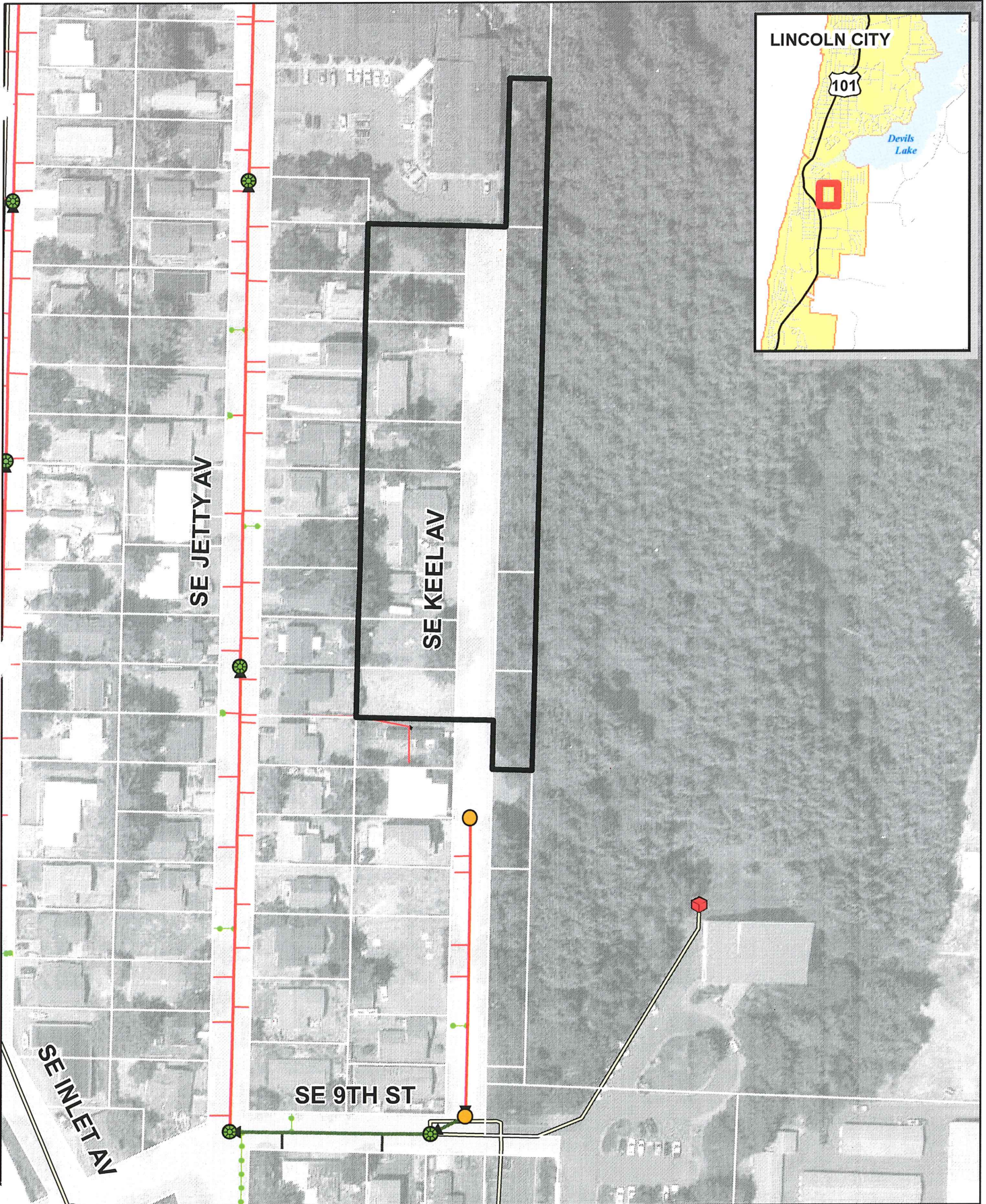
EXHIBIT "A"

REIMBURSEMENT DISTRICT PROPERTY OWNERS LIST

Tax Map	Tax Lot	Owner	Address	Lot Area (SF)	Potential Connections
7-11-15DA	200	Lincoln City	PO Box 50 Lincoln City, Or. 97367	10,461.67	2
7-11-15DA	202	Lincoln County % Daniel Cutter	2226 N. Coast Hwy #272 Newort, Or. 97365	5,230.83	1
7-11-15DA	203	Lincoln County % Daniel Cutter	2226 N. Coast Hwy #272 Newort, Or. 97365	5,230.83	1
7-11-15DA	215	Kathy Wilson	31930 SE 44th St. Fall City, Wa. 98024	5,230.83	1
7-11-15DA	222	Robert Armstrong	960 SW Hwy 101 Lincoln City, Or. 97367	5,230.83	1
7-11-15DA	227	Robert Black & Colette Black	3220 Mason Ave. Las Vegas, Nv. 89102	5,230.83	1
7-11-15DA	228	Richard Meyers & Marie Meyers	PO Box 992 Lincoln City, Or. 97367	5,230.83	1
7-11-15DA	229	Wally Kohl & Warna Kohl	3247 SW Beach Lincoln City, Or. 97367	5,230.83	1
7-11-15DA	230	Wally Kohl & Warna Kohl	3247 SW Beach Lincoln City, Or. 97367	5,230.83	1
7-11-15DA	231	David Sledz & Melissa Sledz	13706 SW Tamaway Ln Tigard, Or 97223	5,230.83	1
7-11-15DA	501	Gene Jones & Judy Jones	13308 NW 40th Vancouver, Wa. 98685	5,230.83	1

Total

12

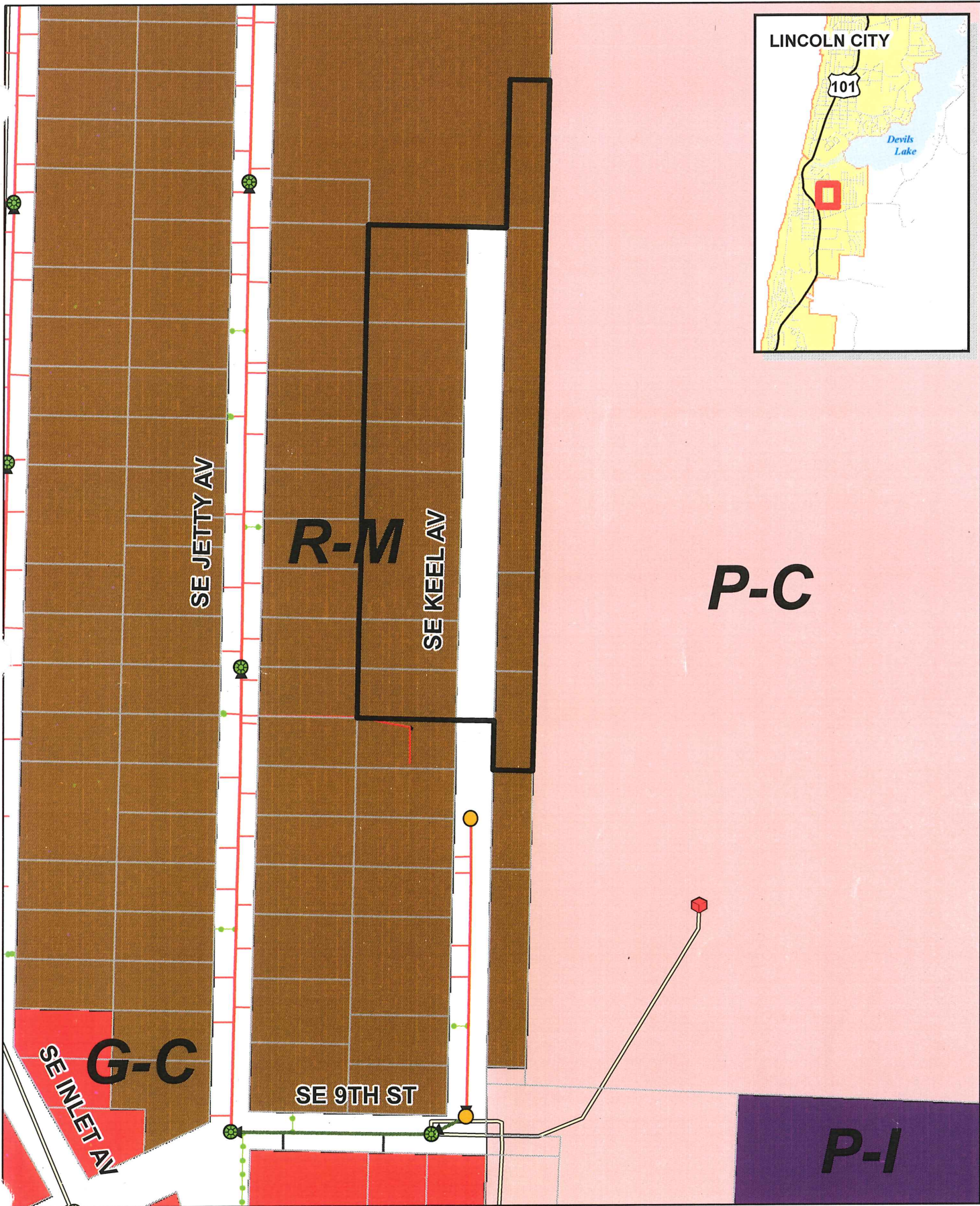
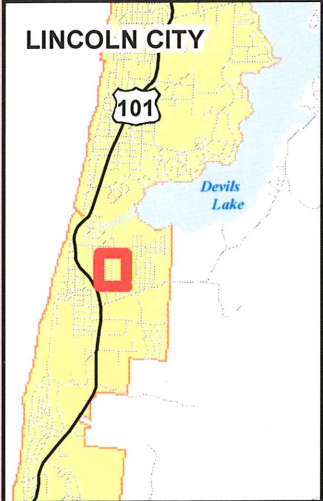


**SE Keel Ave Reimbursement District
Exhibit B - Boundary**

September 2015



1 inch = 125 feet



**SE Keel Ave Reimbursement District
Exhibit C - Zoning**

-  R-M Multi Family Residential
-  P-C Professional Campus



1 inch = 125 feet

September 2015