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RESOLUTION NO. 2016-11

**A RESOLUTION OF THE CITY OF LINCOLN CITY MODIFYING THE
APPROVED "NE 19th STREET" REIMBURSEMENT DISTRICT
(RESOLUTION 2015-29) PURSUANT TO LCMC CHAPTER 13.06 –
REIMBURSEMENT TO CITY OF LINCOLN CITY**

RECITALS

- A. On November 23, 2015, the City Council for the City of Lincoln City approved Resolution 2015-29, authorizing and establishing the 19th Street Reimbursement District; and
- B. Pursuant to Oregon public contract law and Chapter 2.05 of the Lincoln City Municipal Code, the City solicited bids and caused to be constructed the improvements identified in Resolution 2015-29; and
- C. LCMC 13.06.030 D, mandates a second public hearing shall be conducted after construction of the improvements, if a reimbursement district is formed prior to the construction of the improvements; and
- D. After such required public hearing the City Council may modify the Resolution establishing the Reimbursement District to reflect the actual cost of the improvements to be allocated among the benefitted properties; and
- E. Pursuant to LCMC 13.06.020 the City Engineering Department prepared a revised Engineering Report, "City Engineer's Report Updated with Construction Cost NE 19th Street (NE Port to NE Oar) Sanitary Sewer Reimbursement District March 31, 2016 (hereinafter "Updated Engineering Report") said Updated Engineering Report being attached as **Attachment 1**, hereto and made a part hereof by this reference; and
- F. The original Engineer's estimate of the project was \$50,700; the actual construction cost as verified and documented by City staff is \$67,636.25; the increase over the estimate (\$16,936.25) is proposed to be allocated among the 12 benefitted properties (increasing the cost by \$1411.35 per connection from \$4225.00 to \$5636.35 per connection)
- G. The Updated Engineering Report identifies the boundaries of the Reimbursement District as including the benefitted properties identified in Exhibit A to the Updated Engineering Report; and
- H. Council finds and determines the Updated Engineering Report and supporting materials in the record support fair share reimbursement formula pursuant to LCMC 13.06.065, to the City unbonded assessment fund from the benefitted

1 property owners, subject to the terms and conditions of this Resolution and the
2 City Code; and

- 3
4 I. The amount of the reimbursement pursuant to the Updated Engineering
5 Report for the 12 potential benefitted lots is modified to reflect actual
6 construction costs and established at \$5636.35 per sewer connection for
7 service to one dwelling unit (subject to administrative fee and interest as noted
8 herein). If more than twelve connections are made (e.g. a parcel legally
9 develops as multi-family), the City shall recalculate the reimbursement among
10 the benefitted property owners; and
11
- 12 J. The Council finds and determines that the updated reimbursement formula is
13 fair and equitable and will result in proportionate reimbursement (or credit) to
14 the City unbonded assessment fund; and
15
- 16 K. Only one connection is permitted per legal lot and all lots shall be required to
17 pay per the referenced formula when such payment is triggered by City
18 ordinance [13.06.065], including upon connection to the sewer improvement
19 identified herein; and
20
- 21 L. Pursuant to LCMC 13.06.030, notice of an informational hearing before the
22 City Council on April 11, 2016, was mailed certified mail return receipt
23 requested, to each of the benefitted property owners; and
24
- 25 M. On April 11, 2016, the City Council conducted a public hearing and heard and
26 considered oral and written testimony on modification of the existing
27 Reimbursement District. The hearing was closed on April 11, 2016, and the
28 record was closed on April 20, 2016; and
29
- 30 N. After close of the hearing and the record, the Council, on April 25, 2016, after
31 due consideration and deliberation, finds and determines that such
32 improvements having been constructed and dedicated to the public, are of
33 benefit to the City and all property to be assessed the modified reimbursement
34 amount will be benefitted to the extent of the amount identified in the Updated
35 Engineers Report; and
36
- 37 O. The Council made no substantial modification to the findings or conditions in
38 the Updated Engineering Report or supporting documentation; Council
39 directed staff to prepare a Resolution approving the modification to the
40 District; and
41
- 42 P. Accordingly, pursuant to LCMC 13.06.035, the City Council for the City of
43 Lincoln City elects to modify the established and approved "NE 19th Street
44 Reimbursement District" as described in the Updated Engineering Report.
45 Council further directs as a precondition to receipt of any city permit necessary
46 for development of the benefitted properties and as a precondition to any
47 additional connection whatsoever to the improvement identified herein, the

1 benefitted property owners, prior to their connection or connections in the
2 event of a land division, shall pay the City the identified modified
3 reimbursement amount(s) as calculated by the formula in the Updated
4 Engineering Report, together with an administrative fee of \$100 and interest
5 at the rate of 2.5% annually from the effective date of this Resolution.
6

7 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE**
8 **CITY OF LINCOLN CITY, AS FOLLOWS:**
9

10 **SECTION 1. INCORPORATION.** The above Findings and Recitals are true and
11 correct and are incorporated herein by this reference.
12

13 **SECTION 2. MODIFICATION OF ESTABLISHMENT OF DISTRICT.** Effective
14 upon satisfaction of the Conditions enumerated below, the Reimbursement District
15 previously created and consisting of all the benefitted properties described in the
16 Exhibit A in the Updated Engineer's Report (**Attachment 1**) is hereby modified.
17 The prior Resolution 2015-29 remains in full force and effect, except as specifically
18 modified herein. The District modified herein shall be referred to as the "NE 19th
19 Street Reimbursement District."
20

21 **SECTION 3. CONDITIONS.** The establishment of the Reimbursement District is
22 contingent upon satisfaction of all the conditions identified in or incorporated into
23 Resolution 2015-29 and this Resolution.
24

25 **SECTION 4. ORDER ON CONNECTION.** The City Council orders and directs as a
26 precondition to receipt of any city permit necessary for development of the benefitted
27 properties and as a precondition to any additional connection whatsoever to the
28 pressure sewer improvement identified herein, the benefitted property owners, prior
29 to triggering development [LCMC 13.06.065] or connection, shall pay to the City their
30 identified reimbursement amount pursuant to the appropriate Engineering report
31 formula in the Updated Engineer's Report together with an administrative fee of
32 \$100.00 and interest at the rate of 2.5% from the effective date of this Resolution.
33 Further, in the event the City takes over maintenance of sewer pumps approved for
34 use on this system, the applicant and any benefitted property owners on the system
35 shall cooperate with the City to provide legal access for maintenance by City staff. All
36 benefitted properties are identified in Resolution 2015-29 and Exhibit A to the
37 Updated Engineering Report.
38

39 **SECTION 5. NO LIEN/ENFORCEMENT.** This Resolution does not impose a lien
40 against the benefitted properties; however, unlawful connection to the improvement
41 specified herein may be punished as a daily civil violation pursuant to City Code or as
42 felony or misdemeanor criminal mischief against a public utility under State law.
43

44 **SECTION 6. AGREEMENT.** The City of Lincoln City is the applicant for purposes of
45 the Reimbursement District. Accordingly an agreement with the applicant is
46 unnecessary. City nevertheless stipulated and agreed to Agreement terms as set forth
47 in in Resolution 2015-29, restated below:

4-25-16 Final Reimbursement District Resolution 2016-11

- 1 A. The public improvement shall meet all applicable city standards, including
2 construction standards and location within a public right-of-way or easement;
3 Public Works shall conduct such inspections or tests within 60 days, and
4 accept or reject the improvements; and
5
- 6 B. City will ensure contractor, if any, warrants and guarantees for a period of one
7 year from the date of acceptance, the quality of the improvements dedicated to
8 the public; City will further require contractor, if any, to reimburse the City for
9 the cost of repair or replacement if during the warranty period the installation
10 is defective; and
11
- 12 C. Contractors shall agree to defend, indemnify and hold harmless the City of
13 Lincoln City, its officers, agents and employees from any and all losses, claims,
14 damage, judgments or other costs or expenses arising as a result of or related
15 to the City's construction of the improvements and establishment of the
16 District; and
17
- 18 D. The applicant agrees that except as provided in LCMC 13.06.065 [Obligation to
19 Pay Reimbursement Fee] the City is *not obligated* to collect the
20 reimbursement fee from affected property owners; and
21
- 22 E. Consistent with LCMC 13.06.065 and LCMC 13.06.075, City shall reimburse
23 the City unbonded assessment fund, from payments received from benefitted
24 property owners for additional connections noted herein for the ten (10) year
25 reimbursement period, as well as a ten (10) year extension period [total
26 twenty (20) years] beginning on the effective date of this Resolution. The
27 Council may extend the Reimbursement period on its own motion as provided
28 in Chapter 13.06 by Resolution.
29
- 30 F. No SDC credit is awarded by this Resolution. All property owners must pay
31 SDC fees when triggered by City ordinance. If permitted by City Ordinance at
32 the time connection is sought, SDC installment payment is authorized for
33 sewer SDCs when connection is triggered by LCMC 13.12.160. Installments
34 shall be secured with financial security, made monthly for a period not to
35 exceed five years, at an interest rate consistent with Section 7 below.
36

37 **SECTION 7. ADJUSTMENT AUTHORIZED.** The City of Lincoln City shall annually
38 adjust the reimbursement amount annually on the anniversary date of the Council's
39 resolution. The adjustment shall be fixed and computed against the reimbursement
40 fee as simple interest and shall remain the same for each year the district exists. The
41 interest rate shall be (2.5%) percent. Cost of construction shall be subject to such
42 increase, given the formula set forth in the Engineering Report.
43

44 **SECTION 8. NOTICE OF SEWER CONNECTION TRIGGERS/RECORDING.** The
45 City Recorder shall notify all owners within the district as provided by LCMC
46 13.06.050. The City Recorder shall also cause notice of the formation and nature of

1 the Reimbursement District to be filed either in Lincoln County official records or in
2 the City Electronic Lien record, in order to provide notice to potential purchasers of
3 property within the district boundaries. Failure to make such recording shall affect
4 neither the legality of the Resolution nor the obligation to pay the fee. [LCMC
5 13.06.050 and LCMC 13.06.055] Owners and Purchasers: Be advised LCMC
6 13.12.160 identifies triggers for abandonment of septic systems and connection to
7 sanitary sewer.
8

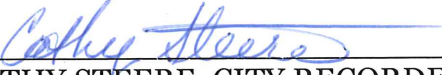
9 **SECTION 9. FINDINGS ADOPTED.** The City Council finds and determines that the
10 public hearing, (conducted on April 11, 2016) was properly noticed and conducted.
11 The Council further finds that the establishment of the Reimbursement District
12 boundary includes all directly benefitted properties, is logically configured based on
13 topography and engineering constraints, is in the best interest of the city and the
14 public. The City further finds that the allocation of the cost of the improvement, as
15 modified is a logical and reasonable allocation of costs (formula) based upon the
16 benefits received by the affected properties. The Council adopts the findings and
17 competent evidence contained in the entire record as supporting its conclusion that
18 the improvements are in the public interest of the City of Lincoln City.
19

20 **SECTION 10. EFFECTIVE DATE.** This Resolution is effective as of the date of its
21 adoption and signature by the Mayor, provided the failure of satisfaction of the
22 Conditions identified herein shall render the Resolution null and void.
23

24 PASSED AND ADOPTED by the City Council of the City of Lincoln City this 25th day
25 of April, 2016.
26

27 
28 _____
29 DON WILLIAMS, MAYOR
30

31 ATTEST:
32

33 
34 _____
35 CATHY STEERE, CITY RECORDER
36

37
38
39 ATTACHMENT A



**CITY ENGINEER'S REPORT UPDATED WITH CONSTRUCTION COST
NE 19th Street (NE Port to NE Oar) SANITARY SEWER REIMBURSEMENT DISTRICT
March 31, 2016**

At the request of a property owner, the City Engineer evaluated this unsewered area and determined it met the criteria for sanitary sewer service using a low pressure sewer system. The City Council adopted Resolution 2015-29 A RESOLUTION OF THE CITY OF LINCOLN CITY AUTHORIZING AND ESTABLISHING THE "NE 19th STREET" REIMBURSEMENT DISTRICT PURSUANT TO LCMC CHAPTER 13.06 – REIMBURSEMENT TO CITY OF LINCOLN CITY on November 23, 2015.

There are 8 lots that will be benefited by the construction of the sewer system, see Exhibit "A". See Exhibit "B" for a map showing the Reimbursement District Boundary.

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.

The estimated cost of the project was \$50,600.00. The actual cost of the sanitary sewer improvements in the reimbursement district is \$67,636.25 (an increase of \$16,936.25).

There are potentially 12 lots or $\$67,636.25 / 12 \text{ lots} = \$5,636.35$ per sewer connection for reimbursement. This number is based on the final construction cost. The \$5,636.35 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:

"PRIDE IN SERVICE"

P.O. Box 50 801 SW Hwy 101
Lincoln City, OR 97367

Phone (541) 996-2154
Fax (541) 994-4881

The low-pressure sewer system is comprised of a main line in the street (public-side) and a pump assembly installation (property-side). The following table shows the estimated property-side cost per sewer connection.

Components of Property-Side Costs	Estimated Costs
System Development Charges	\$3,653.00 Sewer only based on 5/8-inch water meter, 2016 rates
Inspection Fees/Permit Fees	\$100.00 Public Works Connection Inspection Fee
On-site construction costs for the pump and control panel	Pump and Control Panel cost is currently \$5,500.00 Installation cost will vary based on site conditions estimated to be \$5,000.00 - \$8,000.00
Abandoning existing septic tank	Estimated \$500, must remove or fill, cost will vary
Total Estimated Property-Side Costs	\$14,750.00 - \$17,000.00

City Engineer's Signature: *Stephanie Reid*

Date: *March 31, 2016*

Attachments: Exhibit A Property Owner List
 Exhibit B District Boundary
 Exhibit C District Zoning

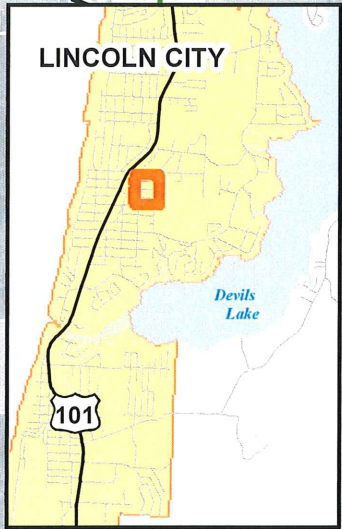
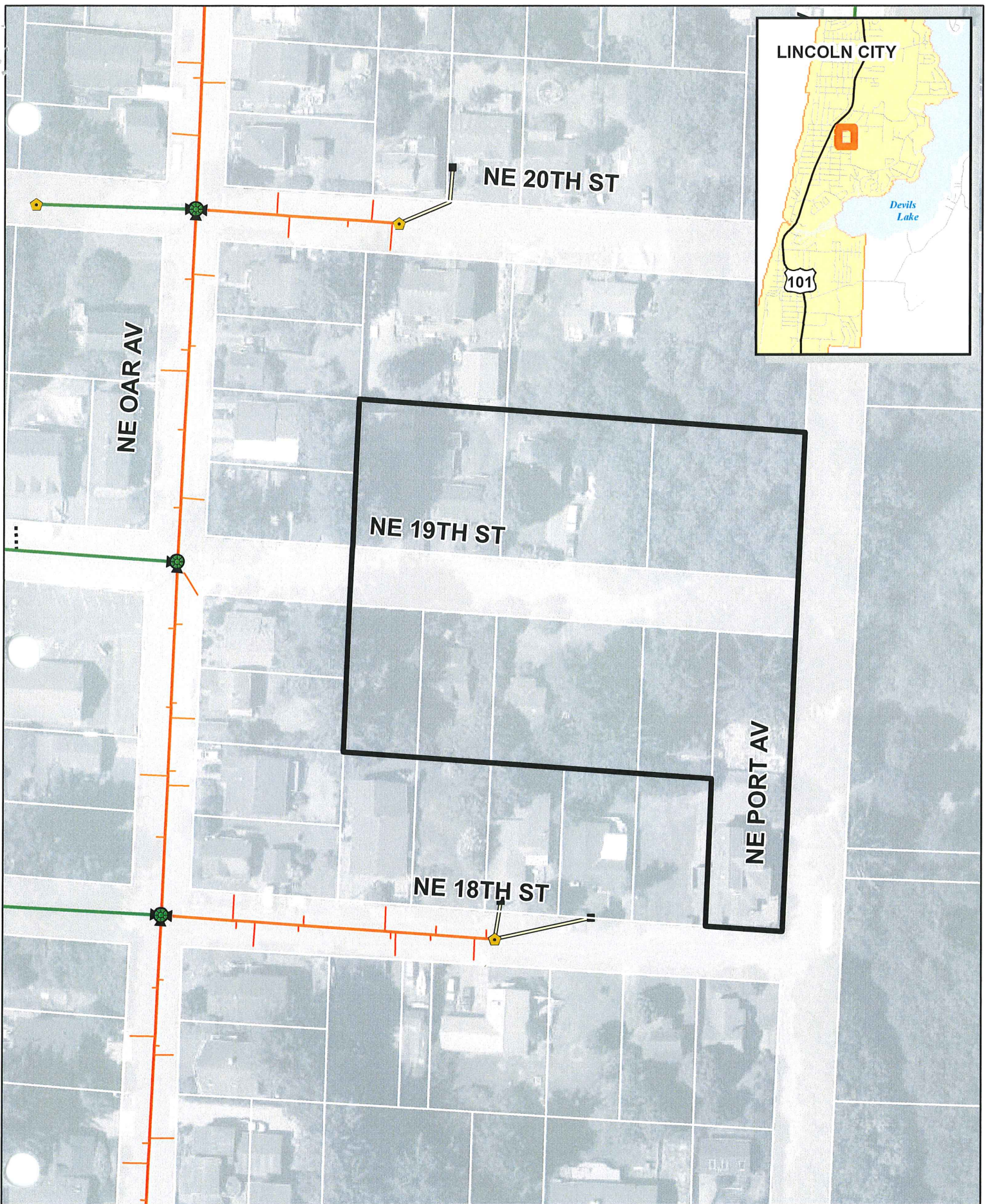
"PRIDE IN SERVICE"

**P.O. Box 50 801 SW Hwy 101
 Lincoln City, OR 97367**

**Phone (541) 996-2154
 Fax (541) 994-4881**

REIMBURSEMENT DISTRICT PROPERTY OWNERS LIST

Tax Map	Tax Lot	Owner	Address	Lot Area (SF)	Potential Connections
7-11-10DA	2700	Aaron Smith	2684 NE Lee Ave, City, Or 97367	10,000.00	2
7-11-10DA	2800	Kurt & Meredith Olsen, Randall & Teri Sawyer	603 S. Anderson Creek Rd. Lincoln City, Or 97367	10,000.00	2
7-11-10DA	2900	Kurt & Meredith Olsen, Randall & Teri Sawyer	603 S. Anderson Creek Rd. Lincoln City, Or 97367	10,289.00	2
7-11-10DA	3000	Donald Horn	8420 SW Canyon Lane #13 Portland, Or 97225	4,997.00	1
7-11-10DA	3100	Vicky & Alan Peters	37100 NE Willsonville Rd. Newberg, Or 97132	9,994.00	2
7-11-10DA	3200	Della Park, Trustee	1326 SE 2nd Court Lincoln City, Or 97367	4,997.00	1
7-11-10DA	3300	James Allim & Jennifer Purkey	395 SE Cowls St. McMinnville, Or 97128	4,997.00	1
7-11-10DA	3900	Gordon French II Trustee & Patricia French, Trustee	3501 NE 3rd Ave Camas, Wa 98607	5,000.00	1

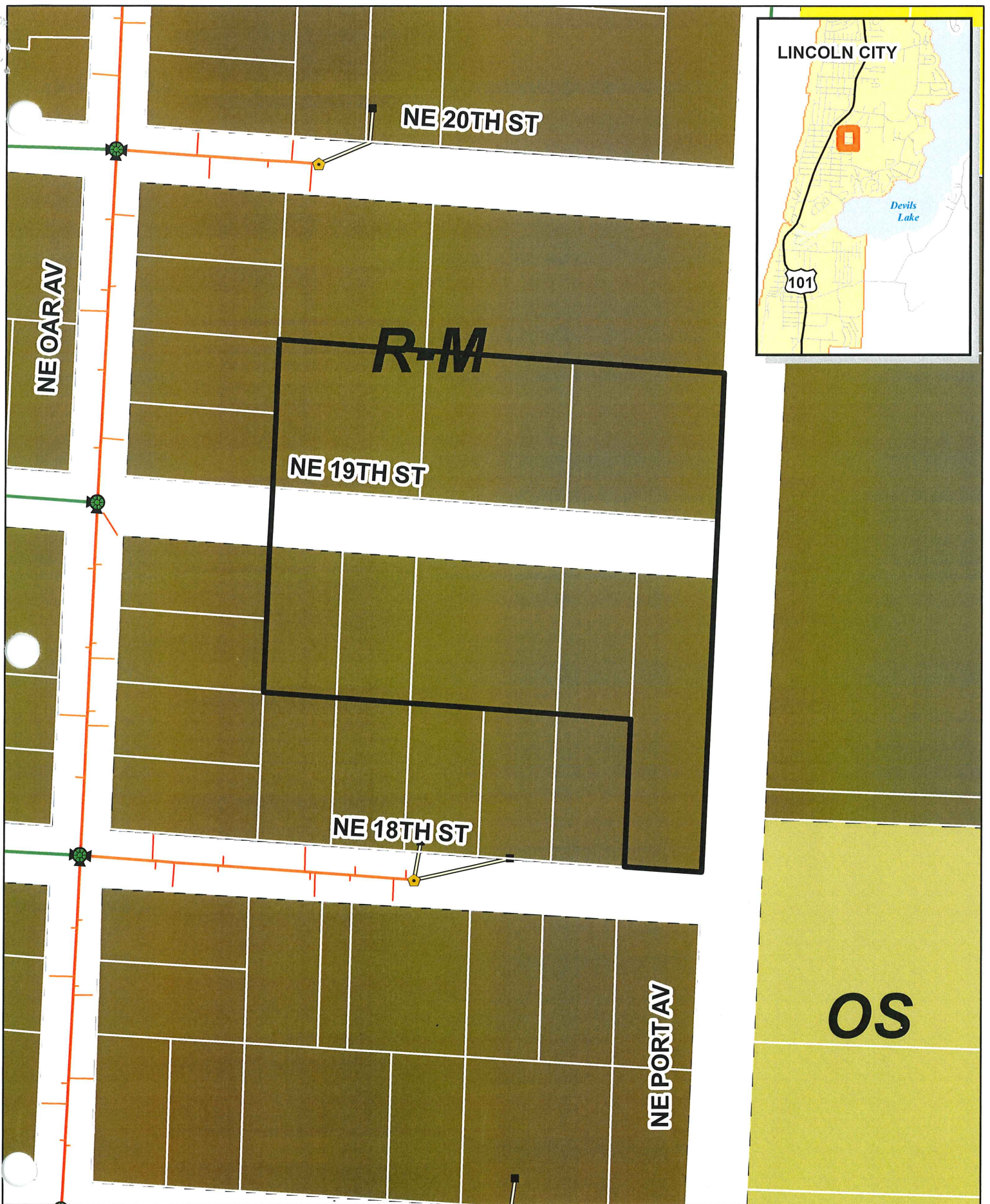


**NE 19th St - Oar to Port Reimbursement District
Exhibit B - Boundary**

September 2015



1 inch = 84 feet



**NE 19th St - Oar to Port Reimbursement District
Exhibit C - Zoning**

 R-M Multi Family Residential

September 2015



1 inch = 84 feet

