

ORDINANCE NO. 5520

AN ORDINANCE TO DETERMINE THE ASSESSMENTS AGAINST THE PROPERTIES SPECIFICALLY BENEFITED BY SANITARY SEWER IMPROVEMENTS FOR SS-01-09, 12TH AVENUE SANITARY SEWER EXTENSION LOCAL IMPROVEMENT DISTRICT (LID), AND DECLARING AN EMERGENCY.

RECITALS:

1. The assessments as referred to in this ordinance and previous resolutions and ordinances are for the sanitary sewer improvements to serve SS-01-09, 12th Avenue Sanitary Sewer Extension LID.
2. Preliminary resolutions and ordinances prescribing the manner and extent of the improvements are set forth in Resolutions Nos. 4422, 4347, 4447, and 4560.
3. The assessments set forth in the following ordinance are based upon the request and recommendation of the City Engineer in compliance with Albany Municipal Code, Section 15.04.110.

THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The costs of the sanitary sewer improvements to serve SS-01-09, 12th Avenue Sanitary Sewer Extension LID are as follows:

<u>Project</u>	<u>Interest & Misc.</u>	<u>Construction Cost</u>	<u>ELA</u>	<u>Total Cost</u>
SS-01-09	\$1,756.00	\$49,136.00	\$23,722.63	\$74,614.63

Section 2: Property and assessment data are listed on the attached sheets.

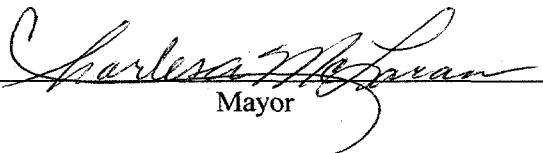
Section 3: The City Recorder is hereby directed to enter a statement of the assessments as above provided in the docket of the City liens and give notice thereof as provided by law.

Section 4: Inasmuch as this ordinance is necessary for the immediate preservation of the peace, safety, and health of the City of Albany, Oregon, an emergency is hereby declared to exist; and this ordinance shall be in full force and effect immediately upon passage by the Council and approval by the Mayor.

Passed by Council: February 13, 2002

Approved by the Mayor: February 13, 2002

Effective Date: February 13, 2002



Mayor

ATTEST:



City Recorder



TO: Albany City Council

VIA: Steve Bryant, City Manager
Floyd W. Collins, Public Works Director

FROM: Diane Taniguchi-Dennis, P.E., Assistant Public Works Director/City Engineer *DTD*
Mark W. Shepard, P.E., Assistant City Engineer *MWS*
Jeff Woodward, P.E., Civil Engineer II *JW*

DATE: January 10, 2002, for the January 23, 2002, City Council Meeting

SUBJECT: SS-01-09, 12th Avenue Sanitary Sewer Extension LID
Final Engineer's Report and Ordinance to Assess

Action Requested:

Staff requests that Council adopt the Final Engineer's Report and Financial Investigation Report regarding the final assessments for the 12th Avenue Sanitary Sewer Extension Local Improvement District (LID). It is further requested that Council adopt the attached ordinance for determining the assessments for this LID.

Background:

This project involves the properties adjacent to 12th Avenue NW, located at the south end of Pulver Lane and running east to North Heights Drive. A vicinity map is shown on Attachment A, with the LID Boundary map shown on Attachment B.

Prior to completion of this project, the area had a long history of failing septic tank problems. The neighborhood made two previous attempts to extend the sanitary sewer in 1996, but they were subsequently terminated, and failing septic systems continued to impact properties down hill of the neighborhood.

A neighborhood meeting with Benton County and City of Albany staff was held on April 9, 2001, to answer property owner questions, review implications of a health hazard declaration, and explain the LID process. The neighborhood then submitted a petition to construct the needed sanitary sewer extension, soon followed by a Health Hazard Declaration by the Benton County Environmental Health Division in May. A second neighborhood meeting in early June provided property owners with more detailed information, and the LID formation was finalized on June 27, 2001.

Discussion:

The construction contract was awarded in August to Western Oregon Excavation, Inc., and completed quickly so that property owners could connect to the new sewer prior to the wet winter weather. Final payment for the construction contract was made on November 28, 2001.

Approximately 700 feet of new 8-inch sanitary sewer main was constructed, along with sewer lateral connections for each parcel at the property line. The construction contract also included a 300-foot water line extension to complete the system loop at the east end of 12th Avenue to North Heights Drive. The water line costs were funded by the City from the Water System Capital Fund.

Property owners were notified by an October 17, 2001, letter that the new sewer line was available for connection. Being outside the health hazard boundary, the Cooley parcel is not required to connect at this time and the permit has not been activated. Of the remaining eleven parcels within the declared health hazard boundary, eight have homes that must be connected to the sewer. As of December 21, 2001, all eight owners have contacted the Building Division to initiate the plumbing permit, with seven having paid the fees to activate the permit. Three of the seven active permits have been totally completed and closed out.

Cost Summary:

The final construction cost was \$68,459.00. After deducting City participation for the water line construction costs, the assessable cost for sanitary sewer construction is \$49,136.00. Including Engineering, Legal, and Administrative (ELA) fees, and the project financing charge, the total assessable amount for the collector sanitary sewer is \$74,614.63. This amount is approximately 51 percent below the estimated assessable amount of \$153,000.00 presented in the Initial Engineer's Report when the LID was formed. A comparison of the initial estimated assessment costs and final assessment costs are shown below.

<u>12th Avenue NW Sanitary Sewer LID</u>	<u>Estimated Project Cost</u>	<u>Final Project Cost</u>
Construction Cost	\$127,000	\$68,459.00
City Participation (Water Line)	<u>0</u>	<u>(19,323.00)</u>
Sewer Construction Cost	127,000	49,136.00
ELA Fees	26,000	23,722.63
Project Financing Charge	<u>0</u>	<u>1,756.00</u>
Collector Sewer Assessment	\$153,000	\$74,614.63

The sanitary sewer was constructed at a significantly lower cost than anticipated at the initial public hearing, which can be attributed to several factors. Savings resulted from an extremely competitive bidding climate that yielded much lower contract bid prices. Additionally, the ability to cost share with the water line companion project helped to lower costs. During construction, favorable ground and weather conditions resulted in a reduction of the anticipated scope of work. Specifically, no rock was encountered during trench excavation, and the street subgrade held up better than expected. This resulted in the reduction of necessary trench patching and completely eliminated the need to overlay the street pavement.

North Albany Interceptor in-lieu-of assessments and sanitary sewer SDC fees are not included in this LID. They are due when the sewer connection permits are initiated and are collected when the permit fee is paid. All owners have initiated their permits and have elected to make their own arrangements for the private installation of service laterals and septic tank abandonment.

Method of Assessment:

The method of assessment is consistent with the area basis methodology recommended in the Initial Engineer's Report. To maintain an equitable assessment for the single connection provided to the larger Cooley parcel, an equivalent area was assigned that is the same size as the

two parcels directly across the street. The final assessment calculations and amounts are detailed in the assessment computation sheet shown on Attachment C.

Budget Impact:

The sanitary sewer LID component of this project will be funded from the Improvement Fund (26-985) and recovered through assessments to the benefiting properties. The water line component will be funded from the Water System Capital Fund (11-941).

JMW:kw

Attachments 5

Project Area



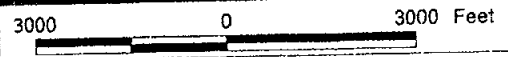
SS-01-09, 12TH AVE SEWER EXTENSION LID VICINITY MAP



Engineering

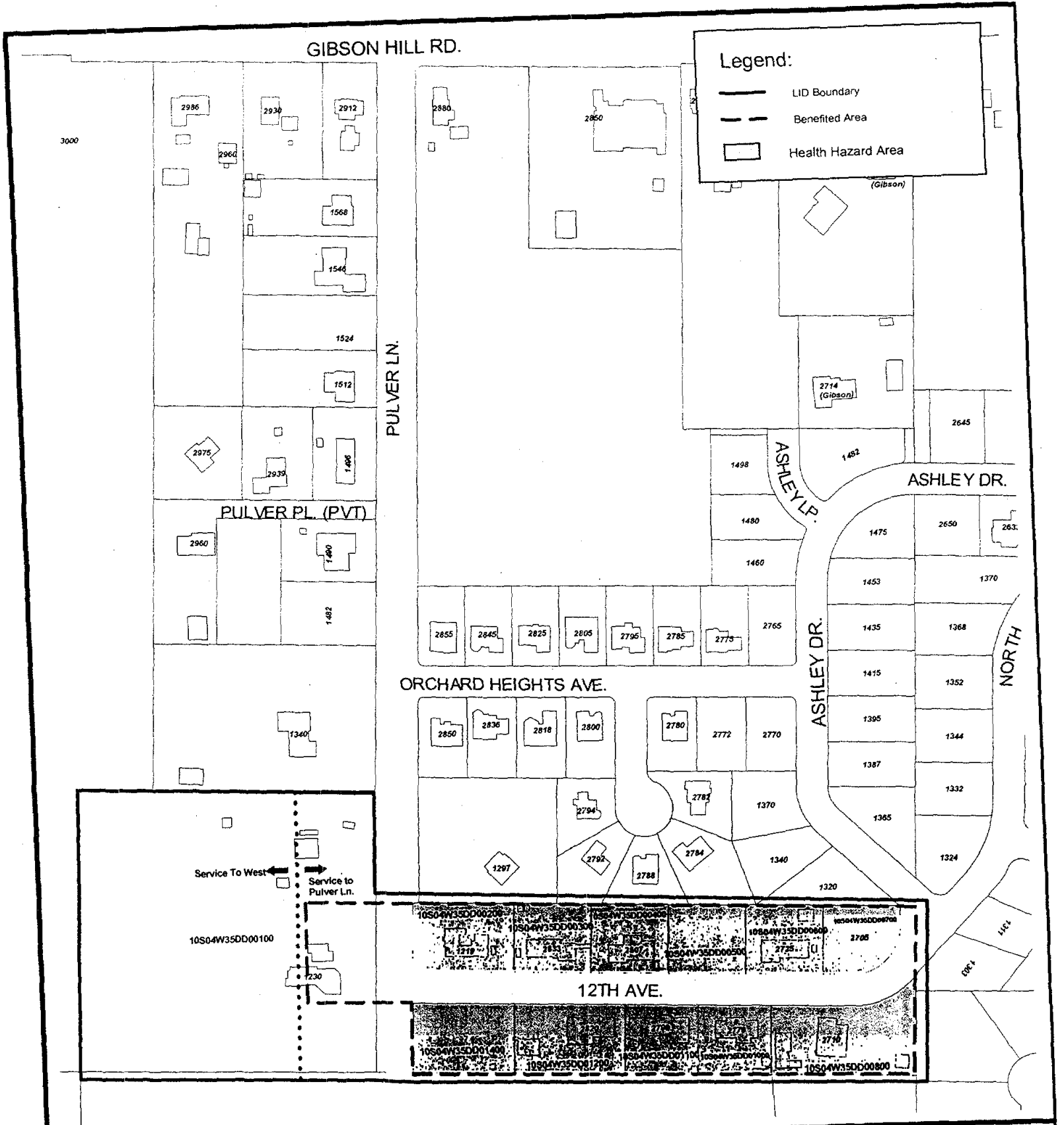
Jeff Woodward

Jun 7, 2001



The City of Albany's infrastructure records, drawings, and other documents have been gathered over many decades, using differing standards for quality control, documentation, and verification. All the information provided represents current information in a readily available format. While the information provided is generally believed to be accurate, occasionally this information may not be correct, and thus its accuracy is not warranted. Please be advised any property boundaries or other measurements based in full or in part upon this information provided, it is specifically advised that you independently verify the information contained within our records.





SS-01-09, 12TH AVE SANITARY SEWER EXTENSION LID



FINAL ENGINEER'S REPORT
ENGINEERING

JEFF WOODWARD
DEC 19, 2001



This is a preliminary drawing and is not to be used for construction. It is for informational purposes only. The engineer and his firm shall not be held responsible for any errors or omissions in this drawing. The user of this drawing shall be responsible for its accuracy and completeness. This drawing is the property of the engineer and his firm and shall not be reproduced or used in any manner without the written consent of the engineer and his firm.

				FINAL ENGINEER'S REPORT	
file: finalassmnts.s19			Collector	CITY OF ALBANY	
		Property	Sanitary	SS-01-09, 12th Ave San Sewer Ext LID	
	Assessor's	Area	Sewer	Final Assessments	
Name	Map and Tax Lot	(Acre)	Assessment	January 9, 2002	
FINAL PROJECT COSTS					
Castleberry, Judy A	10S04W35DD 0300	0.31	\$5,280.94		
				Final Construction Cost	\$68,459.00
Cooley, Robert F & Ingrid M	10S04W35DD 0100	0.40	\$6,814.12	City Participation (Water Line)	(\$19,323.00)
				Sewer Construction Cost	\$49,136.00
Erner, Rocky A & Kathryn L	10S04W35DD 1000	0.29	\$4,940.24		
				ELA Fees	\$23,722.63
Gayler, Robert W & Mendy Jo	10S04W35DD 0200	0.41	\$6,984.47	Project Financing Charge	\$1,756.00
Gould, Jeffrey & Candy	10S04W35DD 1100	0.29	\$4,940.24	Collector Sewer Assessment	\$74,614.63
Henderson, John E, et al	10S04W35DD 0400	0.31	\$5,280.94		
Mahr, Richard C & Patricia J	10S04W35DD 0800	0.61	\$10,391.54		
Smith, William Earl & Donna K	10S04W35DD 0500	0.31	\$5,280.94		
Smith, William Earl & Donna K	10S04W35DD 0600	0.31	\$5,280.94		
				COLLECTOR SEWER ASSESSMENT	
Smith, William Earl & Donna K	10S04W35DD 0700	0.28	\$4,769.90	Final Cost	\$74,614.63
				Unit	4.38 Acre
Wenzel, Donald E & Diane J	10S04W35DD 1200	0.46	\$7,836.24	Unit Cost	\$17,035.30 per Acre
Wenzel, Donald E & Diane J	10S04W35DD 1400	0.40	\$6,814.12		
	TOTALS	4.38	\$74,614.63		

ATTACHMENT C

12TH AVENUE LID
 12/20/01 15:58:36

Name/Address	Description		
CASTLEBERRY, JUDY A 430 KAIOLU ST #903 HONOLULU, HI 96815	SUNSET TERRACE Lot-002 Blk-000 01/23/02 0017222 SS01090001*	10-04W-35DD-00300 2833 12TH AVE NW 09694	5,280.94
COOLEY, ROBERT F COOLEY, INGRID M 1230 PULVER LANE NW ALBANY, OR 97321	ACREAGE 01/23/02 0017198 SS01090002*	10-04W-35DD-00100 1230 PULVER LANE NW 09695	6,814.12
ERNER, ROCKY A ERNER, KATHRYN L 2776 12TH AVENUE NW ALBANY, OR 97321	SUNSET TERRACE Lot-009 Blk-000 01/23/02 0017297 SS01090003*	10-04W-35DD-01000 2776 12TH AVE NW 09696	4,940.24
CASTLEBERRY, JUDY A GAYLER, ROBERT/MENDY, AGT 1219 PULVER LANE NW ALBANY, OR 97321	SUNSET TERRACE Lot-001 Blk-000 01/23/02 0017214 SS01090004*	10-04W-35DD-00200 1219 PULVER LANE NW 09697	6,984.47
GOULD, JEFFREY GOULD, CANDY 2790 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-010 Blk-000 01/23/02 0017305 SS01090005*	10-04W-35DD-01100 2790 12TH AVE NW 09698	4,940.24
HENDERSON, JOHN E, ETAL 2807 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-003 Blk-000 01/23/02 0017230 SS01090006*	10-04W-35DD-00400 2807 12TH AVE NW 09699	5,280.94
MAHR, RICHARD C MAHR, PATRICIA J 2710 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-008 Blk-000 01/23/02 0017271 SS01090007*	10-04W-35DD-00800 2710 12TH AVE NW 09700	10,391.54
SMITH, WILLIAM EARL SMITH, DONNA K 2725 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-004 Blk-000 01/23/02 0017248 SS01090008*	10-04W-35DD-00500 LAND ONLY 09701	5,280.94
SMITH, WILLIAM EARL SMITH, DONNA K 2725 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-005 Blk-000 01/23/02 0017255 SS01090009*	10-04W-35DD-00600 2725 12TH AVE NW 09702	5,280.94
SMITH, WILLIAM EARL SMITH, DONNA K 2725 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE Lot-006 Blk-000 01/23/02 0017263 SS01090010*	10-04W-35DD-00700 LAND ONLY 09703	4,769.90
WENZEL, DONALD E WENZEL, DIANE J 2820 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE 01/23/02 0017313 SS01090011*	10-04W-35DD-01200 2820 12TH AVE NW 09704	7,836.24
WENZEL, DONALD E WENZEL, DIANE J 2820 12TH AVE NW ALBANY, OR 97321	SUNSET TERRACE 01/23/02 0017339 SS01090012*	10-04W-35DD-01400 LAND ONLY 09705	6,814.12

Report total...

74,614.63

20-Dec-01

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**FINANCIAL INVESTIGATION REPORT - SECTIONS 1 AND 2
 SS-01-09, 12TH AVENUE SANITARY SEWER EXTENSION LID
 Between Pulver Lane and North Heights Drive
 (Revised December 19, 2001)**

12TH AVE LID.1201.REVISED.XLS

OWNER OF RECORD	PROPERTY DESCRIPTION	% OF PROJECT	TOTAL ASSESSMENT	BOND MAXIMUM	*****TRUE CASH VALUE 2001/2002*****			OTHER ASMNTS	ASMNT % TO TCV	10 YEAR SEMIANNUAL PAYMENT AT 9%	10 YEAR MONTHLY PAYMT AT 9%
					LAND	IMPRVMTS	TOTAL				
Castleberry, Judy A 430 Kaiolu St #903 Honolulu, HI 96815	10S-04W-35DD-00300 Site: 2833 12th Avenue NW	7.08%	\$5,280.94	\$252,392	\$67,000	\$59,196	\$126,196	\$2,599.44	4.18%	\$405.98	\$66.90
Cooley, Robert F Cooley, Ingrid M 1230 Pulver Lane NW Albany, OR 97321	10S-04W-35DD-00100 Site: 1230 Pulver Lane NW	9.13%	6,814.12	551,302	134,000	141,651	275,651	0	2.47%	523.84	86.32
Erner, Rocky A Erner, Kathryn L 2776 12th Avenue NW Albany, OR 97321	10S-04W-35DD-01000 Site: 2776 12th Avenue NW	6.62%	4,940.24	253,938	67,000	59,969	126,969	2,558.96	3.89%	379.79	62.58
Castleberry, Judy A Gayler, Robert & Mendy Jo, AGT 1219 Pulver Lane NW Albany, OR 97321	10S-04W-35DD-00200 Site: 1219 Pulver Lane NW	9.36%	6,984.47	205,604	65,500	37,302	102,802	2,801.84	6.79%	536.94	88.48
Gould, Jeffrey Gould, Candy 2790 12th Avenue NW Albany, OR 97321	10S-04W-35DD-01100 Site: 2790 12th Avenue NW	6.62%	4,940.24	302,734	67,000	84,367	151,367	2,558.96	3.26%	379.79	62.58
Henderson, John E, etal 2807 12th Avenue NW Albany, OR 97321	10S-04W-35DD-00400 Site: 2807 12th Avenue NW	7.08%	5,280.94	257,252	67,000	61,626	128,626	2,599.44	4.11%	405.98	66.90

FINANCIAL INVESTIGATION REPORT - SECTIONS 1 AND 2
SS-01-09, 12TH AVENUE SANITARY SEWER EXTENSION LID
Between Pulver Lane and North Heights Drive
(Revised December 19, 2001)

12TH AVE LID.1201.REVISED.XLS

OWNER OF RECORD	PROPERTY DESCRIPTION	% OF PROJECT	TOTAL ASSESSMENT	BOND MAXIMUM	*****TRUE CASH VALUE 2001/2002*****			OTHER ASMNTS	ASMNT % TO TCV	10 YEAR SEMIANNUAL PAYMENT AT 9%	10 YEAR MONTHLY PAYMT AT 9%
					LAND	IMPRVMTS	TOTAL				
Mahr, Richard C Mahr, Patricia J 2710 12th Avenue NW Albany, OR 97321	10S-04W-35DD-00800 Site: 2710 12th Avenue NW	13.93%	\$10,391.54	\$369,520	\$69,000	\$115,760	\$184,760	\$1,234.64	5.62%	\$798.86	\$131.64
Smith, William Earl Smith, Donna K 2725 12th Avenue NW Albany, OR 97321	10S-04W-35DD-00500 Site: Land only	7.08%	5,280.94	110,000	55,000	0	55,000	0	9.60%	405.98	66.90
Smith, William Earl Smith, Donna K 2725 12th Avenue NW Albany, OR 97321	10S-04W-35DD-00600 Site: 2725 12th Avenue NW	7.08%	5,280.94	259,080	67,000	62,540	129,540	0	4.08%	405.98	66.90
Smith, William Earl Smith, Donna K 2725 12th Avenue NW Albany, OR 97321	10S-04W-35DD-00700 Site: Land only	6.39%	4,769.90	110,000	55,000	0	55,000	0	8.67%	366.69	60.42
Wenzel, Donald E Wenzel, Diane J 2820 12th Avenue NW Albany, OR 97321	10S-04W-35DD-01200 Site: 2820 12th Avenue NW	10.50%	7,836.24	294,490	67,000	80,245	147,245	931.04	5.32%	602.42	99.27
Wenzel, Donald E Wenzel, Diane J 2820 12th Avenue NW Albany, OR 97321	10S-04W-35DD-01400 Site: Land only	9.13%	6,814.12	110,000	55,000	0	55,000	0	12.39%	523.84	86.32
TOTALS.....		100.00%	\$74,614.63	\$3,076,312	\$835,500	\$702,656	\$1,538,156	\$15,284.32	4.85%	\$5,736.09	\$945.21

Project assesses for Collector Sewer.

\$74,614.63

\$114,721.80 \$113,425.20

FINANCIAL INVESTIGATION REPORT (Cont.)
SS-01-09; 12TH AVENUE SANITARY SEWER EXTENSION L.I.D.
Pulver Lane to North Heights Drive
(Revised December 19, 2001)

Section 3. Number of similar lots and property held by the City through foreclosure.

The City is not holding any properties obtained through foreclosure. Less than 15 properties are delinquent more than one year.

Section 4. Delinquency rate of assessments and taxes in the area.

Ninety-seven percent of City assessments are current. Property tax collections are about 94 percent of current taxes levied.

Section 5. Real estate value trends in the area.

Real estate values within the City remain high. Building activity is expected to decrease during FY 2001-2002.

Section 6. Tax levy trends and potential financial impact on the proposed LID.

Taxes will remain stable. A small increase should be expected from an estimated five percent increase in property values.

Section 7. Does the project conform to the City Comprehensive Plan.

This project conforms to the City's Comprehensive Plan.

Section 8. Status of City's debt.

A bond sale will be necessary to finance this project. Costs attributable to this project will be incorporated into the final assessment roll.

Section 9. Estimated cost of financing.

The City's practice is to charge the property owners two percent more than the rate on the bonds to pay for the costs associated with billing the property owners and administering the LID. If the assessment bonds sell at seven percent, the property owners will pay nine percent interest.

Section 10. General credit worthiness of property owners within the LID.

There are no other Local Improvement District assessments against the 12 lots in this proposed LID. However, many property owners have requested connection to the sewer line and financed the Interceptor Sewer assessment and Sewer System Development Charge with the city. The monthly payments on the proposed assessments are projected to range from \$60 to \$131 for ten years. These monthly payments would be on residential property and undeveloped lots.

The final assessments will range from \$4,769 to \$10,391, which represents from 2.5 percent to 12 percent of the Benton County assessed value on each property. Thus, the City's investment in this project will be relatively secure.