

RESOLUTION NO. 4560

A RESOLUTION ACCEPTING THE ENGINEER'S AND FINANCIAL INVESTIGATION REPORTS FOR THE PROJECT SS-01-09, 12TH AVENUE SANITARY SEWER EXTENSION LOCAL IMPROVEMENT DISTRICT (LID), AND TO SET A PUBLIC HEARING.

WHEREAS, construction is complete for the project SS-01-09, 12th Avenue Sanitary Sewer Extension LID; and

WHEREAS, the Final Engineer's Report has been received by the Albany City Council.

NOW, THEREFORE, BE IT RESOLVED that the Albany City Council hereby directs that a public hearing be scheduled for January 23, 2002, at 7:15 p.m. to consider the proposed final assessments for project SS-01-09, 12th Avenue Sanitary Sewer Extension LID and that notices of the public hearing be in compliance with AMC Section 15.04.110.

DATED THIS 9TH DAY OF JANUARY 2002.



Mayor

ATTEST:



City Recorder



TO: Albany City Council

VIA: Steve Bryant, City Manager
Floyd W. Collins, Public Works Director *[Signature]*

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

DATE: December 21, 2001, for the January 9, 2002, City Council Meeting

SUBJECT: SS-01-09, 12th Avenue Sanitary Sewer Extension LID
Submission of the Final Engineer's Report and Setting a Public Hearing

Action Requested:

Staff requests that Council accept the Final Engineer's Report and Financial Investigation Report, and pass the attached resolution to schedule a public hearing for January 23, 2002. Final project costs and distributions of the final assessments for the 12th Avenue Sanitary Sewer Extension Local Improvement District (LID) will be considered.

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

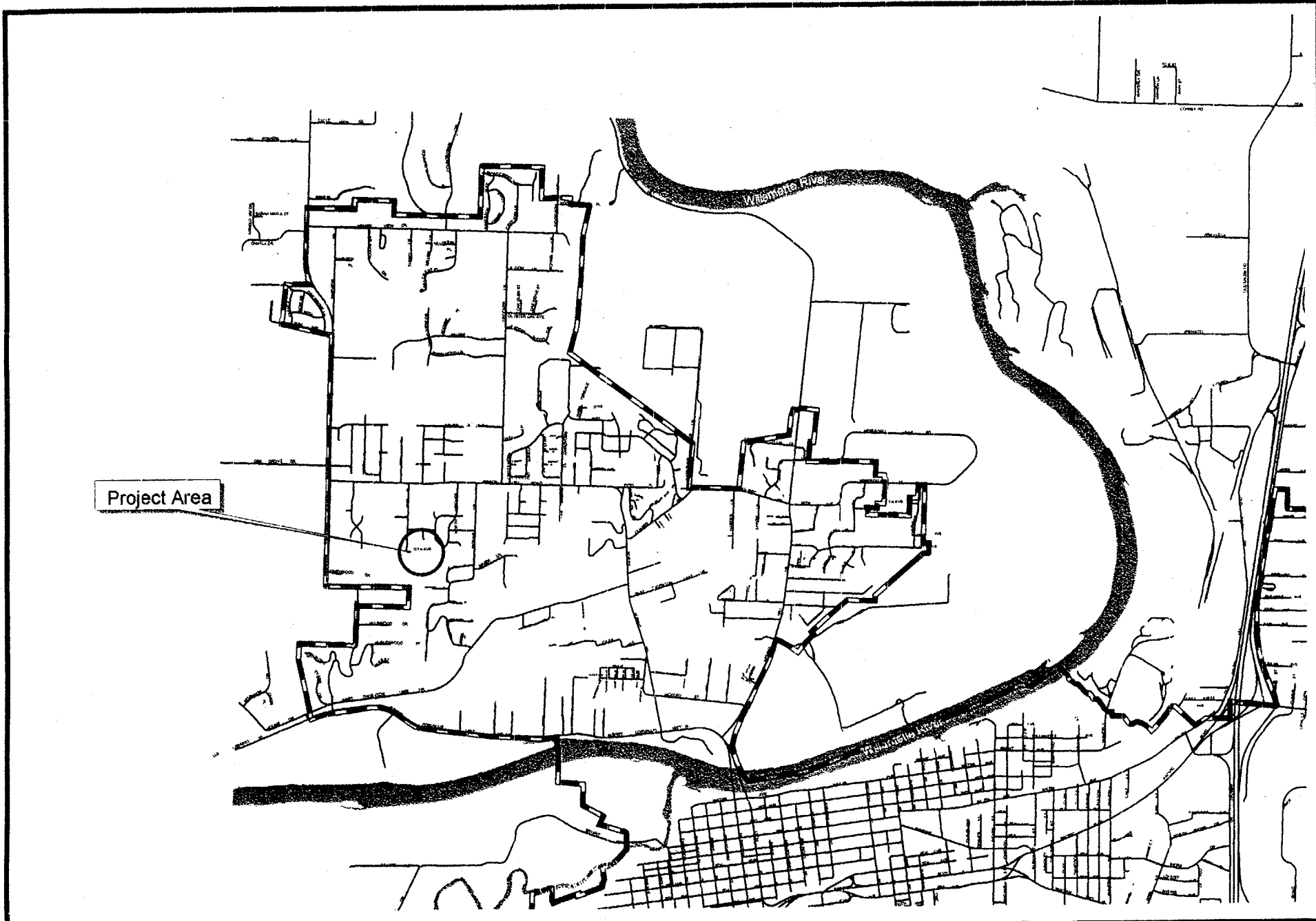
two parcels directly across the street. The final assessment calculations and amounts are detailed in the assessment computation sheet shown on Attachment C.

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



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



Engineering

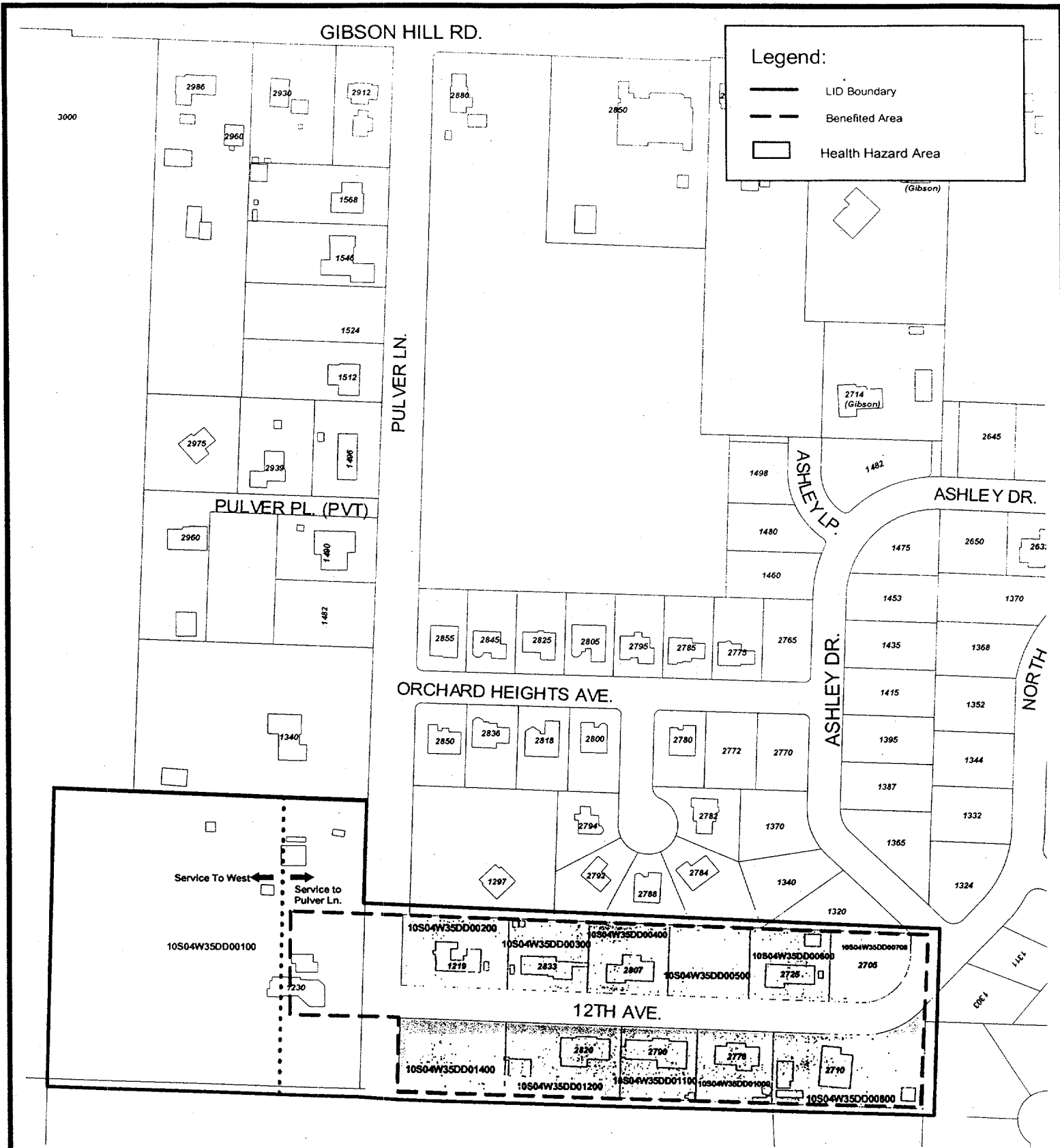
Jeff Woodward

Jun 7, 2001

3000 0 3000 Feet



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 does not be correct, and thus its accuracy is not warranted. Prior to making any property purchases or other investments, and/or in reliance upon the 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

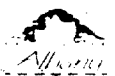
ENGINEERING

JEFF WOODWARD

DEC 19, 2001

0 300 Feet

The City of Albany's Engineers, Architects, and other professionals have been prepared and issued this report under the authority of the State of New York. The City of Albany is not responsible for the accuracy or completeness of the information provided. The City of Albany is not responsible for the accuracy or completeness of the information provided. The City of Albany is not responsible for the accuracy or completeness of the information provided.



				FINAL ENGINEER'S REPORT		
file: finalassmnts.s19				Collector	CITY OF ALBANY	
				Sanitary	SS-01-09, 12th Ave San Sewer Ext LID	
				Sewer	Final Assessments	
Name	Assessor's Map and Tax Lot	Property Area (Acre)	Sewer 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
COLLECTOR SEWER ASSESSMENT						
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			
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			

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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12TH AVE LID.1201.REVISED.XLS

**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)**

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.