

RESOLUTION NO. 4149

A RESOLUTION FOR THE ADOPTION OF THE ENGINEERING AND FINANCIAL INVESTIGATION REPORTS, AUTHORIZATION TO SECURE EASEMENTS, TO OBTAIN BIDS, TO INCREASE APPROPRIATIONS, AND TO ISSUE WARRANTS FOR THE CONSTRUCTION OF SS-98-5, COLUMBUS STREET ~~SANITARY~~ SEWER LOCAL IMPROVEMENT DISTRICT (LID). ~~SANITARY~~


BE IT RESOLVED that the engineer's report of the Public Works Director and the financial investigation report of the Assistant City Manager filed with the City Recorder on the July 14, 1999, concerning COLUMBUS ~~SANITARY~~ SEWER LID, SS-98-5, be and the same are hereby adopted. ~~SANITARY~~  
~~STREET~~

BE IT FURTHER RESOLVED that the City Council authorize the Mayor and City Recorder to sign agreements on behalf of the City of Albany for the purpose of obtaining easements to construct the said improvements, direct the City Manager to obtain bids for the construction of said projects as required by law, and authorize the Mayor and City Recorder to make, issue, and negotiate General Obligation Improvement Warrants for the performance of said improvements, bearing interest, and constituting general obligations of the City of Albany. The terms of conditions of such warrants shall be as provided by ORS 287.502 to 287.510.

BE IT FURTHER RESOLVED that funds budgeted within the Improvement Fund be appropriated as follows:

| <u>Improvement Fund</u> | <u>From</u> | <u>To</u>  |
|-------------------------|-------------|------------|
| 26-985-73000            | \$ 414,000  |            |
| 26-985-89012            |             | \$ 414,000 |

DATED THIS 28TH DAY OF JULY 1999.

  
Mayor

ATTEST:

  
  
City Clerk



TO: Albany City Council

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

FROM: Sheila Lyons, P.E., Engineering Associate II

DATE: July 21, 1999, for July 28, 1999, City Council Meeting

SUBJECT: SS-98-5, Columbus Street Sanitary Sewer LID (New Life Center)  
Engineer's Report

Action Requested:

On July 14, 1999, Council accepted the Engineer's and Financial Investigation Report and scheduled a public hearing for July 28, 1999, to consider the formation of a Local Improvement District (LID) for sanitary sewer improvements for the New Life Center on Columbus Street. These improvements start south of the Mennonite Home and extend approximately 600 feet south on Columbus, then approximately 1400 feet east to the New Life Center Building.

Staff requests that City Council adopt a resolution directing staff to form the LID.

Discussion:

On October 14, 1998, a petition (attached) was received to construct approximately 750 feet of 12-inch sanitary sewer line along Columbus Street, south of Oak Creek, and approximately 1,600 feet of 8-inch sanitary sewer east along the southern boundary of the property. The property benefited by this project is owned by the Evangel Assembly, New Life Center. The adjacent properties to the west and south are outside the city limits, so the New Life Center is requesting to proceed with this project on the understanding that it will be a one owner LID. As such, there is 100 percent support for the project.

The New Life Center has submitted the petition according to the Letter of Understanding between the New Life Center and the City of Albany (attached). As agreed, construction of the sewer line will take place no sooner than October 1999. The New Life Center currently has a DEQ permit for a sanitary holding tank now in use. Construction of the sewer line must be complete prior to October 14, 2003, when the DEQ permit for the holding tank expires. Construction of the sanitary sewer has not been scheduled. The LID is being formed so that legal mechanisms are in place to insure the timely construction of the sewer main. The construction schedule may be accelerated if further development occurs on site or is required to serve additional properties.

The attached map shows the proposed alignment of the sanitary sewer to be constructed. Easements will be obtained at the time of construction. In addition to LID costs and the pump station in-lieu-of assessment, the New Life Center will pay the requisite SDC fees.

Summary of Estimated Costs:

Work quantities are estimated based upon a schematic sanitary sewer design. The estimated costs are derived from current costs for similar work items on other City projects. Assessment costs will be based upon actual quantities and construction costs when the sewer is built. These will vary from the estimate provided below and will likely increase with inflation.

|  |           |                   |
|--|-----------|-------------------|
| Estimated Total Project Cost                 | \$        | 300,000.00        |
| 20% Contingency                              |           | 60,000.00         |
| <b>Subtotal</b>                              | <b>\$</b> | <b>360,000.00</b> |
| 15% Engineering, Legal, Administrative Costs |           | 54,000.00         |
| <b>Estimated Total Project Cost</b>          | <b>\$</b> | <b>414,000.00</b> |

Proposed Method of Assessment:

The New Life Center will be responsible for all costs associated with this LID. The New Life Center is eligible for oversizing participation for the portion of the 12-inch trunk sewer line on Columbus that is greater than 8-inches in diameter and 10-feet deep.

Proposed Project Schedule:

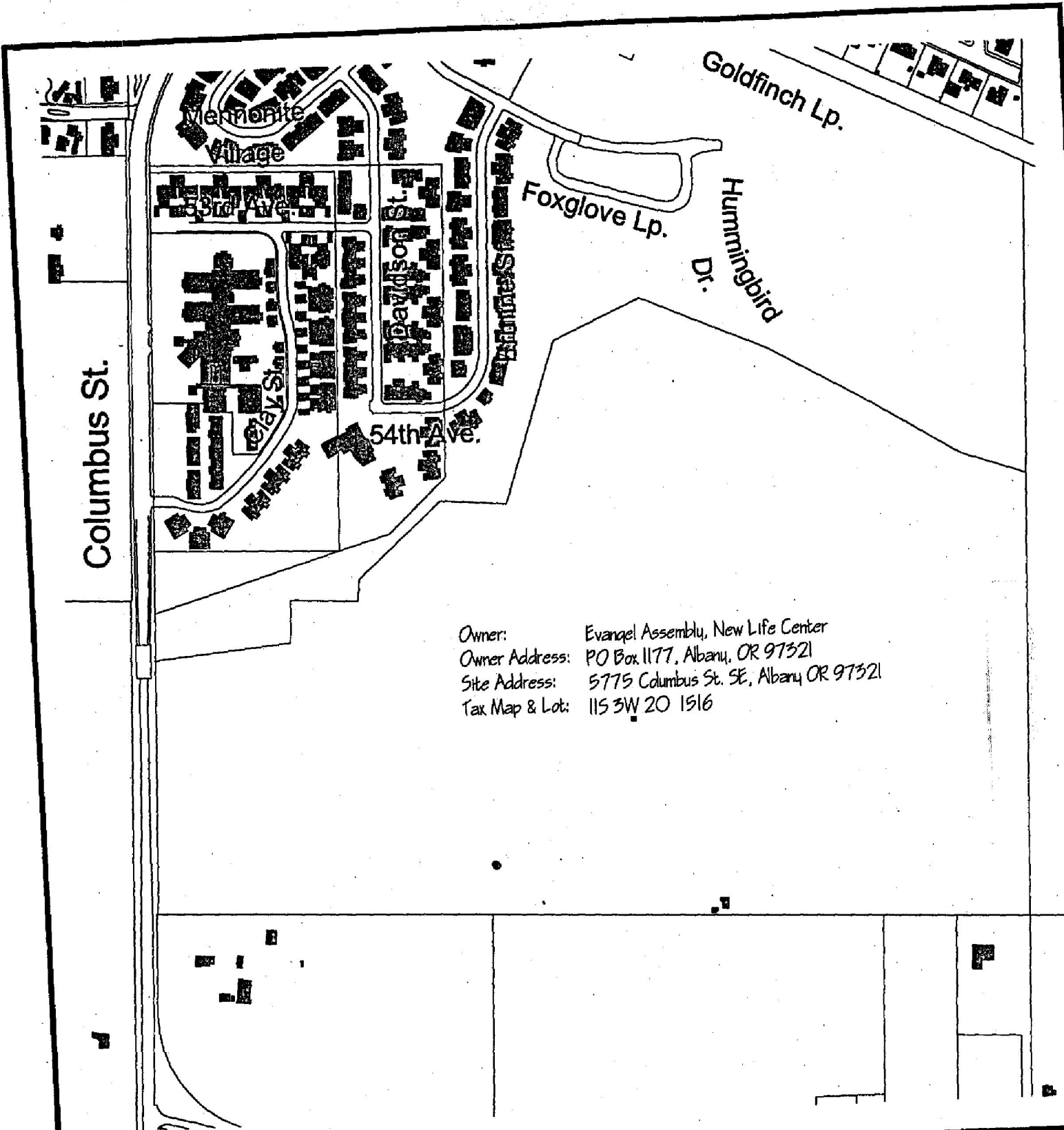
The work schedule for this project is:

|                                |                       |
|--------------------------------|-----------------------|
| Public Hearing to form the LID | July 28, 1999         |
| Construction                   | Prior to October 2003 |

Budget Impact:

The project will be funded 100 percent by assessments to the benefited properties. Local Improvement District assessments may be financed through the City.

SAL:kw  
Attachment



Owner: Evangel Assembly, New Life Center  
 Owner Address: PO Box 1177, Albany, OR 97321  
 Site Address: 5775 Columbus St. SE, Albany OR 97321  
 Tax Map & Lot: 115 3W 20 1916

## Columbus Sanitary Sewer LID

100 0 100 200 Feet



Parcel Map

SS-98-05

Jun 1, 1999

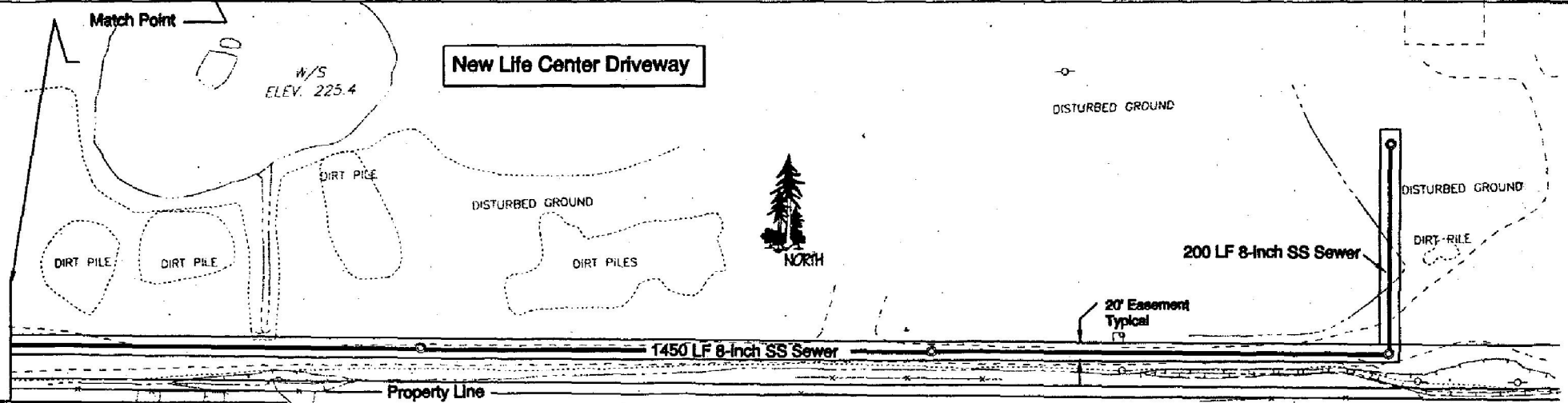
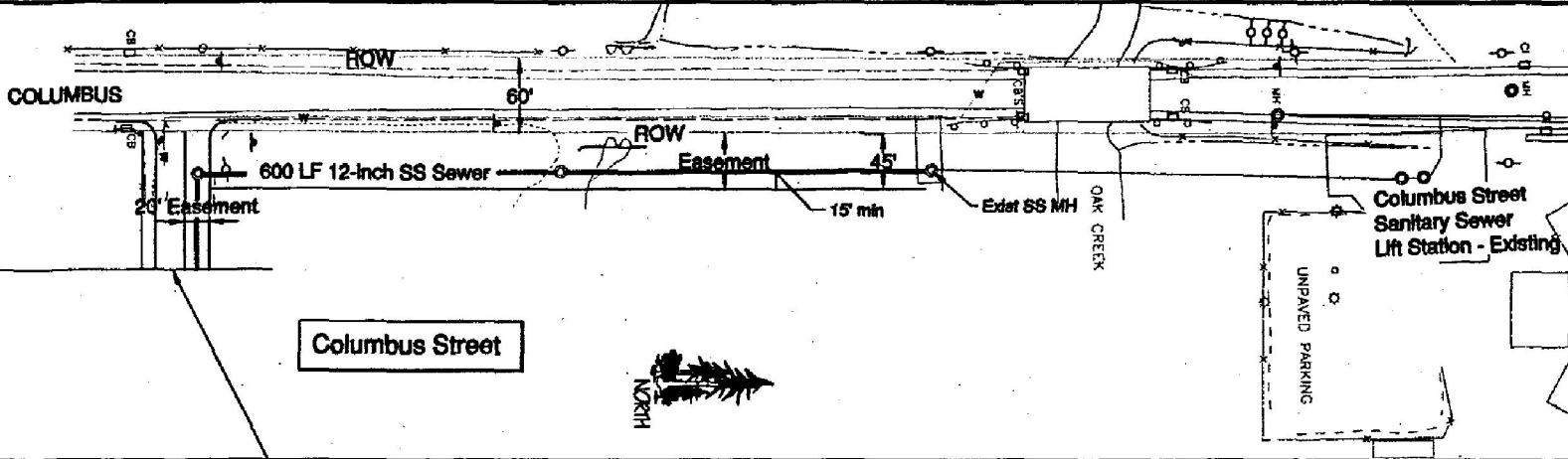
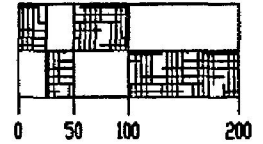
shellal c:\shellal\columbuslid\parcel.apr

The City of Albany's information records, drawings, and other documents have been gathered over many decades, using differing standards for quality control, documentation, and retention. All the information provided is generally believed to be accurate, substantially the information shown is to be correct, and may be necessary to not be correct. Prior to making any property purchase or other transaction based in full or in part upon the information provided, it is necessary advised that you independently verify the information contained within our records.



# Engineering

City of Albany  
 333 Broadwell SW  
 Albany, OR 97321  
 (541) 817-7676 Fax: (541) 817-7673  
 Public Works Department



File=c:\w\h\columbuslid\proposed.dwg

Issue Date: May 98

| Revisions |      |             |
|-----------|------|-------------|
| No.       | Date | Description |
|           |      |             |
|           |      |             |

Columbus Sewer LID  
 Plan View - Sanitary Sewer  
 SS-98-05



|   |
|---|
| Drawn By: SAL   |
| Designed By: SAL      Checked By: JW                  |
| Sheet Title: Columbus LID<br>Sanitary Sewer Plan View |
| Sheet Number: 1/1                                     |

**FINANCIAL INVESTIGATION REPORT - SECTIONS 1 & 2**  
**SS-88-6, COLUMBUS STREET SANITARY SEWER LID**

\*\*COLUMBUS SEWER LID.XLS\*\*

| OWNER OF RECORD  | PROPERTY DESCRIPTION                            | % OF PROJECT | ESTIMATED TOTAL ASSESSMENT | BOND MAXIMUM | County Valuation as of Sept. 1998   |         |           | OTHER ASMNTS | ASMNT % TO TCV | 10 YEAR SEMIANNUAL PAYMENT AT 8% | 10 YEAR MONTHLY PAYMT AT 8% |
|--|---|--------------|----------------------------|--------------|-------------------------------------|---------|-----------|--------------|----------------|----------------------------------|-----------------------------|
|  |   |              |                            |              | *****TRUE CASH VALUE 1998/1999***** | LAND    | IMPRVMTS  |              |                |                                  |                             |
| Evangel Assembly<br>New Life Center<br>P.O. Box 1177<br>Albany, OR 97321 | 11-3W-20-01516<br>Site: 5775 Columbus Street SE | 100.00%      | \$414,000                  | \$597,900    | \$289,610                           | \$9,340 | \$298,950 | \$0          | 138.48%        | \$31,826.72                      | \$5,244.38                  |
| TOTALS.....  |   | 100.00%      | \$414,000                  | \$597,900    | \$289,610                           | \$9,340 | \$298,950 | \$0          | 138.48%        | \$31,826.72                      | \$5,244.38                  |

414,000

\$636,534.40    \$629,325.60

Project assesses for sanitary sewer improvement.

**FINANCIAL INVESTIGATION REPORT  
SS-98-5; COLUMBUS STREET SANITARY SEWER LID**

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

The City is not holding any properties obtained through foreclosure.

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

Eighty-seven percent of City assessments are current. Property tax collections remain constant at 95 percent of current taxes levied.

*Section 5: Real estate value trends in the area.*

Values are climbing citywide but assessed value increases are capped at three percent per year by state law.

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

Taxes will remain stable. A small increase should be expected from the recent approval of the Streets General Obligation bond and from the anticipated three percent property value increased limit.

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

This project conforms to the City's Comprehensive Plan. Properties in this area of the City are encouraged to connect to the City sewer.

*Section 8: Status of City's debt.*

The City's debt burden is below the national median.

*Section 9: Estimated cost of financing.*

Interim financing at nine percent is charged to property owners. Market rate is charged to property owners when bonds are sold, plus 2 percentage points.

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

The Evangel Assembly, New Life Center (EANLC) needs sewer service at 5775 Columbus Street SE for a new church facility, which is under construction. The Oregon State Department of Environmental Quality will allow a wastewater holding tank to be used for five years with the understanding the City of Albany and the New Life Center will have sewer service in place by 2003.

Funding for sewer service would be provided through a local improvement district with New Life Center being the only property owner assessed. Their annual assessment payment on the sewer and water improvements will be approximately \$95,000 for ten years. A local improvement district with only one property owner increases the risk to the City. If the property owner were unable to make the annual payment, the City would likely be making payments on the outstanding bonds but would not have the revenue stream from EANLC to offset the debt service on the bonds. If this were to happen the City might be forced to foreclose on church property.

The true cash value of the church property was \$298,950 on September 1, 1998. The value of the property will likely be in excess of \$1,400,000 once construction on their building is complete. Their estimated assessments are \$414,000 for sewer and \$200,000 for water.



October 15, 1998

HAND-DELIVERED

**CITY HALL**  
333 Broadalbin SW  
P.O. Box 490  
Albany, OR 97321-0144

(541) 917-7500

**CITY MANAGER/  
HUMAN RESOURCES**  
(541) 917-7501  
FAX (541) 917-7511

**COMMUNITY  
DEVELOPMENT**  
Planning  
(541) 917-7550  
FAX (541) 917-7573

**Building Inspection**  
(541) 917-7553  
FAX (541) 917-7573

**FINANCE/RECORDER**  
(541) 917-7520  
FAX (541) 917-7511

**FIRE ADMINISTRATION**  
(541) 917-7700  
FAX (541) 917-7716

**PARKS & RECREATION  
ADMINISTRATION**  
(541) 917-7777  
FAX (541) 917-7776

**PUBLIC WORKS**  
Engineering  
(541) 917-7676  
FAX (541) 917-7573

**Transit**  
(541) 917-7667  
FAX (541) 917-7573  
IDD (541) 917-7678

**WATER/SEWER BILLING**  
(541) 917-7547  
FAX (541) 917-7511

Pastor Garry Siegenthaler  
Wayne Kreitman  
New Life Center  
5775 Columbus Street SE  
Albany, OR 97321

Dear Sirs:

**LETTER OF UNDERSTANDING, REGARDING SANITARY SEWER EXTENSIONS  
AT THE NEW LIFE CENTER SITE ON COLUMBUS STREET**

I am writing this letter of understanding to document the discussion of the October 9, 1998, meeting between representatives of the New Life Center and the City of Albany.

The City agreed to allow the temporary (5-year maximum) use of a wastewater holding tank for the New Life Center, subject to issuance of a permit from the Oregon State Department of Environmental Quality (DEQ). Furthermore, the City agreed to send a letter to the DEQ, stating that the City will assure that public sanitary sewer service will be available to the site within five years.

The New Life Center representatives agreed to the following conditions:

1. The New Life Center representatives will sign and submit a Petition for Improvements for the extension of a public sanitary sewer trunk main along the site's Columbus Street frontage. The petition for improvements will also include an 8-inch public sanitary sewer main extension along the site's south property line from Columbus Street to within approximately 100 feet of the church. The New Life Center representatives will also submit a signed and notarized Petition for Improvements and Waiver of Remonstrance Agreement for the same project.
2. The City may initiate the Local Improvement District (LID) whenever the City deems the project is needed, but not sooner than 12 months from the date the petition is signed. The City will form the LID in time to assure the sanitary sewer's installation occurs prior to the 5-year DEQ deadline date.
3. The City may initiate the LID if a property that needs the same sewer extension is annexed. Assuming the New Life Center does not yet need the sewer extension, only the portion of the sewer that is needed for the annexed property must be built at that time.
4. The public sewer extensions must be constructed prior to any further development on the site. For example, construction of the planned school or additions to the church would not be allowed prior to the installation of the public sewer.

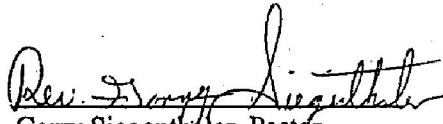


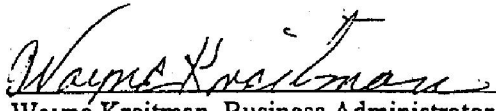
New Life Center  
Page 2  
October 15, 1998

5. LID assessments may be financed through the City.
6. The New Life Center must pay an in-lieu-of assessment fee for the sanitary sewer pump station when the church connects to the public sanitary sewer system. The fee is currently approximately \$17,700, however, the fee is indexed to the Seattle ENR and will be recalculated based on the index value in effect when the connection occurs.

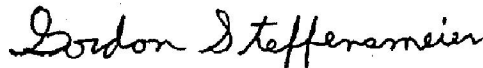
The above commitments from the property owner are sufficient to ensure the City of Albany's sanitary sewer will be extended in a timely and orderly manner and will allow the New Life Center to meet the requirements of the City.

If the below listed representatives of the New Life Center concur with this letter of understanding, please sign this letter and return it to me at the City of Albany Community Development Department. City staff will then proceed to formalize the elements of this letter into the LID Engineer's Report and/or a separate agreement based upon input from the City Attorney.

  
Garry Siegenthaler, Pastor

  
Wayne Kreitman, Business Administrator

Sincerely,



Gordon Steffensmeier, P.E., P.L.S.  
Civil Engineer II

GPS

cc: Floyd W. Collins, Public Works Director  
Don Donovan, Senior Planner  
Mark Yeager, P.E., Principal Utilities Engineer  
Chip Ullstad, P.E., Utility Engineer  
Jack Burrell, P.L.S., K&D Engineering

**City of Albany**  
**Petition for Improvement**

Date Received: OCT. 14, 1998  
Approved: \_\_\_\_\_  
Rejected: \_\_\_\_\_  
Percentage: \_\_\_\_\_

Members of the City Council:

We, the undersigned property owners, do hereby petition for Public Improvement at the following location(s):

Sanitary sewer main line along the westerly and southerly boundaries of subject property as necessary to satisfy future sewer service connection of building facilities. The property is described by deed recorded in Volume MF 568, Page 661 of Linn County Deed Records (copy attached); the property is the southerly tract as shown on C.S. 18815 (copy attached).

Such improvement(s) to consist of the following:

Curb & Gutter \_\_\_\_\_  
Storm Drainage \_\_\_\_\_  
Pavement \_\_\_\_\_

Sanitary Sewer Approximately 750 L.F. along Columbus Street and 1,600 L.F. along southerly boundary.  
Sidewalks \_\_\_\_\_  
Other \_\_\_\_\_

Dated this 14TH day of October, 1998.

Owner/Agent of Record  
(Print Name)

Signature  
*Wayne Hartman*

Address

Property/Tax Lot No.

EVANGLE ASSEMBLY, New Life Center

5775 Columbus Street

Tax Lot 1516 (Map 11-3W-20)