

RESOLUTION NO. 1294

A RESOLUTION DESIGNATING THE SE 13TH AVENUE SANITARY SEWER IMPROVEMENT PROJECT AS AN ADVANCE FINANCED PUBLIC IMPROVEMENT, AND PROVIDING FOR ADVANCE FINANCED REIMBURSEMENT FROM BENEFITING PROPERTY OWNERS

WHEREAS, the Canby City Council adopted Resolution 1251 on November 16, 2016, designating the City of Canby as developer of the sanitary sewer system on SE 13th Avenue and directing the City Administrator to prepare an Advance Financing Application; and

WHEREAS, the Canby City Council adopted Resolution 1257 on January 18, 2017, designating the SE 13th Avenue sanitary sewer as an Advance Financed Public Improvement, adopting the Engineer's Report, and establishing an interest rate of 3.5% for deferred payments of the advanced financed cost allocations; and

WHEREAS, the final cost of the Advance Financed Public Improvement is \$193,795 and the total area of the benefited properties is 4.571 acres; and

WHEREAS, the City's Engineer of Record has prepared a final Advance Financing District Cost Allocation report identifying the benefiting property owners and final allocations of cost, a copy of which is attached hereto as Exhibit "A" and by this reference incorporated herein; and

NOW THEREFORE, IT IS HEREBY RESOLVED, that the City Council instruct the City Administrator to implement the Advance Financing District final cost allocations, including annual simple interest based on an average ENR Construction Cost Index inflation of 3.25% plus 0.25% for administration, for a total of 3.5% per year; and

BE IT FURTHER RESOLVED that in accordance with the Canby Municipal Code, this Advance Finance District shall remain in effect until all benefited property is connected to the system, or until all cost allocations and accrued interest have been paid in full to the City of Canby.

This resolution will take effect on July 18, 2018.

ADOPTED this 18th day of July 2018 by the Canby City Council.


Brian Hodson
Mayor


ATTEST


Kimberly Scheafer, MMC
City Recorder

CURRAN-McLEOD, INC.
CONSULTING ENGINEERS

6655 S.W. HAMPTON STREET, SUITE 210
PORTLAND, OREGON 97223

TO: Honorable Mayor and City Council
Attn: Rick Robinson, City Administrator
City of Canby

FROM: Hassan Ibrahim, P.E. 
CURRAN-McLEOD, INC.

DATE: June 20, 2018

ISSUE: SE 13th Avenue Sanitary Sewer Improvements
Advance Financing District Final Cost Assessments
Resolution Number 1294

SYNOPSIS: The SE 13th Avenue sanitary sewer improvements were completed as a component of the Mulino Pump Station project, and the costs are to be reimbursed to the City through an Advance Financing District. The Advance Financing District was formed in accordance with Municipal Code Chapter 4.12 and approved in Resolution 1257. This staff report is requesting the Council approve the final AFD cost allocations.

RECOMMEND: That the Mayor and City Council approve Resolution 1294 adopting the final AFD cost allocations for the SE 13th Avenue sanitary sewer improvements.

RATIONALE: An Advance Financing District is an equitable method of collecting revenues to reimburse the City for costs associated with basic infrastructure construction to serve future users. The cost allocations are due and payable only at the time that the property owners apply for connection to the advance financed public improvement, or apply for building permits for projects that utilize an advance financed public improvement.

BACKGROUND: In January, 2017, the Canby City Council conducted a public hearing and approved Resolution 1251, approving formation of the Advance Financing District, the preliminary cost allocations and the boundary of the benefited area. Construction of the 8" collection line was a component of the larger Mulino Pump Station project, and was completed in May 2018.

FISCAL IMPACT: The total costs of the advance financed public improvements were \$193,795. The project was funded with revenues from the Sewer System Capital Reserves and as AFD reimbursement funds are collected, the revenues, plus interest, should be returned to the capital reserves.

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WHEREAS, the Canby City Council adopted Resolution 1257 on January 18, 2017, designating the SE 13th Avenue sanitary sewer as an Advance Financed Public Improvement, adopting the Engineer's Report, and establishing an interest rate of 3.5% for deferred payments of the advanced financed cost allocations; and

WHEREAS, the final cost of the Advance Financed Public Improvement is \$193,795 and the total area of the benefited properties is 4.571 acres; and

WHEREAS, the City's Engineer of Record has prepared a final Advance Financing District Cost Allocation report identifying the benefiting property owners and final allocations of cost, a copy of which is attached hereto as Exhibit "A" and by this reference incorporated herein; and

NOW THEREFORE, IT IS HEREBY RESOLVED, that the City Council instruct the City Administrator to implement the Advance Financing District final cost allocations, including annual simple interest based on an average ENR Construction Cost Index inflation of 3.25% plus 0.25% for administration, for a total of 3.5% per year; and

BE IT FURTHER RESOLVED that in accordance with the Canby Municipal Code, this Advance Finance District shall remain in effect until all benefited property is connected to the system, or until all cost allocations and accrued interest have been paid in full to the City of Canby.

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ADOPTED this 18th day of July 2018 by the Canby City Council.

Brian Hodson
Mayor

ATTEST

Kimberly Scheafer, MMC
City Recorder

CITY OF CANBY

**SE 13th Avenue Sanitary Sewer Collection System
Sequoia Parkway to Mulino Road**

ADVANCE FINANCING DISTRICT
FINAL COST ALLOCATIONS

June 2018

In accordance with Canby Municipal Code Chapter 4.12, the City of Canby adopted Resolution 1257 in January, 2017, designating the area on SE 13th Avenue abutting the 8" sanitary sewer improvements between Sequoia Parkway and Mulino Road, as an Advance Financing District (AFD). Construction of this approximately 1,300 feet of gravity sewer was a component of the \$1.25 million Mulino & Willow Creek Pump Station project.

The City completed construction of the project in May of 2018 with the actual cost of the gravity sewer as summarized below:

Mobilization (prorated)	\$ 13,050
8" PVC w/Select Bfl, 1,068 lf	149,520
48" Manholes, 3 each	15,000
Rock Excavation	<u>225</u>
Construction Cost	\$177,795
Engineering (9%)	<u>16,000</u>
TOTAL COST	\$193,795

The final cost of this project is approximately 10.75% higher than the estimate of \$175,000 prepared in the 2016 ADF report.

Not included in these costs were extraordinary costs associated with locating this pipeline in the current traveled roadway and the pavement reconstruction efforts. The reconstruction included a full street overlay and shoulder restoration. The street restoration can be funded as an SDC eligible expense associated with the pumping station.

As defined in the 2016 AFD Engineer's Report, an 8" gravity sewer is the minimum size required to abut the frontage of all developable land. As a result, the improvement costs for the 8" gravity sewer are allocated to the area contained within the 100-foot depth of the abutting properties, on both the north and south side of SE 13th Avenue, between Sequoia Parkway and the railroad crossing. As adopted in Resolution No. 1257 the benefited area is defined as the 100-foot depth abutting the public right-of-way, and is not reduced if additional right-of-way is dedicated to the public as a component of future development.

The 2016 Engineer's report for the Advance Financing District identified four benefiting property owners. Since that time, two of the properties have changed ownership as listed in the table below. Final cost allocations to the four benefiting property owners are listed in the following table:

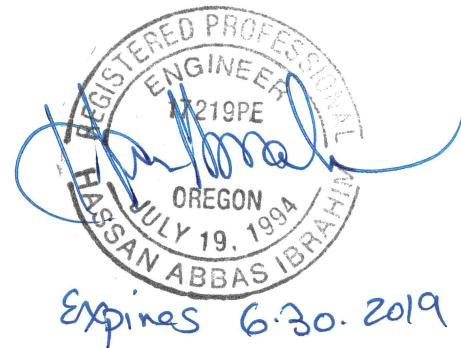
City of Canby
SE 13th Avenue Sanitary Sewer AFD
BENEFITED AREA & FINAL COST ALLOCATION
June 2018

<i>Tax Lot</i>	<i>Owner of Record</i>	<i>Frontage Length (feet)</i>	<i>Benefited Area (acres)</i>	<i>Pro Rata Share (%)</i>	<i>Cost Allocation</i>
4 1E 3 Lot 102	Lisa M. Weygandt Trust 24401 S Mulino Road Canby, OR 97013	676	1.552	33.95%	\$65,800
4 1E 3 Lot 200	Chad Robison & Carrie Claeys 2542 SE 13th Avenue Canby, OR 97013	318	0.634	13.87%	\$26,879
4 1E 3 Lot 2700	Roger & Julie McKinnon 2675 SE 13th Avenue Canby, OR 97013	209	0.479	10.48%	\$20,308
4 1E 3 Lot 2800	Roger & Julie McKinnon 2675 SE 13th Avenue Canby, OR 97013	830	1.906	41.70%	\$80,808
	TOTAL	2,033	4.571	100.00%	\$193,795

The costs allocations are not assessments, are not immediately due and payable, and do not become a lien on any benefited property UNTIL the property develops and connects to the 8" pipeline. Each property owner has the option to not connect to the improvement, and would then not be responsible to pay any portion of the advanced financed project cost. All project costs are SDC eligible, and any AFD revenues received in the future from the 8" sewer should be reimbursed to the Sanitary Sewer Capital Reserve.

A map and legal description of the benefited area is attached as Exhibit A. In accordance with Canby Municipal Code Chapter 4.12 and Resolution No. 1257, cost allocations shall accrue interest of 3.50% annually until paid. The allocations of costs remain in place indefinitely, until all benefited properties apply for connection to the system.

Attachments: Map & legal description of benefited area



City of Canby
SE 13th Avenue Advance Financed Sanitary Sewer
Legal Description of Benefited Area

The Advance Financing District benefited area is contained in three components as listed below and shown on the attached sketch:

1. Northwest Benefited Area:

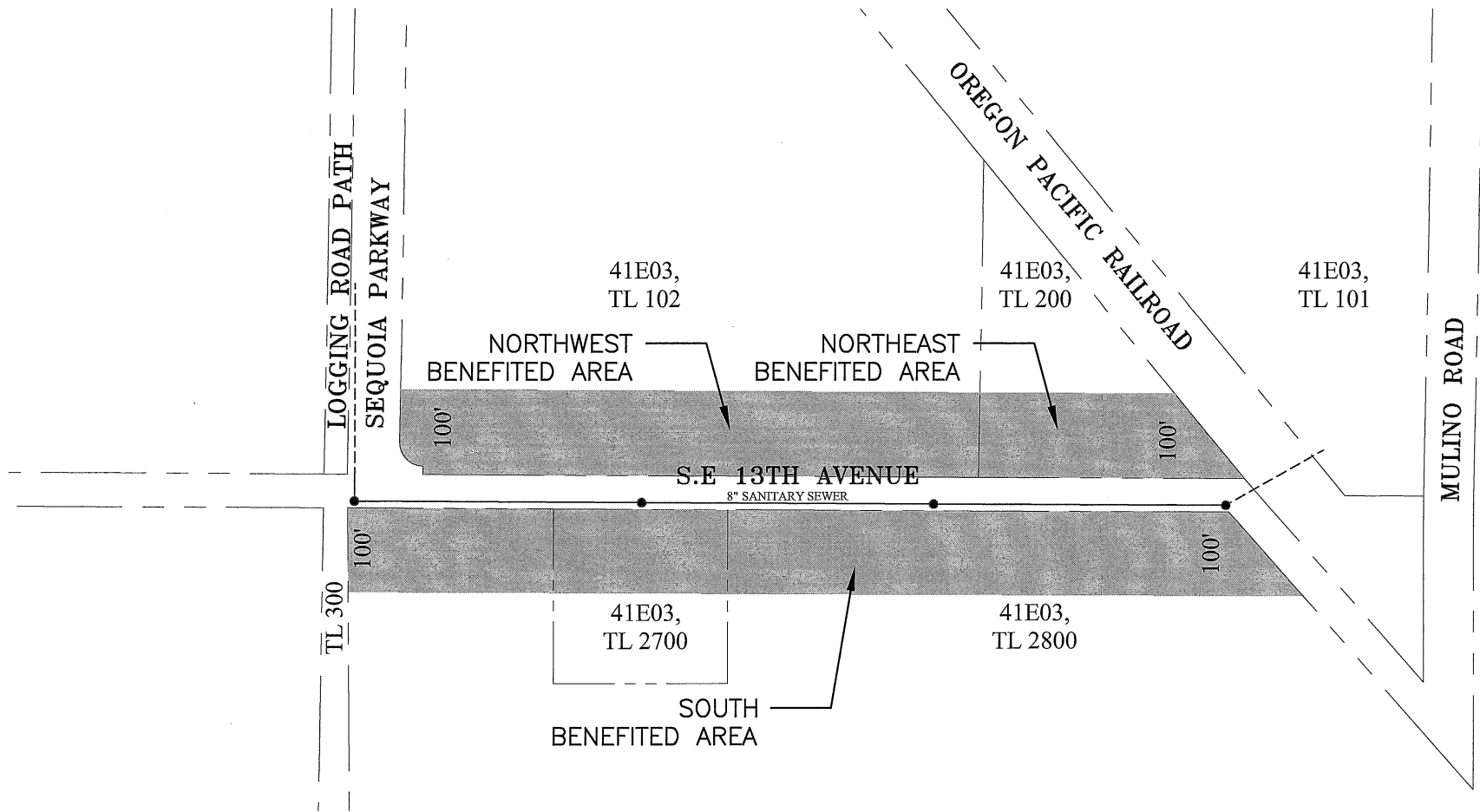
The SE 13th Avenue Advance Financing District benefited area includes a strip of land, 100 foot in depth, parallel and abutting the southerly property line of that tract of land conveyed to Lisa M Weygandt, Trustee of the Lisa M Weygandt Trust dated December 27, 2013, in Fee Number 2014-000209, Clackamas County Deed Records, said southerly line also being the northerly right-of-way line of SE 13th Avenue.

2. Northeast Benefited Area:

The SE 13th Avenue Advance Financing District benefited area includes a strip of land, 100 foot in depth, parallel and abutting the southerly property line of that tract of land conveyed to Chad Robison and Carrie Claeys in Fee Number 2015-077973, Clackamas County Deed Records, said southerly line also being the northerly right-of-way line of SE 13th Avenue.


3. South Benefited Area:

The SE 13th Avenue Advance Financing District benefited area includes a strip of land, 100 foot in depth, parallel and abutting the northerly property line of that tract of land conveyed to Roger W. and Julie L. McKinnon in Fee Number 2016-087866, Clackamas County Deed Records, said northerly property line also being the southerly right-of-way line of SE 13th Avenue.



T4S, R1E, WM, SECTION 3
 CITY OF CANBY
 S.E. 13TH AVENUE SANITARY SEWER
 ADVANCE FINANCING DISTRICT BOUNDARY
 CLACKAMAS COUNTY, OREGON

LEGEND:

 BENEFITED AREA

CURRAN-McLEOD, INC.
 CONSULTING ENGINEERS



SCALE: 1" = 200'

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