



City of Edgewood
Meridian Ave. Sewer Project
LID No. 1

Formation Hearing

October 14, 2008

Presiding for the Hearing

- Jeff Hogan, Mayor
 - Meeting Facilitator
- City Council
 - *Dave Olson, Deputy Mayor*
 - *Paul L. Crowley*
 - *Mike Kelley, Jr*
 - *Scott Malkuch*
 - *Enid Duncan*
 - *Steve W. Cope*

Speakers

- Dave Lorenzen
 - Public Works Director
- Jim Santroch, Tetrattech
 - Engineering Project Principal
- Gary Bourne, BHC Consultants
 - LID Advisor

Legal Advisor

- Zach Lell, City Attorney

Project History

Dave Lorenzen

- **2000**
 - Community has been working toward sewerage Edgewood since 2000
 - City approved contract with Parametrix to prepare Edgewood Sewer Feasibility Study which was completed in March of 2002
- **2003**
 - City Council authorized Parametrix to prepare a general sewer plan by Resolution 03-151 on February 11, 2003
- **2006**
 - Formed Sewer Utility by Ordinance 06-0271 on May 23, 2006
- **2007**
 - General Sewer Plan completed in August 2004 and revised in June 2007

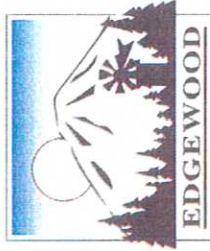
Project History

- **General Sewer Plan**
 - Summarized the need for a municipal sewer collection system in the Phase I Core area
 - Established a plan for construction of a new system
 - Developed cost estimates for implementation
 - Recommended financing the neighborhood collection system with an LID

Volume I of III

General Sewer Plan

Prepared for:
City of Edgewood



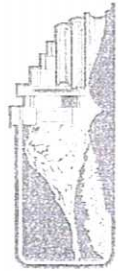
Parametrix

August 2004
Revised June 2007

Project History

- **2007**
 - Agreement with Lakehaven Utility District to provide sewer maintenance, operations of physical plant and provide sewer treatment on January 23, 2007
 - General Sewer Plan approved by DOE on November 28, 2007 and by City Council on December 11, 2007
- **2008**
 - LID petition to fund new sewer system began circulation in May of 2008
 - Today the petition has 81 signatures representing 72.6% of the land area within proposed LID No. 1

Project History



MAY 20 2008

Puyallup School District
Dr. Tony Apostolis, Superintendent

May 20, 2008

The Honorable Jeff Hogan
Mayor, City of Edgewood
2221 Meridian Avenue East
Edgewood, WA 98371

Re: Request for Inclusion of Edgemont Junior High/Hilltop Campus
into City of Edgewood Phase I Sewer LID

Dear Mayor Hogan:

Thank you for taking your time and your staff time to meet with me and my staff to discuss the City's Sewer LID Plans as it relates to Northwood Elementary School and the Edgemont Junior High School/Hilltop Elementary School Campuses.

The District requests that the City include the Edgemont Junior High School/Hilltop Elementary School Campus within its Phase I Sewer LID. The District is seeking inclusion of Edgemont Junior High/Hilltop as an isolated island that would be served by a tight-line connection (no other properties could connect) to the Phase I Sewer Line as the District is aware that the Edgemont Junior High/Hilltop campus is presently within the Phase II Sewer Plan.

As you know, our schools not only provide for the K-12 educational needs of the Edgewood community but are also used as community meeting spaces and serve as the only significant outdoor recreational spaces in the area. Moreover, the Edgewood Community and the District have a history of inter-local cooperation which dates back to well before the incorporation of Edgewood as a city. This cooperative spirit has flourished after the incorporation of Edgewood as is evidenced by: (i) the inter-local agreement for the sewer connection to Northwood Elementary in 1997; (ii) City Resolution 99-68 which provides funding for backstops and fencing at Northwood Elementary in return for access to the fields by the citizens of Edgewood; (iii) the sale of the District's 16 acre property at 36th and Meridian in 2004; and (iv) community groups have provided upgrades to the District's fields at all of our schools over the years.

In consideration for inclusion of the Edgemont Junior High/Hilltop Campus in the Phase I Sewer LID, the District is willing to:

- (i) Work with the City to revise the existing three-party Sewer Service Agreement and Luteomer's Agreement relating to Northwood Elementary in order to change the sewer service provider from Pierce County to the City to allow inclusion within the proposed Phase I Sewer LID;

Project History

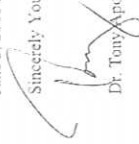
The Honorable Jeff Hoigan
May 20, 2008
Page 2

- (ii) Work with the City to locate an area on the Northwood Elementary Site for the City's needed sewer pump station; and
- (iii) Work with the City, as the District did with its 30th and Meridian Property, to provide the City with the first opportunity to acquire the Edgemont field in the event that the District at some time in the future elects to surplus this property.

The District understands that the City is working under a tight timeline to form the Phase I LID and the District is committed to making its staff and legal counsel available to memorialize the process as we are aware there a number of details to address relating to our Request as well as the existing Sewer Service Agreement between Pierce County, Edgewood, and the District relating to Northwood Elementary. We appreciate the City's acknowledgement that the District has existing sewer service at Northwood under the Sewer Service Agreement which will need to be addressed to ensure the District does not bear costs of connection to the Phase I LID for Northwood as well as costs associated with the sewer lift station on District Property.

We look forward to discussing the matter further with the Council at its Study Session on June 3, 2008 at 7:00 pm.

Sincerely Yours,



Dr. Tony Apostle, Superintendent

cc: Janet Caviezel, Interim City Manager
Dave Lorenzen, P.E., Public Works Director
Debra Aungst, Assistant Superintendent, Education Support
Rudolph J.K. Fyles, A.I.A., Executive Director of Facilities
Mary J. Urbank, Esq.

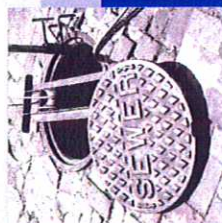
Project History

- **2008 Cont.**

- Council retained team of TetraTech to begin design process of new sewer system in May of 2008
- Application for Public Works Trust Fund loan in June of 2008 resulted in offer of \$1,000,000 loan toward design of sewer system
- Letter from WSDOT requiring sewer installation to be completed before construction for widening of Meridian Ave (SR 161)
- Council workshop on July 1, 2008 with TetraTech design team provided verification of project and LID costs

Project History

- **2008 Cont.**
 - Council Passed Resolution (08-242) of Intent to form LID No. 1 on August 12, 2008
 - Property owner LID workshop on August 27, 2008
 - Newsletter mailed on:
 - September 12, 2008
 - Other Informational Mailings mailed on:
 - September 17, 2008
 - October 8, 2008
 - Hearing notices were mailed to WSDOT properties starting on September 12, 2008 and complete to all by September 19, 2008



The Pipeline

YOUR LID NEWSLETTER

Edgewood City Hall 2227 Moradian Avenue East Edgewood, WA 98571-0100
 Phone: 253.957.3399 Fax: 253.957.3357 Web: www.cityofedgewood.org

Questions Answered As We Move Forward

- Special Points of Interest**
- **Special Benefits**
- **Timeline**
- **Criteria for Valuation**
- **Final Assessment Roll & Protest Guidelines**

Our thanks go out to you and the other participants in the LID for working with the City and its consultants and providing financial support for the project. We realize that this has been a long time coming, and that we still have plenty of work ahead. We also know that there are still some questions among those in the LID, and it is our goal to make sure that those questions and any that come up in the future are answered. A major key to the success of this project is two-way com-

munication and we believe that a good relationship has been forged on both sides of that street.



It is anticipated that the first construction contract will be awarded by May 2009, with construction expected to be completed in June 2010.

In this newsletter, we will provide answers to some of the more common questions we have recently received. Our hope is that it will help with questions you may have. It may raise some new questions for you as well. Again, thank you for being a partner in this endeavor.

Inside this Issue:

- Project and Financing Costs **2**
- Protesting the LID **3**
- Calculating Valuations **3**
- Unusable Area—How Was It Determined? **3**
- IMPORTANT DATES TO REMEMBER! **4**
- Reduce Your LID Assessment **4**

LID "Special Benefit" - What Does It Really Mean?

beyond what is normal is given, such as a "special event" or "special consideration." When dealing with an LID and property assessments, the term has a different correlation. **Special benefit is the difference in the fair market value of the property before the improvement and the fair market value of the property after the improvement.** Statutes require that LID assessments be assigned as closely and as practical on the basis of *special benefit*.

Continued on page 2...

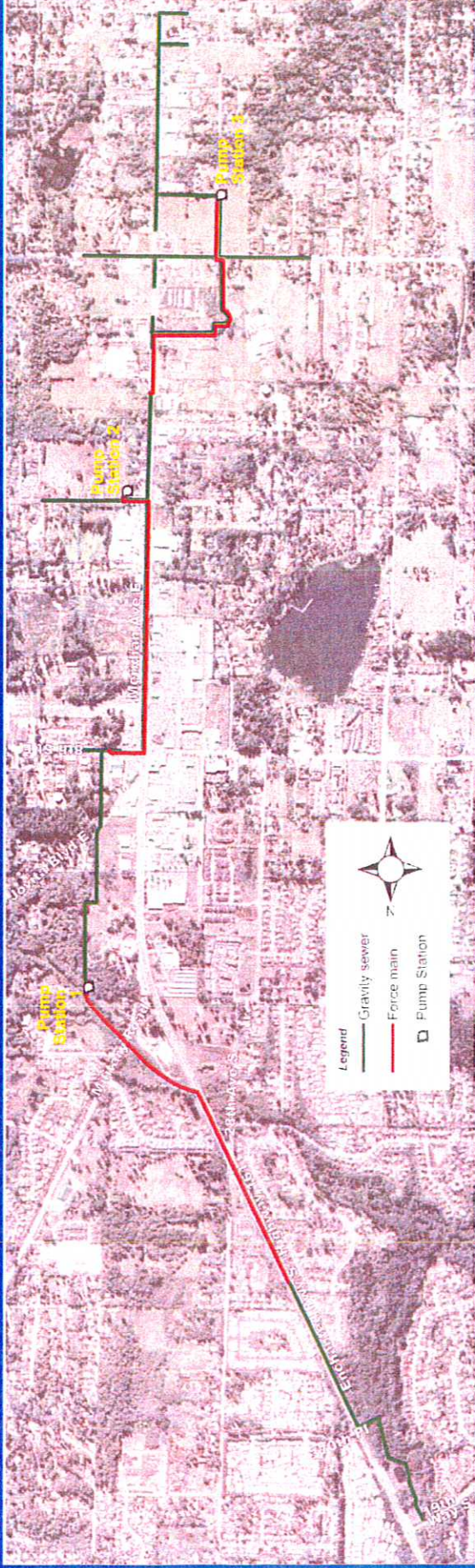
Project History

Dave Lorenzen

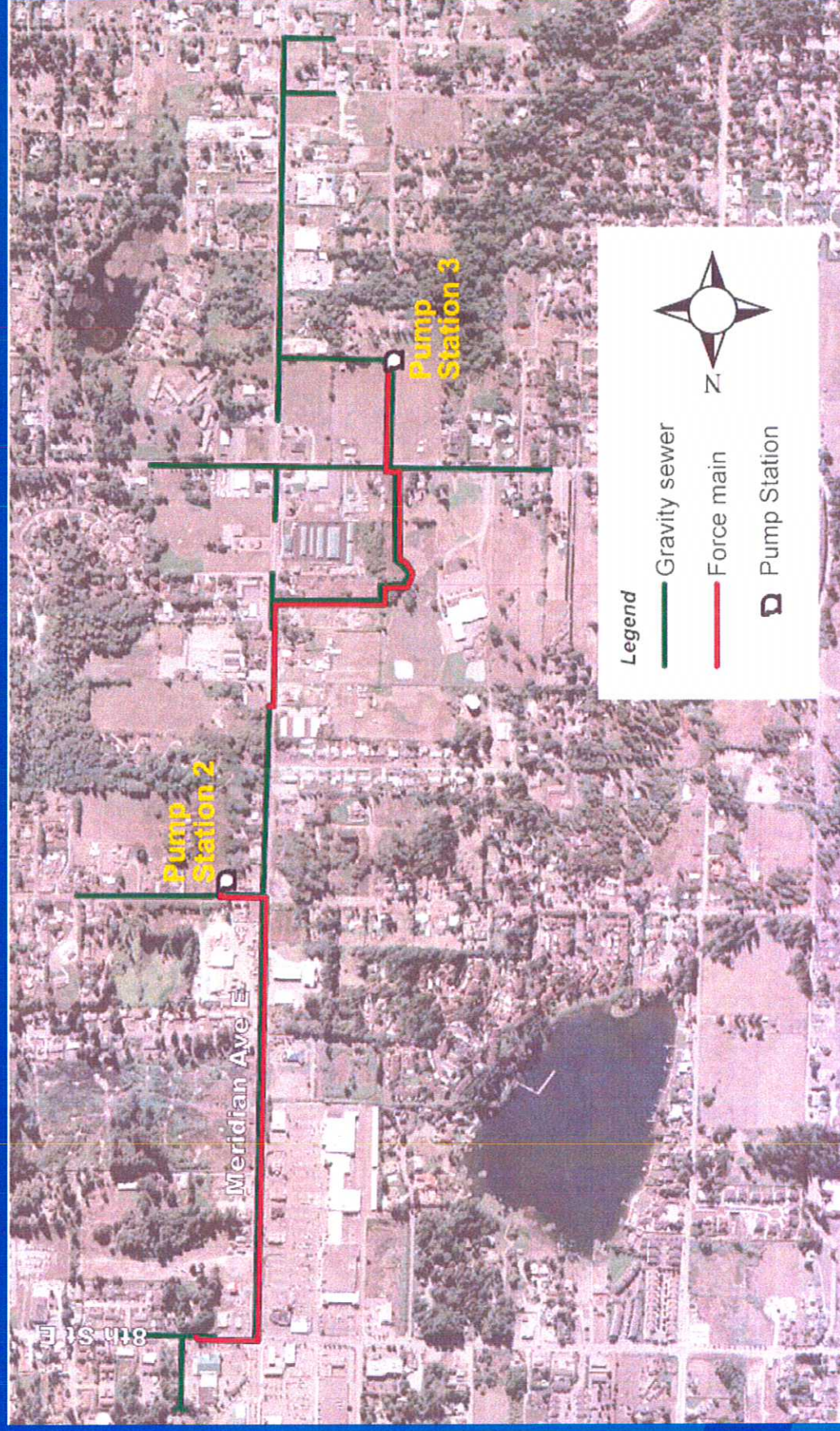
- **Summary**
 - Meetings to discuss the new sewer system since 2000 have included approximately 53 public workshops, 49 Council meetings open to the public and 4 town meetings

Project Area

Jim Santroch

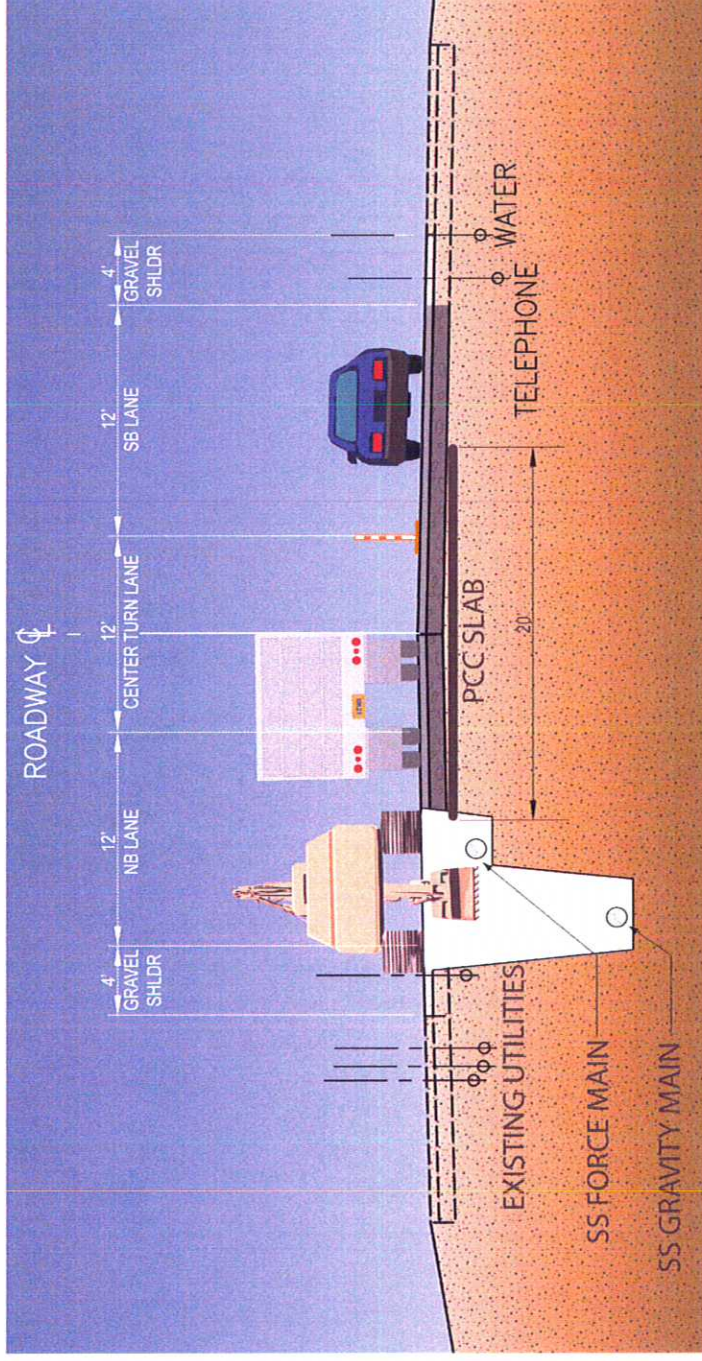


South SR 161 Pipe Alignment



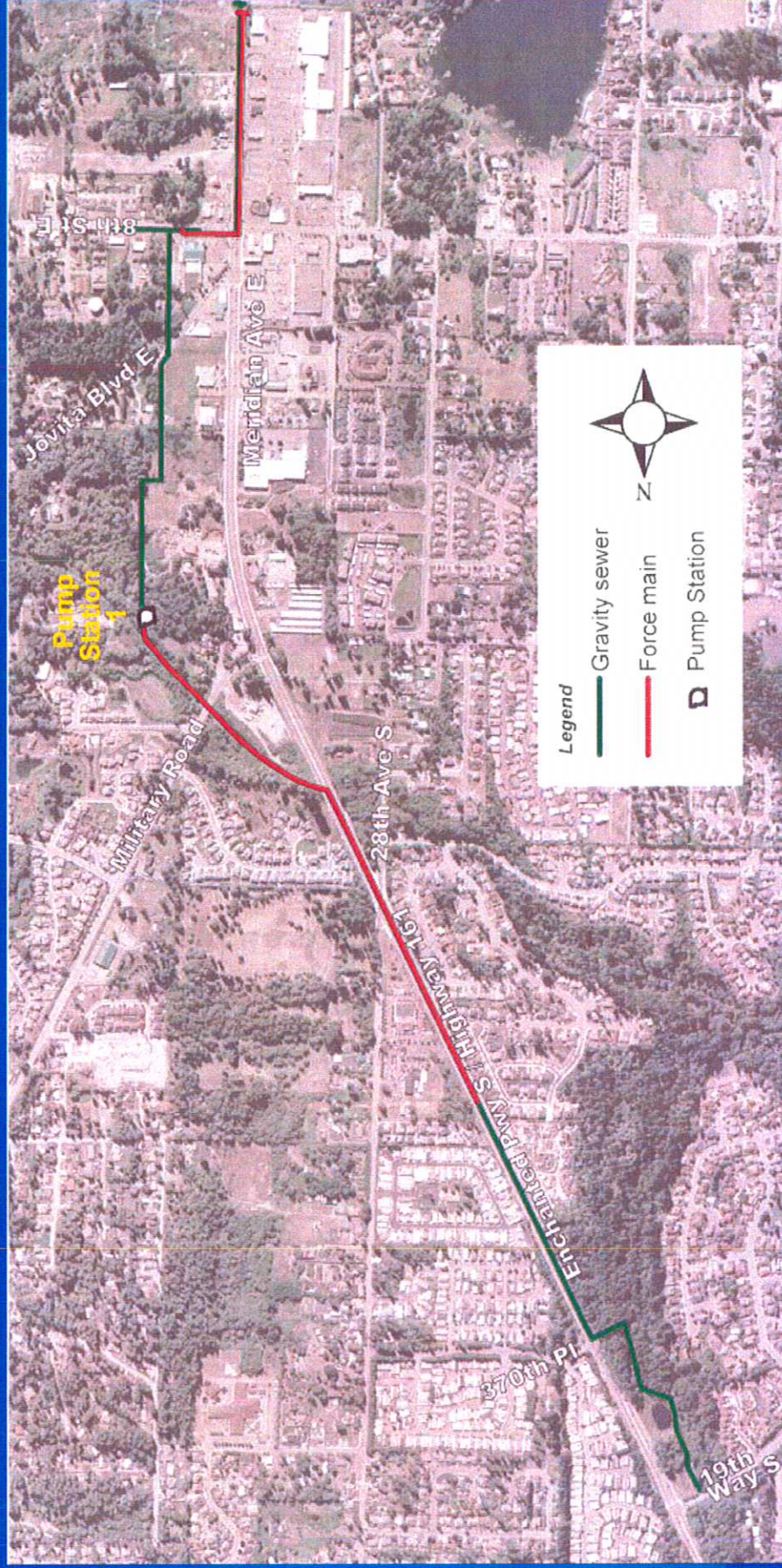
South SR 161 Pipe Alignment

DEEP OPEN-CUT IN NORTH BOUND LANE



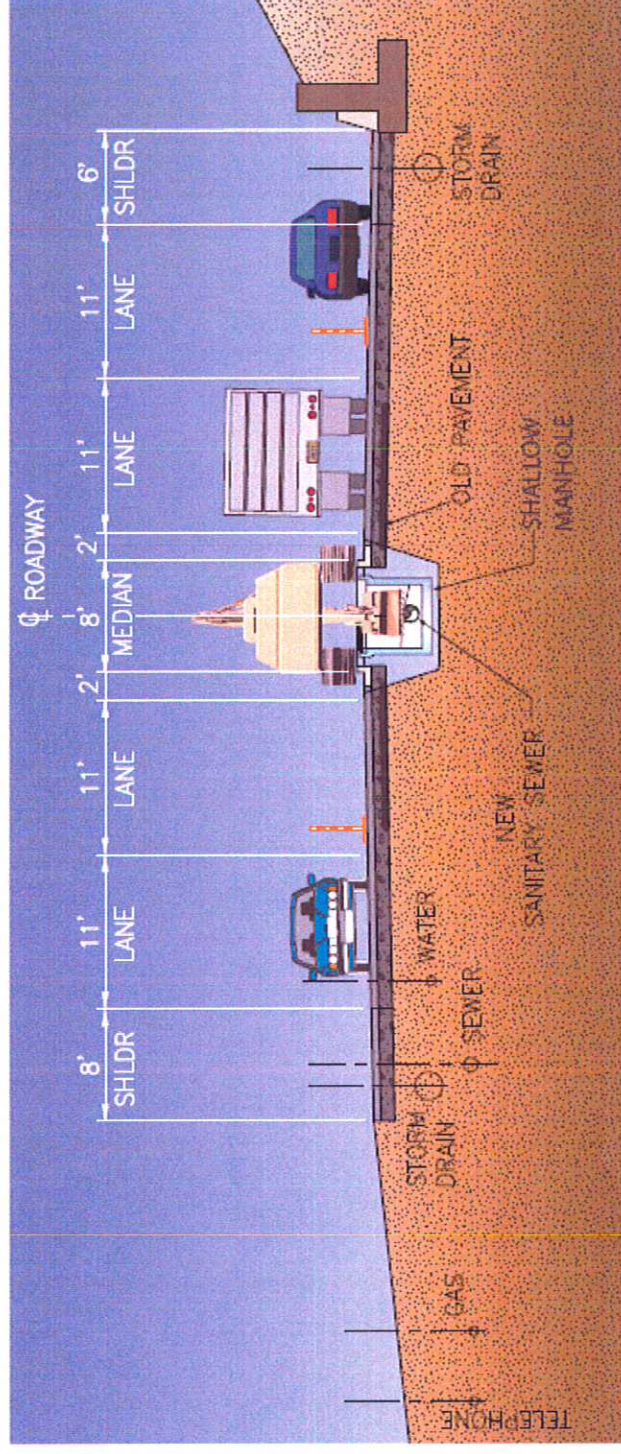
- Night-time construction within Meridian
- One lane flagged traffic control

North 161 Alignment



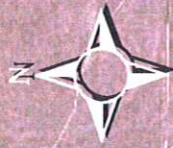
Lakehaven / Jovita Pipe Alignment

3-FOOT DEEP OPEN-CUT IN MEDIAN



- Daytime construction

Control Building



Pump Station 3

SR 161 Meridian Avenue

24th Street East

Massie Property

Timberland Bank Property

16th Street East

Knutsen Property

Pump Station 2

Control Building

SR 167 Meridian Avenue

DOGWOOD MEADOWS DEVELOPMENT

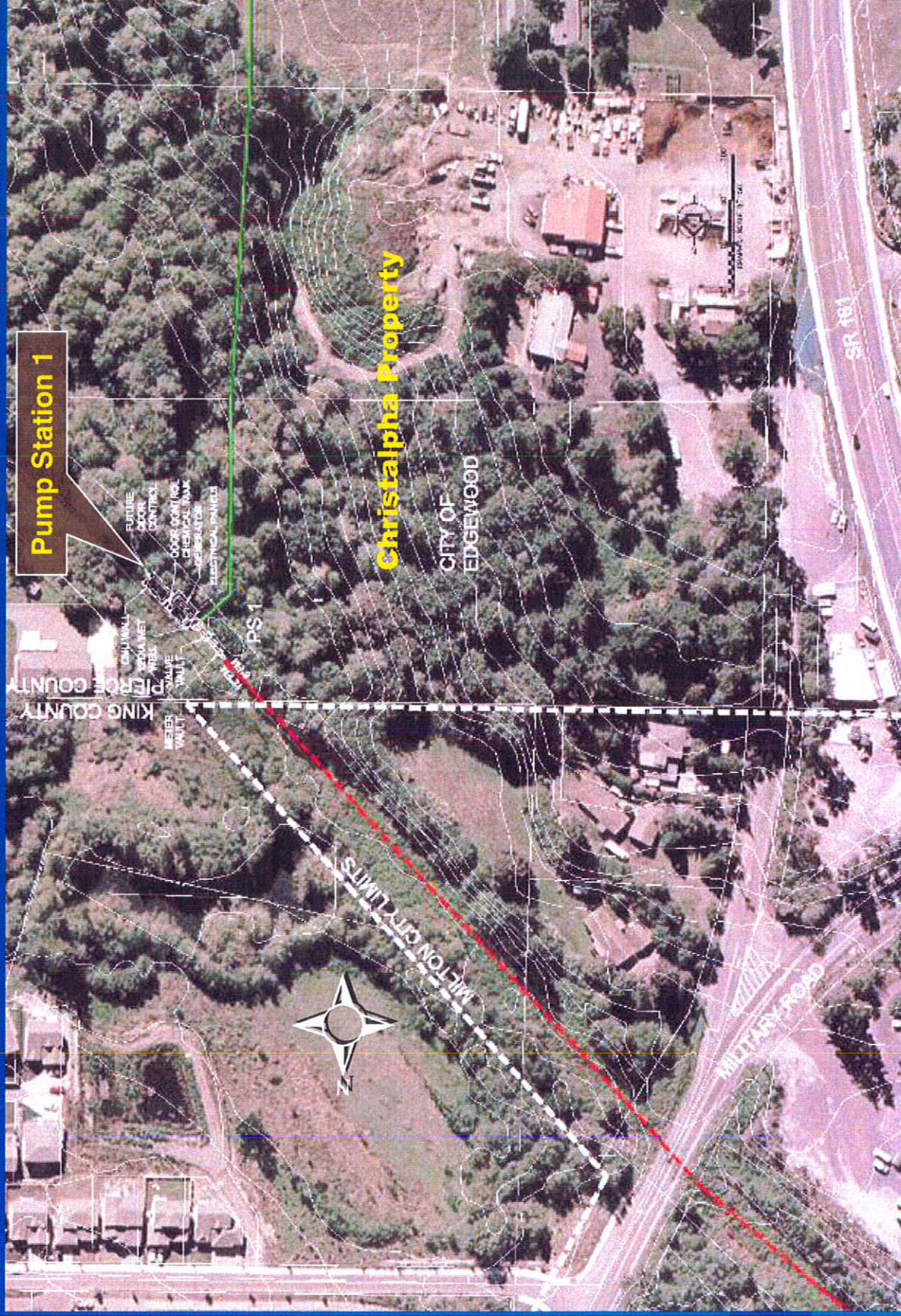
167th Street

Legend:

- DOGWOOD MEADOWS DEVELOPMENT
- 167th Street



Pump Station 1



[illegible]

Estimated LID Costs

• Construction	\$14,302,000
• Design Engineering	2,025,000
• Construction Engineering	2,000,000
• City Staff, Permits, ROW	700,000
• LID Formation and SBA	<u>443,367</u>
• Cost to Build (sub-total)	19,470,367
• Interim Interest and Financing	1,200,000
• Bond Financing Cost	303,233
• LID Guarantee Fund	<u>2,330,400</u>
• Total LID Assessments	\$23,304,000



TETRA TECH

Cost Estimate Letter

Jim Santroch

October 13, 2008

Kim Wilde, City Manager
City of Edgewood
2221 Meridian Avenue East
Edgewood, WA 98371

Subject: Meridian Avenue Sewer Project LID No. 1
Certification of Preliminary Cost Estimate

This letter officially transmits the engineer's estimate of costs for LID No. 1. The following is our Preliminary Cost Estimate and provides a breakdown of the major elements of costs:

• Construction	\$14,302,000
• Design Phase Engineering	2,025,000
• Construction Admin and Field Engineering	2,000,000
• City Staff, Permits, ROW	700,000
• LID Formation and SBA	443,367
• Interim Interest and Financing	1,200,000
• Bond Financing	303,233
• LID Guarantee Fund	2,330,400
• Total Estimated LID Costs	\$23,303,767

The Notice of Estimated Preliminary Assessment for each parcel of land was mailed between September 12 for Public Parcels and September 19, 2008 for all other parcels. These Preliminary Assessments are shown on the Preliminary Assessment Roll which was transmitted under separate cover and which is on file in the office of the City Clerk

Sincerely,

Tetra Tech, Inc.


Jim Santroch, P.E.
Director

JJS/sjs

c: Central Files
135-27878-08-099

Infrastructure Group
135-27878-08-099

Funding Alternatives

Gary Bourne

- City Funds
 - No funds available
 - New utility, no customers
- Grants
 - Only grants available are federal and take years to acquire, if possible
- Local Improvement District
 - Local control
 - Stay on schedule

Financing

- Interim
 - PWTF for \$1,000,000
 - BAN from bank
 - USDA guarantee bank loan
- Long term
 - PWTF
 - USDA
 - Above may allow reduction in Guarantee Fund
 - Bond Sale

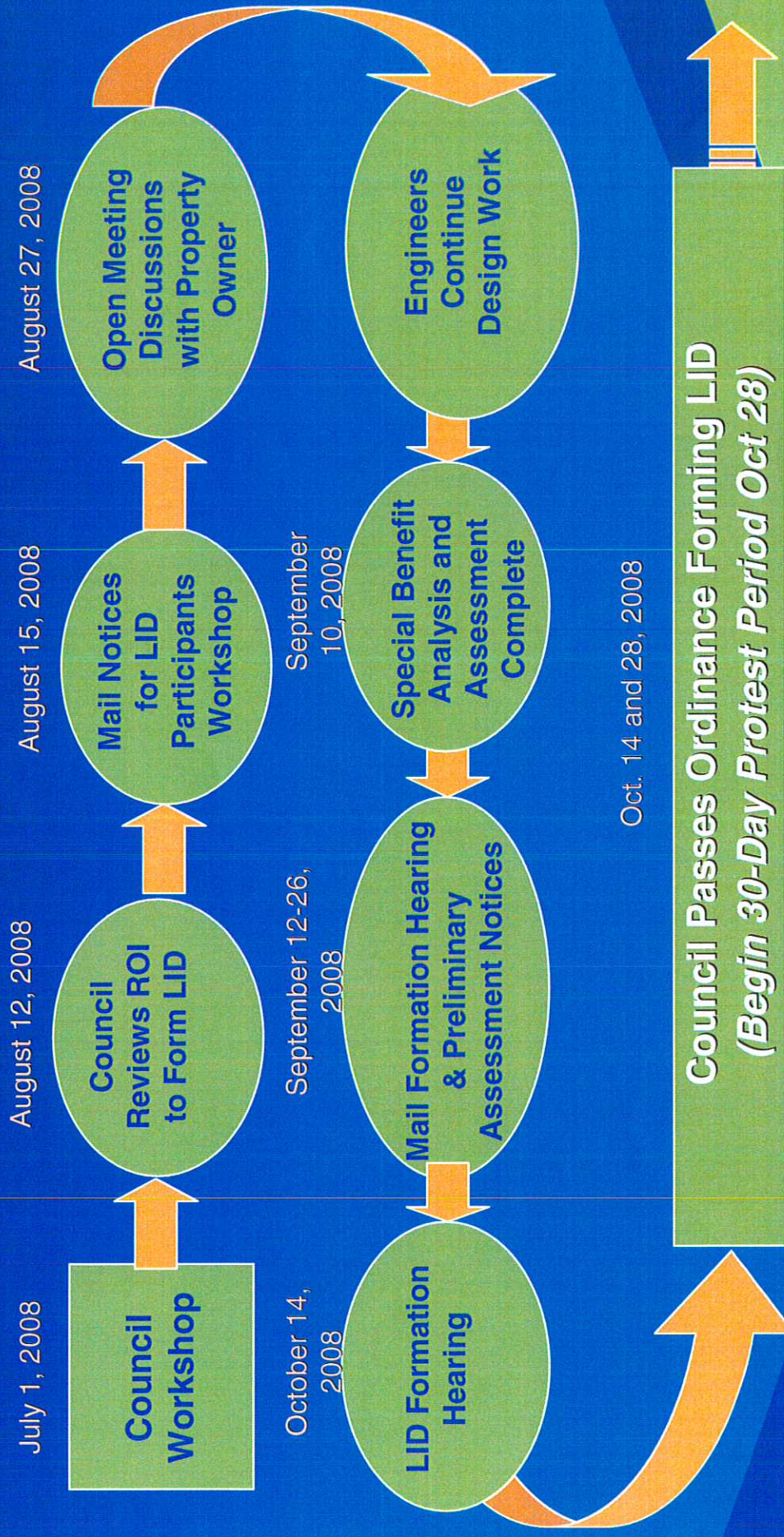
LID Assessments

- Preliminary Assessments
 - Mailed September 19, 2008
 - Preliminary estimate only
 - Final may be more or less
- Final Assessments
 - Calculated with final costs or nearly final costs
 - To be determined in mid to late 2010
- City may use different appraiser for final assessments
 - Will provide balanced view and second opinion of special benefit

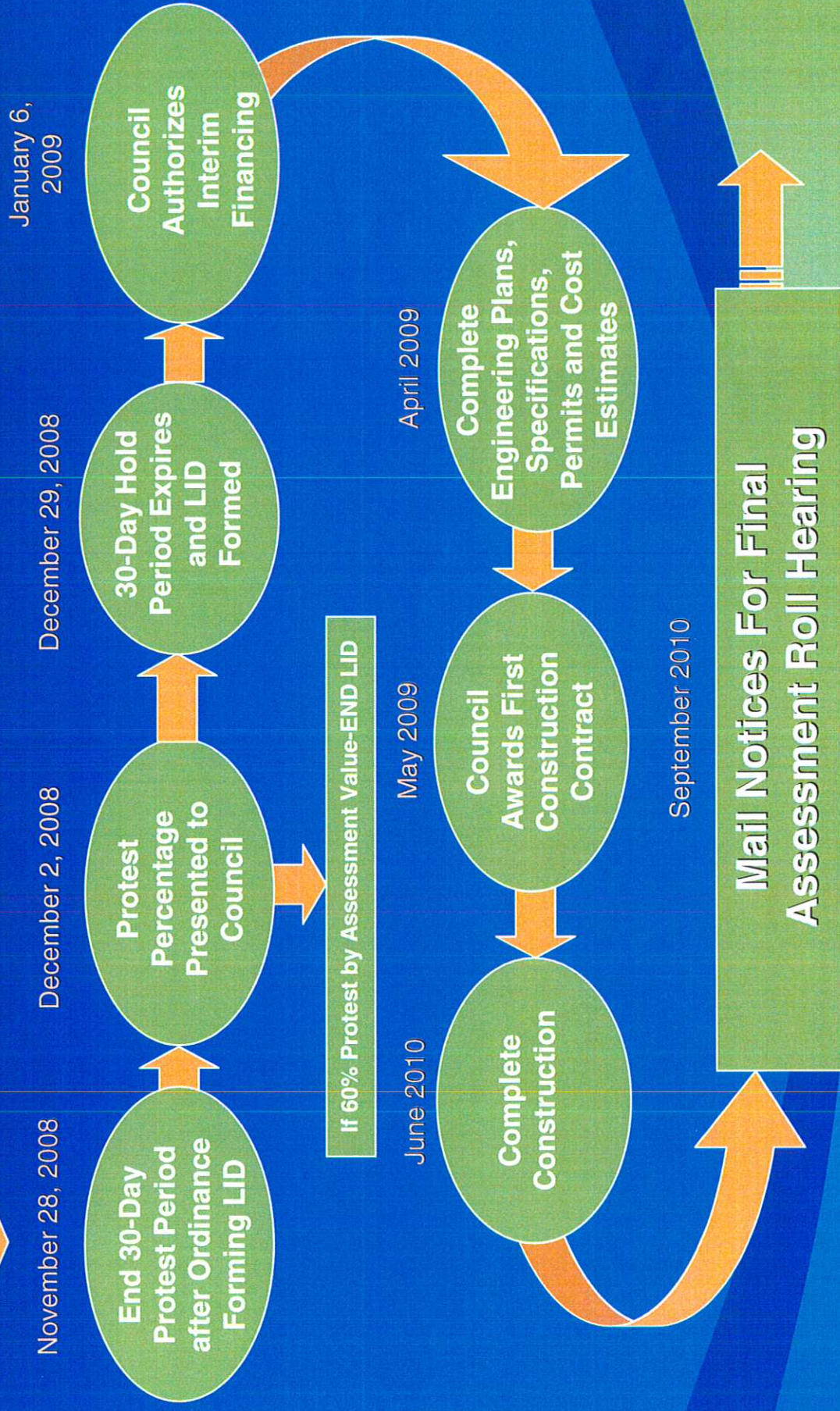
Why Now?

- The reconstruction of Meridian Ave, by WSDOT, will start in spring of 2010
 - Waiting to construct sewer project will cost the LID millions of dollars
- Construction costs have fallen in last two years
 - Next spring the project will most likely receive very good bids from a number of quality contractors
- Assessments will not be due until 2012
 - Economy will not be the same then as it is now

LID Pre-Formation

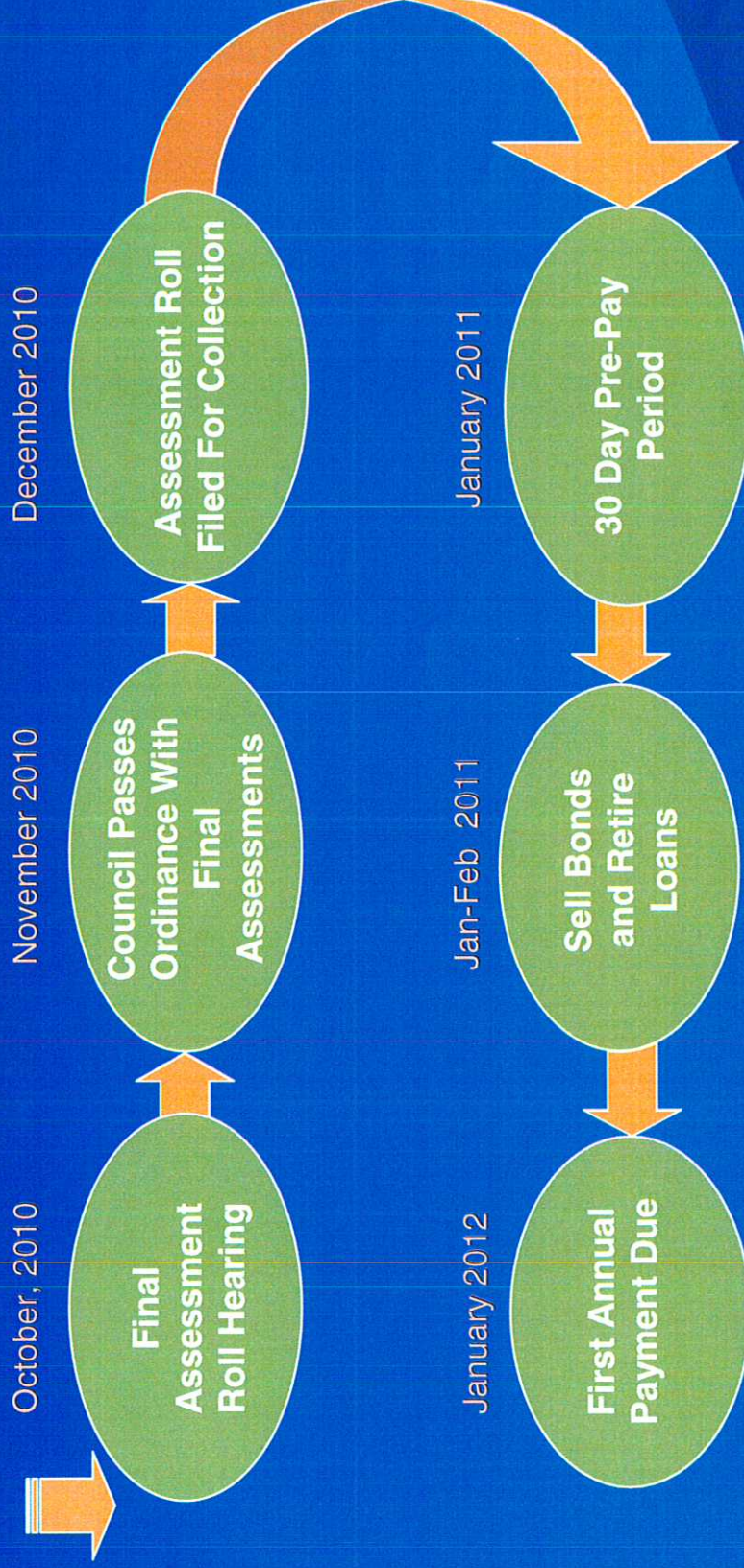


LID Formation / Design / Construction



LID Final Assessment Process

Gary Bourne



Property Owner Comments