Vista Terrace Area ULID 35
Public Hearing
Staff Report

May 23, 2016

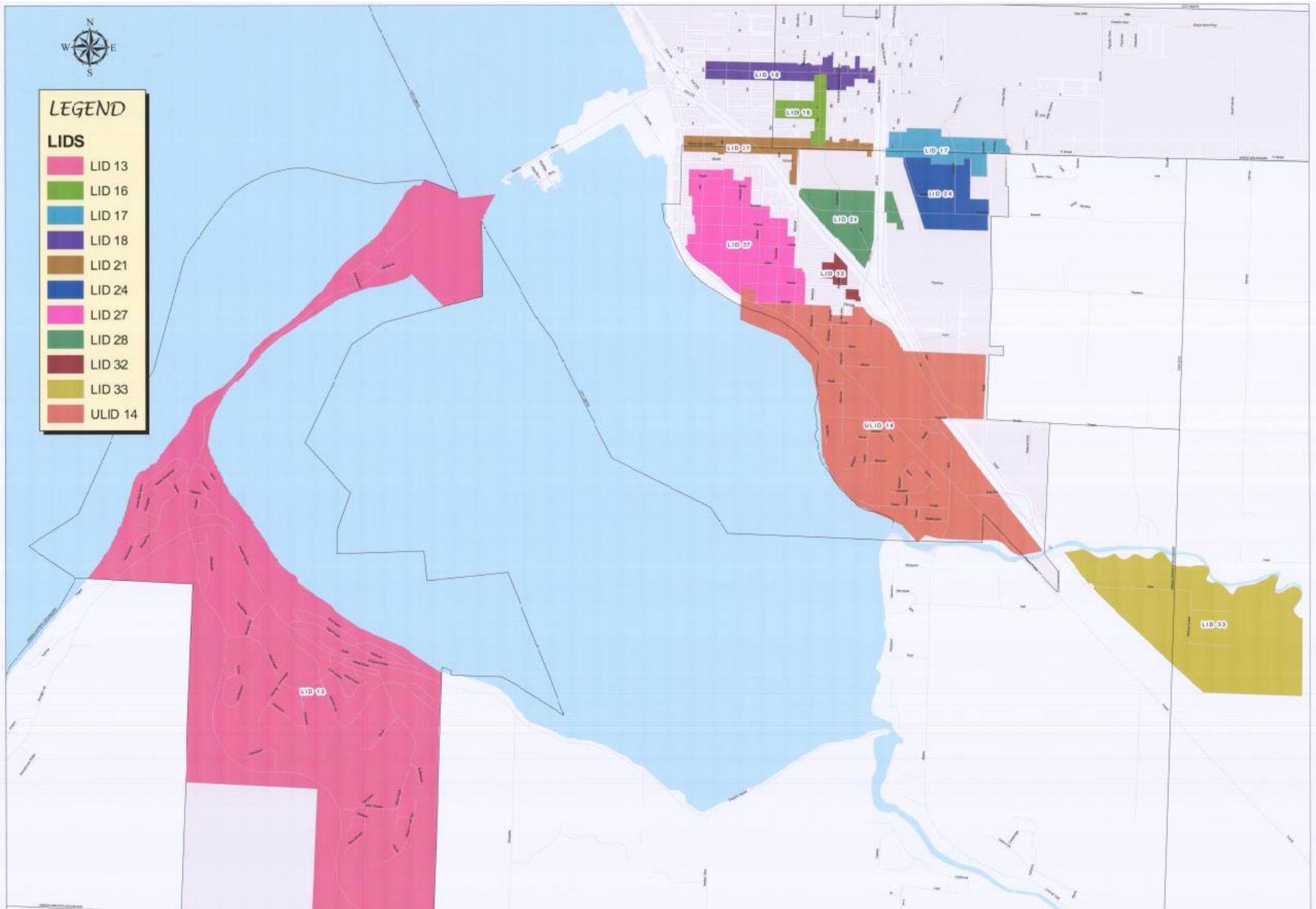
Exhibit Q

OUTLINE

- History
- LID - Process
- Process to Date
- Projected and Final ULID Costs
- Unique Aspects of this LID
- Final ULID Costs and Projected Payments
- Other Actions to Reduce Costs*
- Staff Recommendation
- Council Alternatives

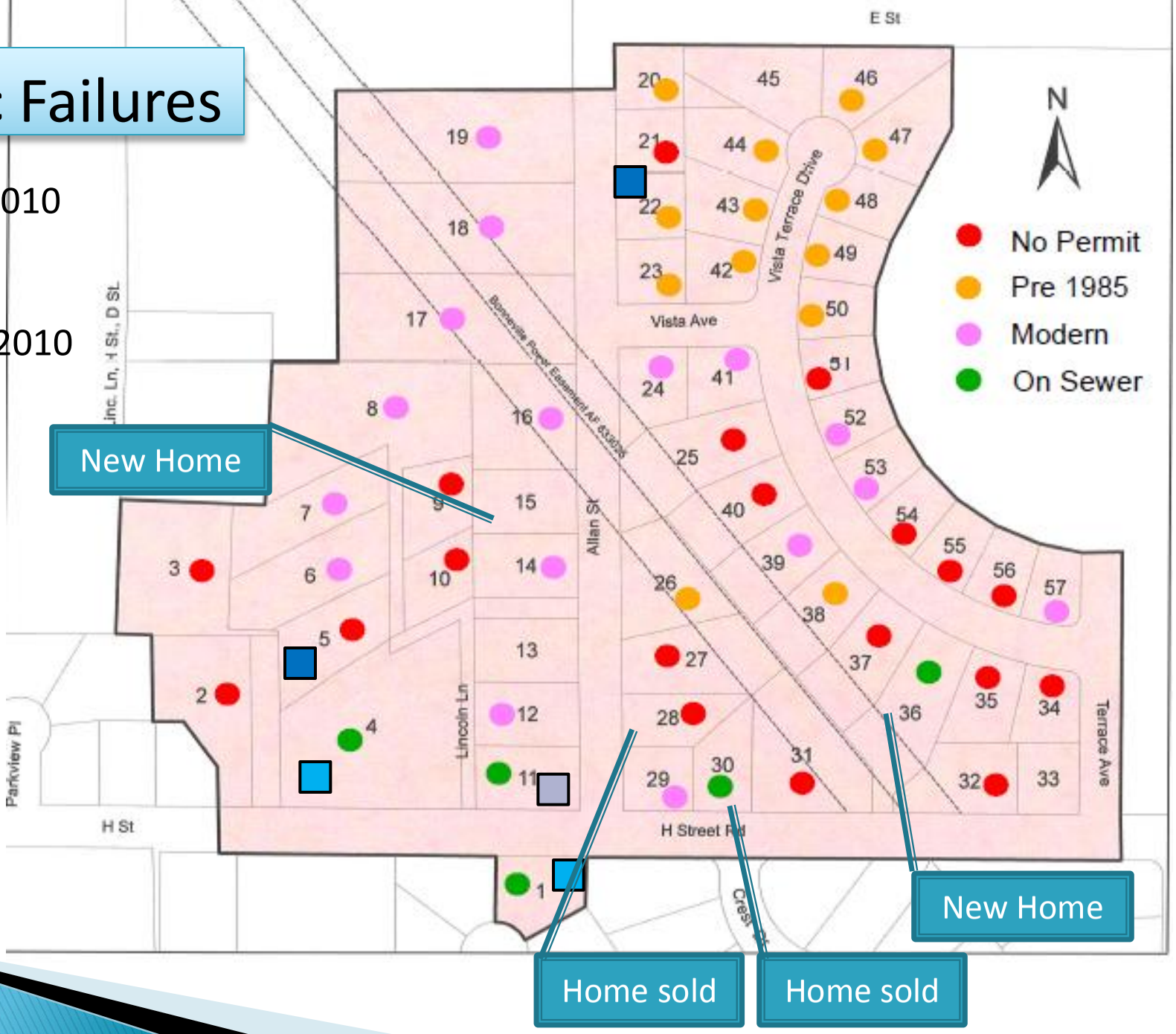
* Refer to Separate Timeline

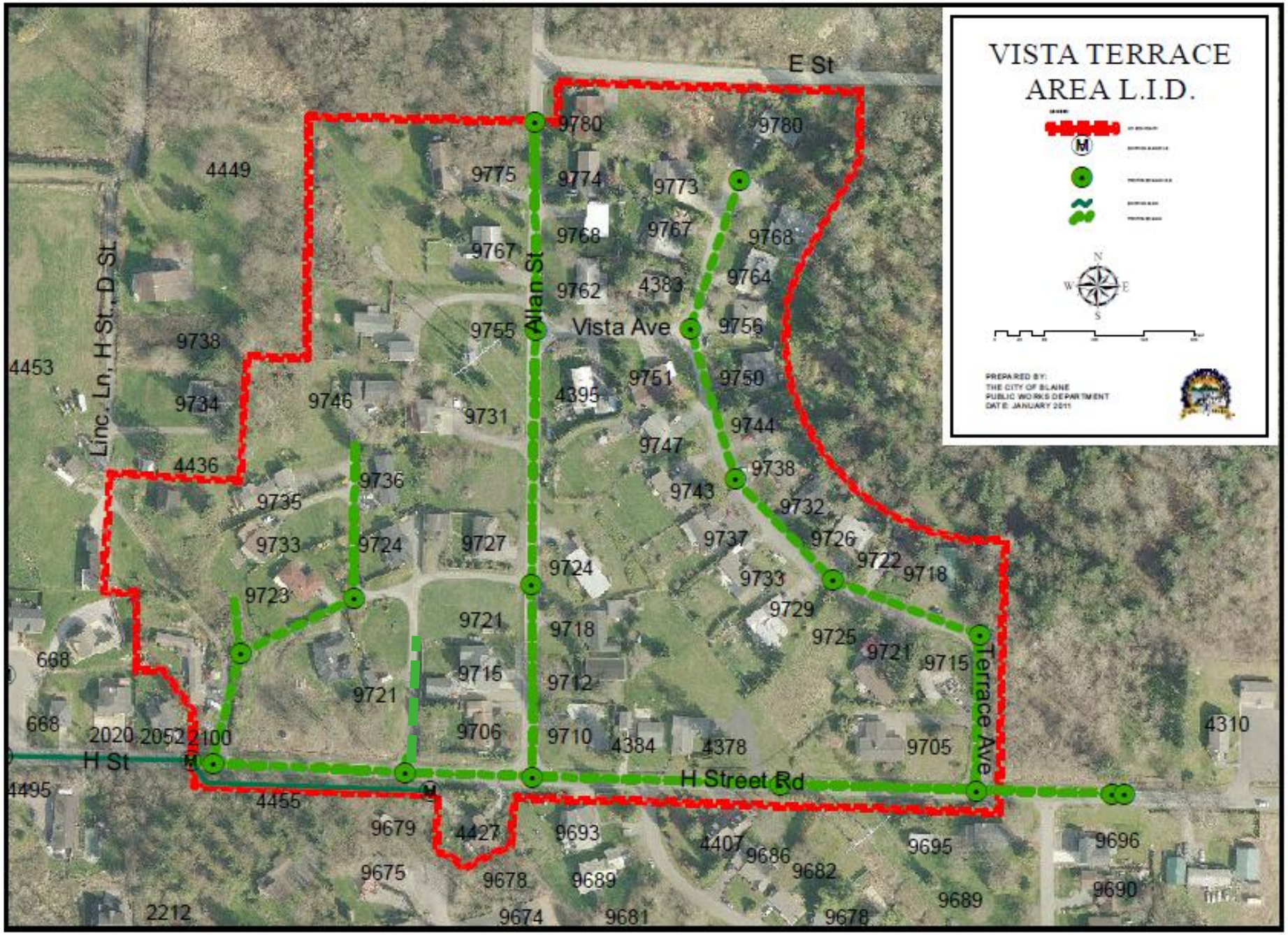
History of LIDs in Blaine



Septic Failures

- Pre-2010
- 2010
- Post 2010




VISTA TERRACE
AREA L.I.D.
PREPARED BY:
THE CITY OF BLAINE
PUBLIC WORKS DEPARTMENT
DATE: JANUARY 2011
E St
Allan St
Vista Ave
Terrace Ave
H St
H Street Rd
Linc. Ln., H St., D St
9780
9775
9774
9773
9768
9767
9762
4383
9764
9755
9756
9751
9750
4395
9744
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668
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2020
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2100
4495
4455
9679
4427
9693
9675
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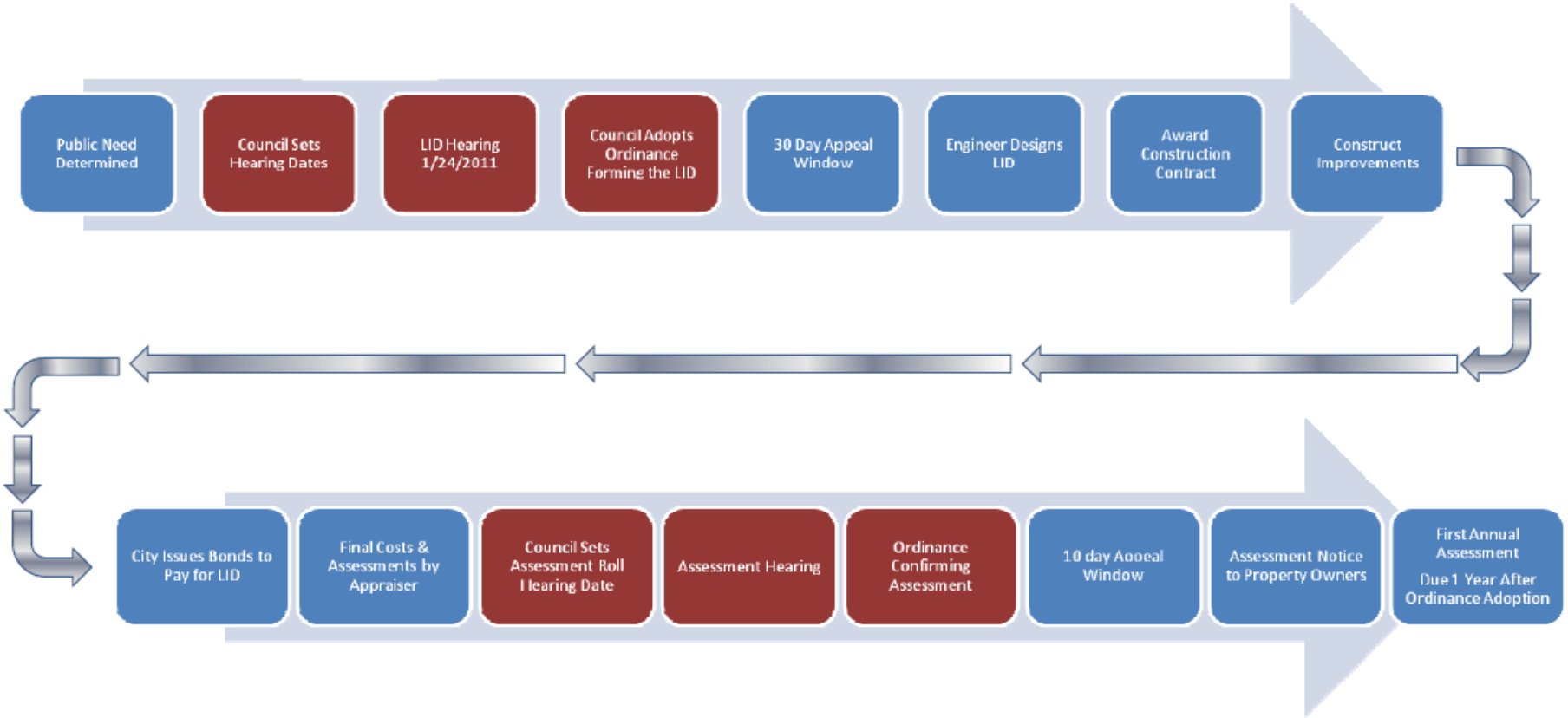
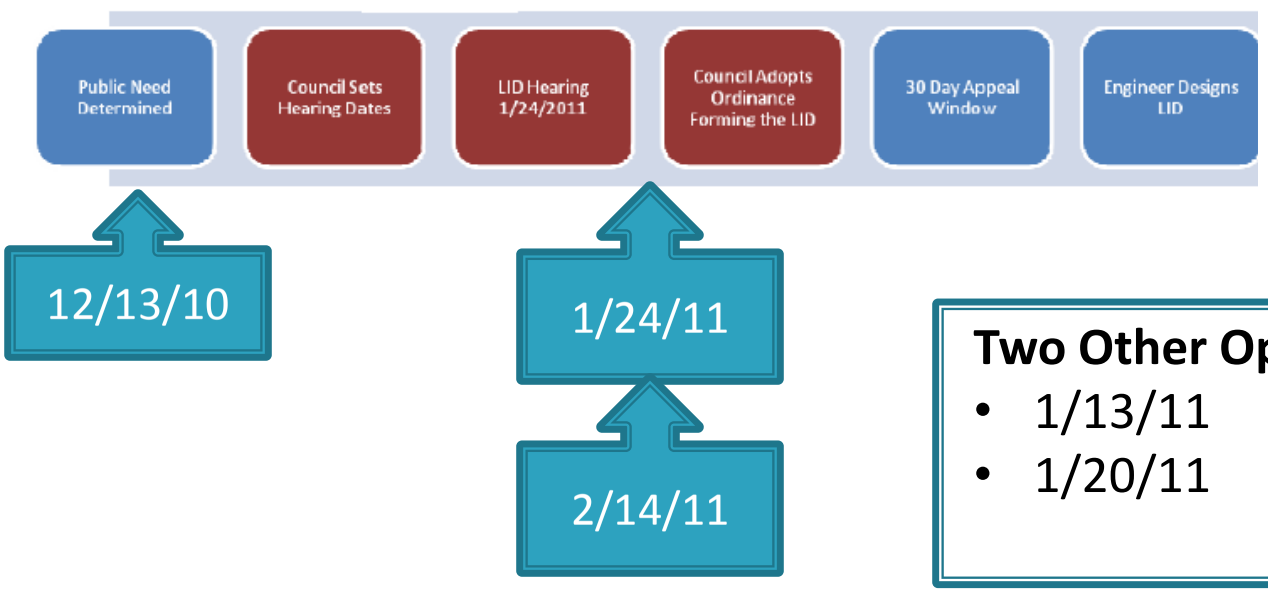
9689

Local Improvement District Legal (LID) Process



Local Improvement District Legal (LID) Process

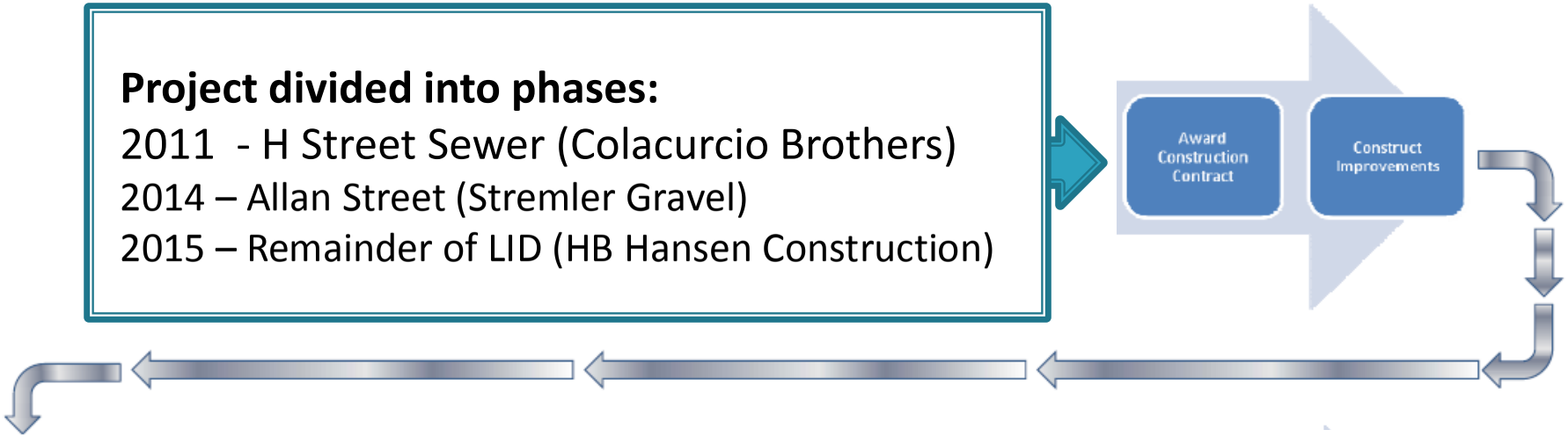


Two Other Open Houses Held:

- 1/13/11
- 1/20/11

Local Improvement District
Legal (LID) Process

Project divided into phases:
2011 - H Street Sewer (Colacurcio Brothers)
2014 – Allan Street (Stremler Gravel)
2015 – Remainder of LID (HB Hansen Construction)



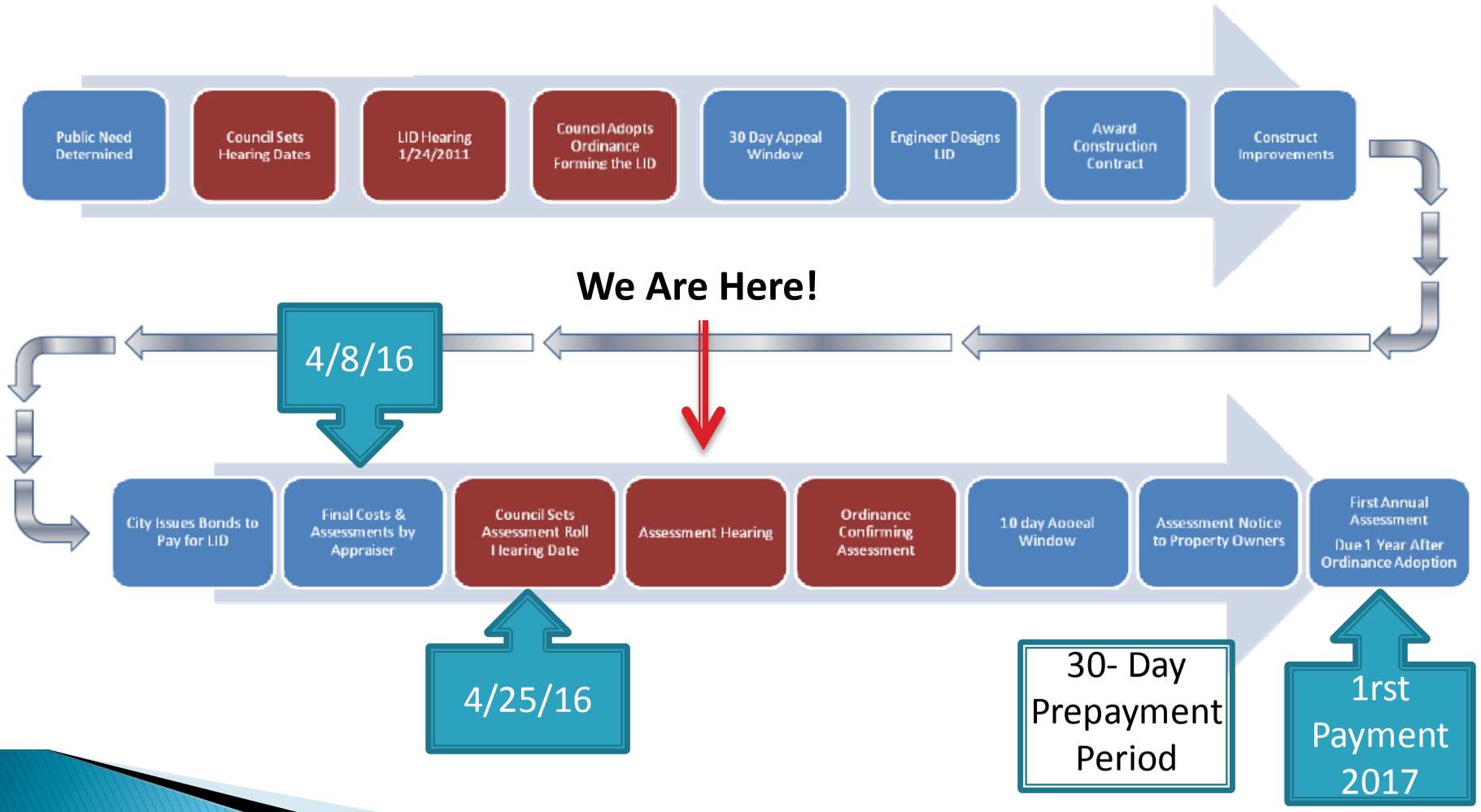
OTHER INFORMATIONAL OPEN HOUSES HELD:

10/6/14 → 9/24/15 → 2/1/2016 → 5/2/16

Alternative, low-interest funding acquired:
- Public Works Trust Fund Loan (0.5%)
- DOE Loan - Design & Construction(1.8%)
- (In Lieu of Market Bond Rate of 8-9%)

Local Improvement District

Legal (LID) Process



PROJECTED/FINAL COSTS

Original Estimate -2011

- Annual Amt: ~$1,560-$1,800
- Equivalent monthly $130-150
- Share per lot: $11,931
- (Estimated 8-10 Year Term)

2014-2015 Updates

- Annual Amt: $900-$1,100
- Equivalent monthly: $75-88
- Share per lot: $14-16,000
- (20 Year Term)

Final Costs

Estimated annual amount: **$944.48** Equivalent monthly: **$78.70**

Final estimated cost per property: **$15,705**

(20 Year Term)

UNIQUE ASPECTS OF THIS ULID

- Low Interest Loans Acquired (interest savings)
- City Absorbs Cost of H Street Construction ($136,261)
- Phasing Takes Advantage of Low Construction Costs
- Construction Management Provided by City

- SAVINGS PER LOT EXCEEDS: **$2,200**

Final Costs and ULID Payments

- Total Cost Includes:
  - Design and Construction Engineering
  - Construction of Two Phases
  - LID Administration and Legal Fees

Final Costs and ULID Payments

- Payment Options

After Ordinance Adoption:

- Option to prepay assessment of $15,705
- In whole or in part within 30 day period

Final Costs and ULID Payments

- Payment Options - Financing
  - Assessments not prepaid will be payable
  - In 20 equal interest and principal installments
  - First installment due 1 year after end of prepayment period

OTHER ACTIONS TO REDUCE COST

- Absorb Costs of H Street Construction
- Grant Money to Help with Connection Costs
- General Facility Fee Paid By Grant
- Grant Money to Help with Hardship
- Deferrals Being Coordinated by City

STAFF RECOMMENDATION

- Assess Each Property Equally (60 Lots)
- Assessment not to Exceed $15,705
- GFF Revenue to Sewer Reserve

Why?

- Consistent with Other LIDs
- Capital Needs Exceed Available Funds
- Forestall Future Rate Increases

COUNCIL ALTERNATIVES

- Move forward with staff recommendation
- Reduce portion of total assessment using Sewer Capital Reserve Funds
- Weigh long-term Sewer capital needs

Questions?

CITY OF BLAINE

CAPITAL IMPROVEMENT PLAN FOR WASTEWATER UTILITY

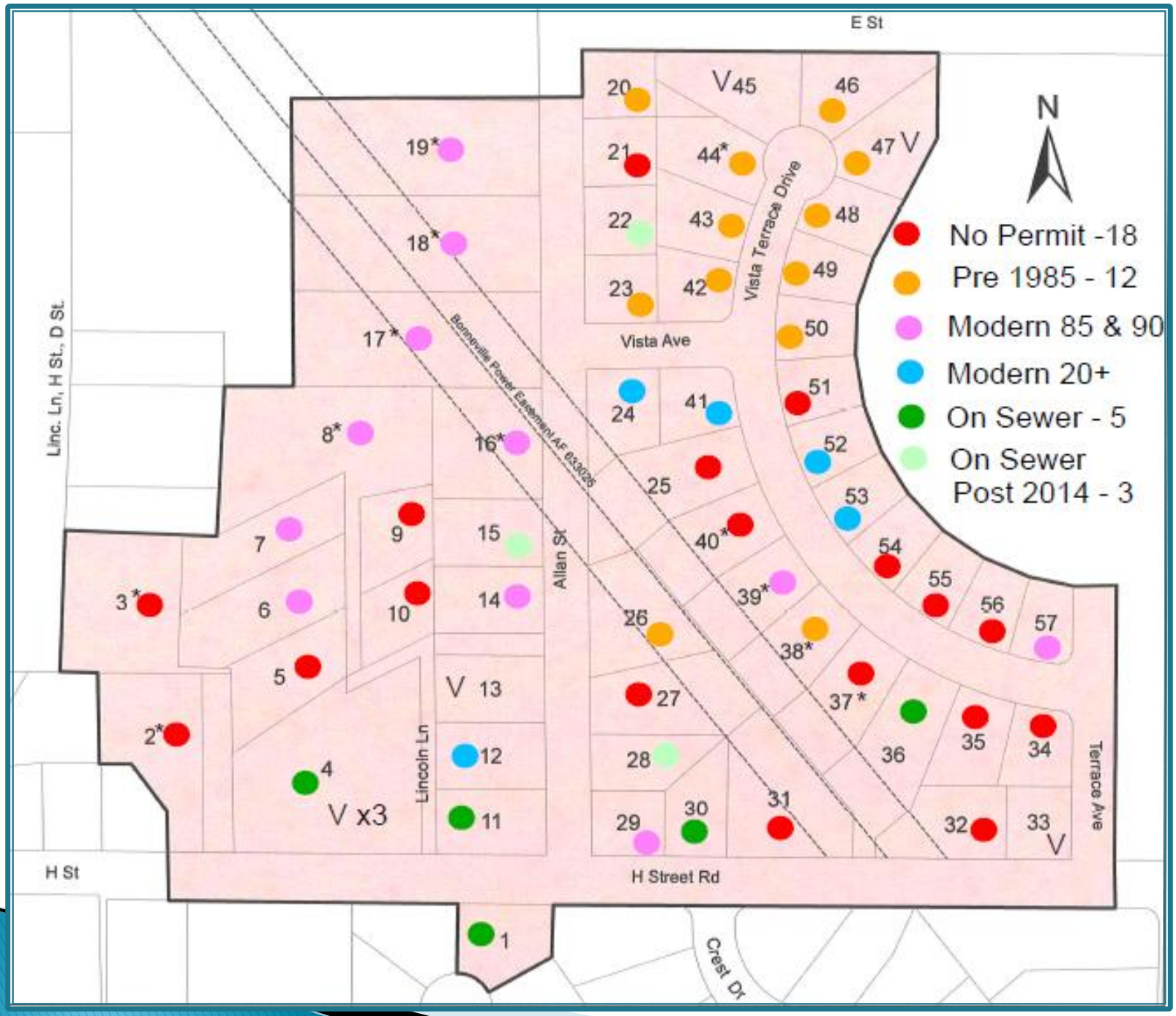
Project Cost/Funding Sources	Type	2016	2017	2018	2019	2020	2021	6 Year Total
Project Cost								
Treatment								
Compactor	II	60,000						60,000
Backup power	R	25,000	500,000					525,000
Conveyance								-
Pipe Replacement/Lining for I&I Removal, Rehabilitation	II		25,000	50,000	75,000	100,000	100,000	350,000
E. Blaine Sewer Extension	ED	350,000		400,000			1,000,000	1,750,000
Lift Station								-
Lift Station capacity and instrumentation improvements	II	20,000	30,000	30,000	30,000	30,000	30,000	170,000
Royal Troon Lift Station Improvements (Semiahmoo)	II				75,000	500,000		575,000
Funding Sources								
Beginning Fund Balance (325)		30,000	25,000	25,000	20,000	15,000	-	115,000
Wastewater Capital Reserve Funds Transfer (420)		450,000	55,000	75,000	100,000	115,000	130,000	925,000
Latecomers								-
								-
Unknown Source			500,000	400,000	75,000	500,000	1,000,000	2,475,000
Summary								
Project Costs		455,000	555,000	480,000	180,000	630,000	1,130,000	3,430,000
Funding Sources		480,000	580,000	500,000	195,000	630,000	1,130,000	3,515,000
Balance		25,000	25,000	20,000	15,000	-	-	85,000

TYPE LEGEND: Reflects funding source not yet identified

R = Regulatory (improvement required to meet health safety needs).

II = Infrastructure Improvements (improvements to provide system rehabilitation, service delivery or address age or system deficiencies).

ED = Economic Development - improvements that provide an economic return on investment (ROI) or facilitate growth; (include job creation, increased tax revenues and utility revenues).


E St
Linc. Ln, H St., D St.
Bonneville Power Easement AF 833026
Allan St
Vista Terrace Drive
Vista Ave
Lincoln Ln
H St
H Street Rd
Terrace Ave
Crest Dr
V x3
N
No Permit -18
Pre 1985 - 12
Modern 85 & 90
Modern 20+
On Sewer - 5
On Sewer
Post 2014 - 3

Update on Deferral Requests

- Requests Submitted - 14
  - Approved - 4
  - Need current OSS Eval - 2
  - Denied (No permit) - 4
  - Requests In Process – 4
  - Appeals of Denial - 2