

Public Property, Safety, and Works Committee  
Monday, December 9, 2019 4:00 PM  
Council Chambers  
1369 25 Avenue

{{Name: Agenda Item Name}}

{{Rationale: Agenda Item Rationale}} {{AgendaItemEnd}}

- 1. Statement of compliance with Open Meetings Act and roll call.**
- 2. Election of Chair and Vice-Chair.**
- 3. Amendment to Part II, Section B, of the Assessment Policy to include assessment of costs for Lift Stations to benefiting properties by a serviceable area basis.**
- 4. Adjournment.**

The City of **Columbus**

**MEMORANDUM**

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**DATE:** December 5, 2019  
**FROM:** Richard J. Bogus, P.E., City Engineer  
**TO:** Tara Vasicek, City Administrator  
**RE:** Amend Assessment Policy for Lift Station Assessments to Benefiting Properties by a Serviceable Area Basis

**RECOMMENDATION:**

I recommend approval of amending the Assessment Policy, Part II, Calculation of Assessment, Section B. Sanitary Sewer, adding Lift Station assessments to benefiting properties shall be by a serviceable area basis.

**DISCUSSION:**

The amendment will allow benefiting properties, as described by State Statutes, to be assessed by serviceable area basis and not by a front footage basis. The assessment for sanitary sewer shall remain on a front footage basis. Lift station costs shall be for complete in place and include that for the lift station wet well and valve structures, pumps, valves, force main, fittings, dewatering, and other costs associated with the installation and operation.

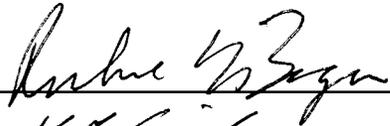
**FISCAL IMPACT:**

None.

**ALTERNATIVE:**

Do not approve.

**SIGNATURE:**

By:   
Approved By: 

# **ASSESSMENT POLICY**

The City's assessment policy consists of three parts plus Exhibit "A", which is the City Attorney's letter to the City Council on assessments.

1. Part one is the district creation and legal requirements.
2. Part two is the procedure for the calculation of assessments.
3. Part three is the payment policy.

## **PART I - DISTRICT CREATION**

### **A Water and Sanitary Sewer Extension Districts**

1. Water and sanitary sewer extension districts can be created by the City Council after they have received a request from a property owner, or the City Council can create the district by their own action.
2. Water and sanitary sewer extension districts cannot be remonstrated against by owner petition.

The procedure will be as follows:

- a. Letter of requests given to City Clerk who places it on the Council agenda.
- b. Letter of request is referred to the Public Property, Safety, and Works Committee.
- c. The City Engineer prepares a report for the Public Property, Safety, and Works Committee detailing the property involved in the district and estimated project costs.
- d. The Public Property, Safety, and Works Committee then recommends to the City Council either approval or denial of the request
- e. If the Committee and City Council approve the creation of a district, the City Engineer will forward information sufficient to create the district to the City Attorney.
- f. Meeting of the Council to consider passage of an ordinance creating the district
- g. Upon passage of the ordinance, it must be published and filed with the County Register of Deeds.
- h. After the district is created by the City Council, the City Engineer will write a letter to each property owner in the district indicating their approximate cost and payment information. (See attached letter for water and sewer district.)
- i. The bidding and construction process must then occur.
- j. Upon completion of the project, the Council, at a regular meeting would accept the certificate of completion, review the tentative schedule of assessments and set a date for the Board of Equalization to meet

- k. A notice for the meeting of the Board of Equalization must be published five (5) times. A copy of the notice must be sent by regular first class mail, within five days of the first publication, to resident property owners. Non-residents must also be sent a copy of the notice by certified mail within five days of the first publication.
- l. The Council then meets as a Board of Equalization to levy the assessments and a resolution and an ordinance is then passed.

B. Street Improvement District

- 1. A street improvement district can be created after the City Council has received a request for street improvements from at least 50 percent of the front footage property owners.

The procedure will be as follows:

- a. Letter of request given to City Clerk who places it on the Council agenda.
- b. Letter of request is referred to the Public Property, Safety, and Works Committee.
- c. The City Engineer prepares a report for the Public Property, Safety, and Works Committee detailing the property involved in the district and estimated project costs.
- d. The Public Property, Safety, and Works Committee then recommends to the City Council either approval or denial of the request.
- e. If the Committee and City Council approve the creation of a district, the City Engineer will then forward to the City Attorney the information needed to create the district.
- f. Regular meeting of the Council is held to consider passage of an ordinance creating the district.
- g. The ordinance must be published one time and the Notice of Creation published four times.
- h. Certificate of Filing ordinance with Register of Deeds is prepared by the City Clerk.
- i. The Notice of Creation must be mailed within five (5) days of its first publication date to the non-resident property owners.
- j. If the district is approved by the City Council, the City Engineer will write a letter to each property owner in the district indicating their approximate cost and payment information. (See attached letter for paving district.)
- k. If objections are received, a meeting of the Council would occur to hear said objections to the creation of the district and a resolution then passed declaring that the district was created. If the owners of more than 50 percent of the front footage files objections to the district with the City Clerk within 20 days, the ordinance shall be repealed.

- l. The bidding and construction process must then occur.
- m. Meeting of the Council to accept engineer's certificate of completion, review the tentative schedule of assessment and set date for Board of Equalization. A notice for the meeting of the Board of Equalization must be published five (5) times. A copy of the notice must be sent by regular-first class mail, within five days of the first publication, to resident property owners. Non-residents must also be sent a copy of the notice by certified mail within five days of the first publication.
- n. Mayor and Council sit as Board of Equalization to levy assessments with a resolution and ordinance passed to levy the assessments.

C. Sidewalk Improvement District

- 1. A sidewalk improvement district can be created if the Council determines that a sidewalk is required or if a request is received from a citizen.

The procedure will be as follows:

- a. From City Code

9-8-1 : CONSTRUCTION OF SIDEWALK REQUIRED: Whenever the Council shall deem it necessary that a sidewalk be constructed in front of or along any lot or piece of land in the City in a place where there is no sidewalk, or that an existing sidewalk be widened, replaced or reconstructed, the Council may so order by vote, three-fourths ( $\frac{3}{4}$ ) of its members concurring, and the yeas and nays of such vote shall be entered of record. (1937 Code)

9-8-2 NOTICE OF CONSTRUCTION: Whenever the Council shall order any curbing constructed, except through formation of or in connection with regularly organized improvement district, or any sidewalk constructed, widened, replaced or reconstructed, the Clerk shall thereupon cause the owner of record of such lot or piece of land to be notified by such order. The notice shall specify the time within which the owner shall construct the curbing or construct, widen, replace or i-construct the sidewalk or cause the same to be done. If notice is served upon the property owner of record at any time between April 15 through October 15 of each year, the work so specified shall be done within thirty (30) days from and after the service of notice, or from the time of last publication if service be held in that manner. If service of notice is made upon the property owner between October 16 through April 14, the work as specified shall be completed and performed within thirty (30) days from April 15 next following the service of notice. The notice so served upon the property owner shall specify the time within which he shall perform the work and further inform the owner that if he fails to have the improvements made as directed within the time specified, then and in that event, the City will cause the improvements to be made and the cost thereof will be levied and assessed thereafter by the Mayor and Council as a special tax against the property. The notice shall be given by delivering the same to the owner in person or by leaving it at his usual place of residence in the City, or if he be a nonresident of the City, then by publication thereof for three (3) consecutive days in the daily newspaper of the City. The Engineer or other engineer employed by the City shall in all cases be notified by the Clerk when the notice to the property owner is served to stand ready to furnish a survey and set the stakes for the improvement within ten (10) days thereof. (ord. 2967, 3-19-84)

9-8-3 : WORK DONE BY CONTRACT Whenever the City shall construct curbing or construct, widen, replace or reconstruct any sidewalks as herein provided, notice specifying the work to be done and calling for bids for doing the work and furnishing the necessary material and labor shall be published in at least two (2) issues of a daily newspaper of the City, the bids to be filed within ten (10) days after the date of first publication and to be opened at the next regular or special meeting of the Council, which shall award the work to the lowest responsible bidder. (1937 Code)

a. From State Statute

1. Regular meeting of the Council to consider passage of ordinance creating district.
2. Certificate of filing the ordinance with the Register of Deeds must then take place.
3. The ordinance must be published one time and the Notice of Creation published four times.
4. The Notice of Creation must then be sent to non-resident property owners within *five* (5) days of its first publication date.
5. The bidding and construction process must then occur.
6. Upon completion of the project, the Council must meet to accept the engineer's certificate of completion, review the tentative schedule of assessments and set date for Board of Equalization meeting.
7. The Notice of the meeting must be mailed within *five* days after its first publication date to both resident and non-resident property owners. Resident property owners should be notified by first class mail and non-residents by certified mail.
8. The Board of Equalization then meets and levies assessments. A resolution and ordinance would then be passed approving the assessment schedule.

## **PART II - CALCULATION OF ASSESSMENT**

A. Water

Property Owner Cost - Cost of 6" water main, valves, fittings, fire hydrants, and service lines. This will include boring costs, dewatering costs, and other costs associated with installation of a 6" water main.

City Cost - The difference in cost between a water main, valves and fittings, borings larger than 6", and a 6" diameter water main and fittings.

Water will be assessed on a front footage basis.

B. Sanitary Sewer

Property Owner Cost - Cost of an 8" sanitary sewer main, manholes, tees, and service lines. This includes boring costs, dewatering, and other costs associated with the installation of an 8" sanitary sewer.

City Cost - The difference in cost between a sanitary sewer main larger than 8" diameter and an 8" diameter sanitary sewer.

Sanitary sewer will be assessed on a front footage basis; however, as each district must be reviewed individually, normal assessments for Sanitary Sewer for lift stations may be determined and made by the benefited serviceable area as determined in the preliminary design.

C. Storm Sewer

Property Owner Cost - 12" storm sewer, inlets, manholes, and other costs associated with installation of a 12" storm sewer.

City Cost - The difference in cost for a storm sewer larger than 12" in diameter and a 12" diameter storm sewer.

Storm sewers will be assessed on a front footage basis if a storm sewer district is created. If storm sewers are part of a paving district, they will be assessed as part of the paving district.

D. Paving

Property Owner Cost (Residential) - 33' wide, 6" thick PCC pavement.

Property Owner Cost (Commercial/Industrial) - 33' wide and the total thickness which will be determined by the engineer based upon the traffic in the area.

City Cost (Residential) - The difference in cost between a street wider or thicker than 33' wide and 6" PCC plus intersection costs as per the attached diagram.

City Cost (Commercial/Industrial) - Width over 33' and intersection cost as per the attached diagram.

Criteria for Determining Benefits to Property

Although each district must be reviewed individually, the same basic principles will be used in each case. The assessable area, or district boundary, is usually established by including all property, which extends back from the improved street half way to the next parallel street.

The half way distance is then divided in thirds and assessed as follows

First	1/3 - 50%
Second	1/3 - 30%
Third	1/3 - 20%

The attached curve will be used and is based upon the half way distance being 132 feet.

Each street improvement district is usually different in some way from previous districts. For this reason it is difficult to set one rule for all assessments and never allow deviation. Properties must be assessed according to benefits derived and this fact must not be ignored just to satisfy a mathematical procedure. The City can only use its best judgement and experience to spread assessments and must always be satisfied that the benefits exist. Even when this is done it will still be necessary to justify the assessment and to explain these methods.

E. Sidewalk Districts

The property owner shall pay for a 4' wide, 4" thick PCC sidewalk.

City Cost - The difference in cost between a 4' wide, 4" thick PCC sidewalk.

If a driveway is crossed with the sidewalk, a 6" PCC sidewalk will be installed and will be assessed to the property owner.

F. Assessable Costs

The total assessable costs for a water, sewer, storm sewer, paving, or sidewalk district will be calculated upon the following basis:

1. Actual construction cost.
2. Right-of-way cost.
3. Engineering cost - 8% of construction cost if done by City staff or actual cost if done by a consultant.
4. Interest - 8% of construction cost for 1 year.
5. Legal - 2.5% of construction cost.
6. Miscellaneous costs - see attached chart.
7. Printing and publication costs - see attached chart.
8. Inspection costs' - part of 8% if done by City staff or actual cost if done by a consultant.

'Inspection cost shall include all testing costs.

G. Paving Federal Aid Projects

For Federal Aid Projects, the assessable cost shall be the City's cost of construction plus,

Engineering - Actual cost or 8% of construction cost if done by City staff.

Legal - 2.5% of construction cost or actual cost.

Interest - 8% for one year of City's cost of construction.

Miscellaneous & Publication - As per chart based upon construction cost.

Right-of-Way Costs

The City will not deduct for over-sized storm sewers, over width, extra depth, or other items due to Federal assistance. If the Federal share is 80% or greater, under 80% Federal share will be considered on a case by case basis.

## PART III - PAYMENT POLICY

### A. Assessment of District

A Notice of Proposed Assessment is mailed to all property owners, which outlines the proposed amount of assessment, proposed interest rate, proposed payment schedule and time and place of the public hearing to consider any protest regarding the amount of the assessment. The City Council sits as a Board of Equalization to consider the properties that are specially benefited by the improvements. After the Board of Equalization hearing and discussion the final amounts of the assessments are levied. Once they are levied another notice is mailed to the property owners outlining payment procedures. The property owners have 50 days from the date of the levy to pay the assessment in full, or to indicate their participation in the installment program by paying the first installment of the assessment.

The Ordinance levying the Special Assessments is recorded with the Register of Deeds.

### B. Annual Billing Procedures

The City sends the property owner a bill annually for principal and interest due before the assessment anniversary date. The annual payment should be sent to arrive on the day prior to the anniversary date. Should a property owner desire to make partial payments or monthly payments, the City of Columbus accepts them at the City Clerk's Office. Early payments are encouraged, which reduce the amount of interest the property owner pays.

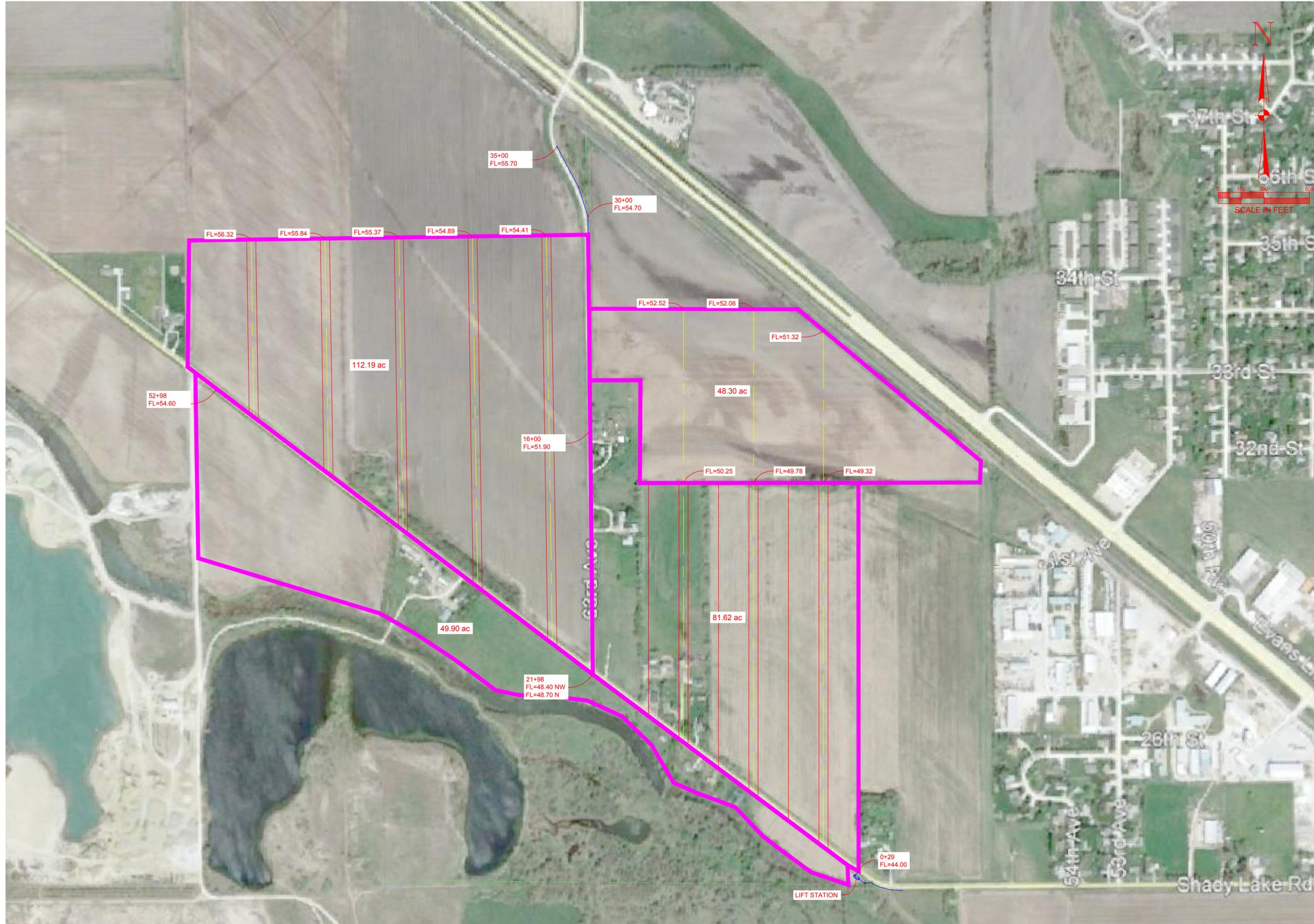
Should an installment become delinquent, the delinquent installments are charged delinquent interest at 14%, the highest interest rate allowed by law. When an assessment is delinquent for three years, foreclosure procedures are initiated.

### C. Payoff Procedures

Property owners or interested parties may request the amount necessary to pay off an assessment. A written request is required to obtain the balance from the Finance Department. The written request may be faxed to the City Hall Fax at 402-563-1380. The requests will be processed and faxed back as quickly as possible, but there may be a delay of up to five days for a response.

### D. Potential Assessments

To find out if a district has been created in an area of town, prior to the assessment being levied, please see the Ordinances filed in the Register of Deeds Office.



Diggers Hotline of Nebraska 1-800-331-5666

Phone (402) 544-2807  
 Fax (402) 544-2802  
 Columbus, Nebraska 68602-0905

**GILMORE & ASSOCIATES INC.**  
 Engineers · Surveyors

**SEWER EXTENSION DISTRICT NO. 47**  
**COLUMBUS, NEBRASKA**  
**SERVICE AREA**

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DATE	05/20/2019
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SHEET	1 of 1

REVISIONS