



TO: Elizabeth A. Pauli, City Manager
FROM: Jeff H. Capell, Hearing Examiner *JHC*
Ralph K. Rodriguez, LID Administrator, Public Works Engineering Division *RKR*
COPY: City Council and City Clerk
SUBJECT: Ordinance Request No. 21-0002 - LID 3970 Formation - January 12, 2021
DATE: December 23, 2020

SUMMARY AND PURPOSE:

An ordinance forming Local Improvement District 3970, to extend an eight-inch wastewater main within North 48th Street from Lexington Street east 150 feet, thence south in Lexington Street, approximately 680 feet.

BACKGROUND:

The Hearing Examiner's recommendation to approve formation of Local Improvement District ("LID") 3970 is based on the evidence and testimony presented at a public hearing held on October 26, 2020, as well as submissions received (at the request of the Examiner) after the public hearing from Bijan and Shahnaz Ghatan and the City's Department of Public Works, LID Section. LID 3970 proposes to extend an eight-inch wastewater main with tees and/or risers for wastewater laterals, with utility access maintenance points in North 48th Street from Lexington Street east 150 feet, thence south in Lexington Street, approximately 680 feet. Proposed LID 3970 is a City of Tacoma ("City") initiated LID. When residential streets within the LID were slated to be paved using 2019 budgeted Street Initiative Package money, City policy promoted construction of wastewater mains in such streets where they do not currently exist prior to (or as a part of) such paving projects. In 2018, an amended neighborhood survey determined that 70.3% of properties within the proposed LID were in favor of formation. At the public hearing Bijan and Shahnaz Ghatan requested to be excluded from the LID due to already being lawfully connected to the City's wastewater system in 1978. Post hearing, City staff supplied documentation to support the Ghatans' assertion that they were already connected and paid a Connection Charge-in-lieu-of-Assessment. Subsequently, the Examiner has recommended excluding the Ghatans from LID 3970, and the City amended its costs and legal description.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

All property owners within the proposed LID were notified of the public hearing, held on October 26, 2020, at which they could attend to express their concerns and voice support for, or opposition to the formation of proposed LID 3970. Three property owners did testify at the hearing primarily for the purpose of asking clarifying questions about the proposed LID to City staff. The Ghatans, as referenced in the background section of this memorandum, testified at the hearing that they do not oppose the LID, but are already lawfully connected to the City's wastewater system and wish to be excluded. Property owners within the proposed LID 3970 boundary will benefit by being connected to the needed wastewater facilities, receiving a long-term financing option from the City, and from the City's contribution to the proposed LID improvements.



2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Positive impacts on equity and accessibility result from approving this LID formation because residents within the LID boundary can convert from outdated septic systems and have access to more environmentally friendly City wastewater facilities.

Livability: *Equity Index Score:* Moderate Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

Explain how your legislation will affect the selected indicator(s).

The formation of the Local Improvement District acknowledges the overall support of the property owners to form the LID and supports their opportunity to have direct involvement in public improvements in their neighborhood.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. The Council could approve the LID formation under different terms than those recommended.	Any positive impact arising from varying from the Examiner's recommendation would depend on what those variations are.	Any variation from the current recommendation could potentially delay the LID formation.
2. The Council could deny the LID formation.	The most positive impacts come from approving the LID formation.	The most positive impacts come from approving the LID formation, thereby making the improvements that are supported by the City and the property owners.

EVALUATION AND FOLLOW UP:

All evaluations and follow up should be coordinated between the appropriate City Department and property owners within the LID.

STAFF/SPONSOR RECOMMENDATION:

The Hearing Examiner recommends formation of Local Improvement District No. 3970, after excluding the Ghatan property, and following the costs and legal description as revised in the Addendum to the Hearing Examiner's Report and Recommendation.



FISCAL IMPACT:

Please provide a short summary of the fiscal impacts associated with the grant, agreement, policy action, or other action.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. 4300 – ES Wastewater	LID-3970W	5600000	\$342,651
TOTAL			\$342,651

What Funding is being used to support the expense?

LID-3970W-FS-AD-01, Fund Revenue - \$255,644
LID-3970W-FS-AD-02, LID assessments - \$87,007

Are the expenditures and revenues planned and budgeted in this biennium’s current budget?

YES

ES Wastewater is budgeted at the fund level.
LID assessments are budgeted at the project level upon adoption of the formation ordinance.

Are there financial costs or other impacts of not implementing the legislation?

No

There are no financial costs to the city for not setting the formation of this Local Improvement District

Will the legislation have an ongoing/recurring fiscal impact?

YES

The wastewater main will require periodic cleaning which will be more than offset by additional revenue from additional customers using the extended wastewater system

Will the legislation change the City’s FTE/personnel counts?

No

Existing staff will design, inspect, and maintain the additional 830 feet of the new wastewater main.

ATTACHMENTS:

The following attachments can be found in Legistar:

- The Hearing Examiner’s City Council Action Memorandum, dated December 23, 2020.
- The Hearing Examiner’s Addendum to Findings of Fact, Conclusions of Law, and Recommendation, issued on November 24, 2020.
- The Hearing Examiner’s Findings of Fact, Conclusions of Law, and Recommendation, issued on November 6, 2020.
- The City Witness List, Exhibit List, and Exhibits C-1 through C-10, and Exhibits 11 and 12.
- Verbatim electronic recording from the hearing held on October 26, 2020.