

ABCs of LIDs

Sanitary Sewer Local Improvement District (LID)

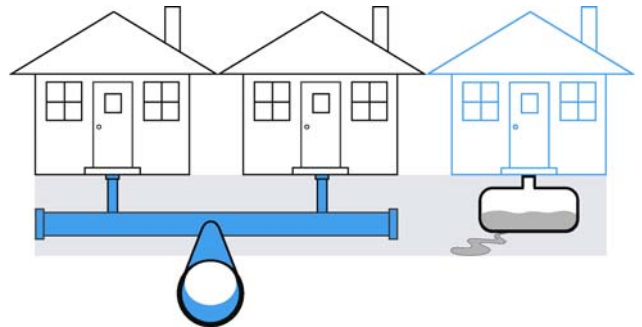
This brochure tells property owners how they can bring sanitary sewer service to their area by forming a Local Improvement District (LID).

Septic systems in the urban area become less appropriate and effective as the area grows and vacant land is developed. Failing septic systems pose a serious threat to public health and the environment, especially local streams.

Clean Water Services, the sanitary sewer and surface water management utility, administers sanitary sewer LIDs in urban Washington County.

What is a Local Improvement District (LID)?

Some neighborhoods lack necessary local improvements such as streetlights, road maintenance, or sanitary sewers. Because these services provide a benefit to specific properties, they are not funded from general funds or taxes. One way property owners can build and finance these local improvements is by forming a Local Improvement District (LID). Clean Water Services administers the LID and offers financing to help property owners manage their share of the cost.



Who Needs a Sanitary Sewer LID?

If you are within the Urban Growth Area and have a septic system or your property lacks sanitary sewers, you might need or want to bring sewer service to your property in order to address a failing septic system, add on to your existing home, or further develop your property. Because sewer construction is costly and usually benefits a number of properties, a Local Improvement District allows all of the neighbors to share the cost of building the sewer.

Do Property Owners Have a Say in the LID Process?

Yes! The process usually begins with a petition from property owners in the area who are interested in learning more about the cost to bring sanitary sewer service to their neighborhood. Clean Water Services encourages your active participation at neighborhood meetings throughout the process, and will hold several meetings with property owners throughout the preliminary design process. Your input will help staff develop preliminary design and cost sharing options.



Once the preliminary engineering report is completed, property owners will cast a ballot indicating their support or opposition to the LID and staff will make a recommendation to the Board of Directors on formation of the LID.

All potentially affected property owners are invited to attend and participate in the public hearing where the Board of Directors will make the final decision about formation. The Board of Directors cannot form the LID if more than 50 percent of the property owners who own more than 50 percent of the property object to the LID, unless a public health hazard exists that must be remedied.

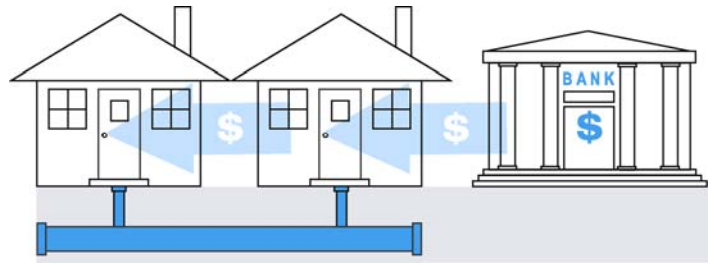
What Are the Costs and Who Pays?

The cost of an LID project includes project management, engineering, construction, inspection, legal services, and compensation for easements. All property owners whose property can be served by the new sewer are billed an "LID assessment" for their share of the total project cost. The assessment method, or how the costs are divided among the properties, is decided by the property owners. Typically, costs are divided equally with each lot paying an equal amount or divided based on the size of each lot.

Can We Afford an LID Assessment?

In 2001, Clean Water Services' Board of Directors expanded options to help reduce each property owner's assessment by offering these incentives:

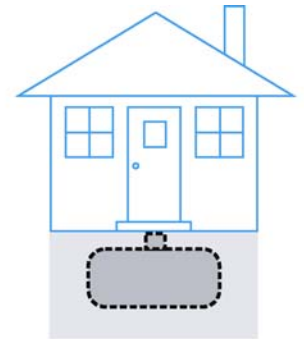
- ✓ Construction cost sharing—If a project is unusually expensive due to factors such as steep terrain, Clean Water Services will help pay the extraordinary costs.
- ✓ Engineering and administration costs are waived for those who connect within one year—a savings of up to 15 percent.
- ✓ Low interest financing
- ✓ Up to \$2,000 for plumbing conversion may be financed if connection is made within six months.



Are There Other Costs to Property Owners?

In addition to the LID assessment, which covers the cost of building the public sewer line and lateral stub, connecting a house to the sewer involves several other costs:

- ✓ Decommissioning the septic system by pumping out the septic tank and filling it in with dirt or gravel
- ✓ Construction of the private lateral on private property to connect the house to the new public sewer
- ✓ Plumbing inspection fee through Washington County
- ✓ Sewer connection permit fee or System Development Charge (SDC)
- ✓ Monthly sanitary sewer service charges once the house is connected



What Types of Financing are Available?

Clean Water Services typically offers 10-year financing for the following items:

- ✓ The LID assessment
- ✓ Up to \$2,000 of the plumbing conversion costs for those who connect within six months
- ✓ The System Development Charge

For current fees and sewer charges, please call Clean Water Services Engineering Division at (503) 681-5100.

The LID Process – “Step by Step”

1. Study and Approval

Property owners:

- ✓ Circulate a petition among your neighbors. (Clean Water Services can provide the petition form.)
- ✓ Submit the signed petition to Clean Water Services.



Clean Water Services staff:

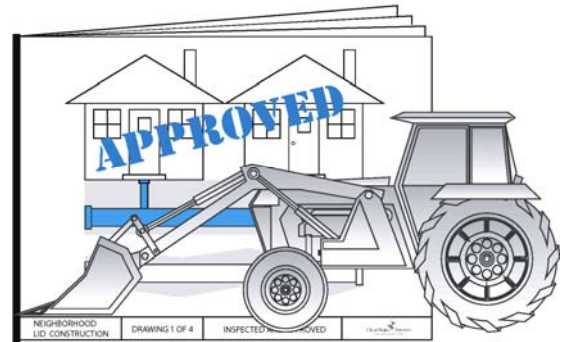
- ✓ Review the petition and determine study area boundary.
- ✓ Notify property owners within the study area.

- ✓ Hold a meeting to explain the LID process and get preliminary input from property owners.
- ✓ Present the LID petition to the Board of Directors and request approval to develop a preliminary engineering study and assessment report.
- ✓ Prepare a draft report and cost estimate.
- ✓ Hold a second neighborhood meeting to discuss the report, cost, and cost sharing methods.
- ✓ Revise the report as necessary and ask all the property owners in the study area to indicate their support or opposition to the LID on a ballot; count the supporters and make a final recommendation to the Board regarding formation of the LID.
- ✓ Notify property owners of the public hearing regarding formation of the LID.

2. Design and Construction

Once the LID is approved, the property owners and Clean Water Services cooperate on the details of the project design.

- ✓ Surveyors gather information for Clean Water Services engineering staff to design the project.
- ✓ Clean Water Services negotiates details and compensation for easements with property owners.
- ✓ Clean Water Services advertises the construction contract and selects the lowest responsible bidder. If the bid exceeds cost estimates by more than 10 percent, a meeting is held for property owners to decide whether to continue.
- ✓ Property owners are notified of the start date and construction schedule.
- ✓ A staff inspector oversees the work of the private contractor and makes every effort to keep disruptions and inconveniences to a minimum.



3. Assessment

After construction is completed, Clean Water Services:

- ✓ Notifies property owners they can purchase a permit and connect to the new sewer.
- ✓ Notifies property owners of the public hearing for the proposed final assessment. After the hearing, the assessment and a loan application are mailed to owners.

Property owners:

- ✓ Have 30 days to pay the assessment or sign a contract to finance all or part of their assessment.
- ✓ Are required to connect within three years. (An extension may be granted for new septic systems and systems in good working order.)



Are There Alternatives to an LID?

The Local Sewer Improvement program allows a property owner or group of owners to build the sewer and eventually recover part of the cost when other properties connect. For more information on how to have a project designated as a Local Sewer Improvement, please call the Engineering Division at (503) 681-3600.



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