

ULID FORMATION QUESTIONS AND ANSWERS

The following questions have been raised during the formation of previous Utility Local Improvement Districts (ULIDs). Coal Creek Utility District has prepared this brochure in an effort to answer the following questions prior to the formation of a ULID. If your questions are not answered after reading this information please contact the District at (425) 235-9200.

1. Question: How do I know my area needs sewers?

Answer: Nothing is more basic to public health and disease prevention than vigilance and thoroughness of environmental sanitation. For most of the urbanized areas of King County there is no way of meeting these needs without a public sewer system. The District is the local agency to help you accomplish this goal.

Some of the warning signs which may indicate the need for sewers include:

- (a.) Your septic tank needs pumping more often than normal, even though your water consumption has not increased.
- (b.) Excess dampness over the septic drain field area.
- (c.) Unusual sewage odors in or around your house and yard.

2. Question: How is the project financed?

Answer: The project is financed through the sale of municipal revenue bonds. The bonds are repaid by the assessment payments of property owners.

3. Question: How are assessments established?

Answer: Prior to the formation hearing, preliminary engineering is performed to establish the estimated total project cost and the total assessments to be charged against the properties in the ULID. During the preliminary engineering work one or more service alternatives are developed. These alternative plans are analyzed for their capability to provide service to the properties involved.

4. Question: How are assessments computed?

Answer: In calculating the assessments for the properties, the following factors are taken into consideration: area; frontage on the sewer line; zoning; land use; and number of potential building sites.

5. Question: Will the final assessment be different from the preliminary (estimated) assessment?

Answer: Typically, yes. The initial cost estimates, on which the preliminary assessments are calculated, are general in nature and prepared without the benefit of a system design. However, the final assessments are typically within 5 to 10 percent of the preliminary estimates. If the construction bids vary significantly from the construction estimates one of the following may occur:

- (a.) If the construction bid is lower than the estimate calculated, the assessments may be reduced.
- (b.) If the construction bid is higher than the estimate, and the additional cost is unacceptable to the District, the project may be redesigned and rebid.

6. Question: If the project is terminated by the District how can the project be reinstated?

Answer: Once terminated, the entire ULID formation procedure must be reinstated. Since the normal reason for termination is excessive cost, the new ULID will not proceed until the project is redefined and assessments are re-computed.

7. Question: How are assessments paid?

Answer: After an assessment roll hearing (with notice), the final assessments are confirmed and filed with King County. Property owners are then notified that the assessment has been filed and are given two methods by which to pay the assessment:

- (a.) The first method is payment in full within 30 days of publication of the first notice. If so paid, no interest charges will be applied.
- (b.) The second method allows the assessment to be financed over 15-20 years and collected by King County. The first installment will be due one year from the publication of the first notice. Each year one-fifteenth of the principal amount, plus simple interest on the principal balance, will be due. The interest rate on the installments usually is 4.5% to 5.5%.

8. Question: Are there any government programs to assist a property owner in the payment of assessments?

Answer: There is an assessment deferment plan available through King County. To qualify the owner/occupant must be at least 60 years old, or retired due to a disability, and meet certain income guidelines.

9. Question: What are the General Facilities Charge (GFC) and the Metro

Capacity Charge?

Answer: The GFC, currently \$2,900.00 per unit, is due at the time that you choose to connect to sewers.

The Metro Capacity Charge, about \$9,351.00 effective January 2011, is collected by King County/Metro for all new connections to sewers, and is due after you connect to sewers. It is billed directly by King County/Metro. You will have the option of payment in full, or financing with King County. This Charge does increase on a yearly basis, and is assumable by the new owner if you sell your house.

The GFC and Capacity Charges are one time only charges.

10. Question: What is the monthly service charge after the project is completed?

Answer: Residences within the ULID pay a monthly sewer service charge. As of February, 2012, the charge for a single-family dwelling will be \$36.37 billed bimonthly.

11. Question: When do I have to start paying the monthly service charge?

Answer: After your house is connected to sewers.

12. Question: What will happen to the streets and roads due to the sewer project?

Answer: Any construction disturbance occurring to the roads due to sewer installation will be corrected to restore the roads to as good as, or better than, the condition prior to the sewer project.

13. Question: Where does the District install the stub to which the side sewer is connected?

Answer: The District terminates construction at the property line or the edge of easements. Prior to construction the District will coordinate the stub location with the property owners, and where possible, an effort is made to install the stub at the owner's requested location.

14. Question: What construction is the property owner's responsibility after the District has constructed the main lines?

Answer: The property owner must install the side sewer from the District's stub at the property line to the plumbing outlet(s) from the residence and is responsible for the cost of the side sewer. The side sewer may be installed by the property owner or by a District approved side sewer contractor.

A side sewer permit must be obtained from the District by the owner or the side

sewer contractor and the side sewer installation must be inspected and approved by the District. The side sewer permit will cost \$150.00.

15. Question: Are there any government programs to assist a property owner in the payment of side sewer construction costs?

Answer: Possibly, provided funds are available, and the property owner qualifies. In the past, King County, with Housing and Urban Development funds, has had loan and/or grant programs to assist low income residents with side sewer costs.

If you have any further questions or any circumstances which are unique to your property you may contact the District at (425) 235-9200.