

*Land of Cheese, Trees and Ocean Breeze*

TILLAMOOK COUNTY  
PUBLIC WORKS DEPARTMENT  
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TDD-NONVOICE  
Oregon Relay Service

December 16, 2002

TO: Interested Parties

FROM: Aaron D. Suko, Director of Public Works, P.E. *Aaron Suko*

RE: Funding Policy For County/Community Paving of Public Gravel Roads

This policy outlines County participation in match funding paving projects on residential public right of way streets.

County will participate in funding of Community Paving Agreements (CPA) as follows:

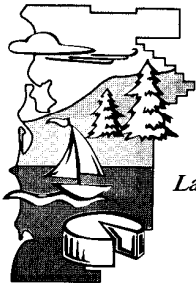
- Determination of County/Community funding split based on total project costs
- County share is 25% (citizen share is 75%).
- Total County contribution per project is limited to \$30,000.
- Total County expenditure per budget year is limited to \$60,000.

Procedures and construction standards for CPAs for Paving of Public Gravel Roads are addressed in a separate policy titled, Procedures and Standards for Community Involvement in Paving of Public Gravel Roads.

Local Improvement Districts cost are borne 100% of the applicant (i.e. no County fund match participation).

The above policy details are subject to available funds.

This policy is approved by the County Roads Advisory Committee and the County Board of Commissioners.



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FROM: Aaron D. Suko, Director of Public Works, P.E. *Aaron Suko*

RE: Procedures and Standards for County/Community Paving of Public Gravel Roads

This memorandum addresses the following topics:

- Definitions of terms used in this and other related policies
- General policies, procedures and standards regarding paving of public gravel roads
- Local Improvement Districts (LID)
- Community Paving Agreements (CPA)

This policy is approved by the County Roads Advisory Committee and the County Board of Commissioners.

County match funding for paving of public gravel roads is addressed in a separate policy titled, Funding Policy For County/Community Paving of Gravel Roads.

#### DEFINITIONS

Local Improvement District or "LID": Formal process regulated by Oregon Revised Statutes (371.605 to 371.660) for the establishment of an improvement district for specified road related work. Final costs for the LID are distributed by liens or assessment on properties. This process is generally used with larger projects over \$50,000.

Community Paving Agreement or "CPA": County agreement process where road improvements needed for and including paving of existing gravel roads are funded, at least in part, by citizen funds provided in bulk to the County Road Department. County does not participate in how or from what sources the citizen contributions are collected.

AASHTO Manual (A Policy on Geometric Design of Highways and Streets published by the American Association of State and Transportation Officials): These are the design standards for road improvements. The level of required improvements are usually based on topography and ADT. Other considerations may apply (such as grade and sight distance).

Average Daily Traffic or "ADT": Total traffic count on a roadway during a typical day. There are several different levels for measuring ADT:

- Existing ADT: traffic count based on current use. Typically for a no-outlet road, ADT is determined at 10 vehicle trips per residence
- Potential ADT: traffic count based on expected use. Typically measured by adding total acreage that would use a roadway divided by the existing land use density
- Through traffic ADT: For a through road carrying traffic beyond a road improvement in question, this traffic count is typically measured using traffic counter(s) or estimated, if possible.

Cost share or funding split: For a CPA, this is how the County/Citizen cost are split. The actual funding percentage is established in a separate policy from the procedures policy (this document). The funding split applies only to CPAs.

Preliminary Estimate: This estimate is the initial cost projection. It is typically used to determine if the project is eligible for match funding and to allow an applicant to determine if they are still interested in proceeding with the project. This estimate uses estimate material volumes and a series of general assumptions. It is further refined by the Project Budget Estimate.

Project Budget Estimate: After the Preliminary Estimate is reviewed and concurred with by the applicant, the Project Budget Estimate (PBE) is developed. The PBE represents the detailed estimate of project costs for the entire project including required engineering and administrative services. The Preliminary Estimate and PBE are not necessarily the same. Combining the PBE and the current County/Citizen cost share percentage determines commitment cost by the applicant. If the citizen match based on PBE and cost share are provided to the Road Dept, the Road Dept is committed to completing the proposed project work for that amount.

#### **GENERAL POLICIES REGARDING PAVING OF GRAVEL ROADS**

1. The projects must include the necessary improvements to make the road safe and easy to maintain. This may require some roadway widening and drainage improvements.
2. Citizens of a proposed project should be aware that each considered improvement project is unique. Specific details that apply to one project may not apply to another project.

There are two procedures used in Tillamook County for community involvement in the paving of public gravel roads:

The "Local Improvement District" process in accordance with ORS 371.605 through 371.660. This is a formal process generally used in larger projects.

OR

A "Community Paving Agreement". This process is a less formal agreement between the County and the citizens.

### **LOCAL IMPROVEMENT DISTRICTS**

For road improvement projects over \$50,000, the County provides the administrative services of a Local Improvement District (LID) This needs to be only for larger districts because the administrative costs for a LID are close to \$5,000. This is due to the detailed records for costs, allocations and loan forms. The LID would be constructed by contract. An LID would require payment by all adjacent property owners if the district is wanted and approved by a majority of the owners.

The attached flow chart explains the initial LID process steps and then references the below LID steps.



#### STEP ONE: PETITION

An LID may be initiated by a petition signed by not less than 60% of the owners of the land representing not less than 60% of the land abutting the proposed improvements. The petition documents to start the process are to be prepared by the Public Works Department.

#### STEP TWO: ENGINEER'S REPORT

The County Engineer then prepares a report to recommend the method of assessment used to arrive at a fair apportionment of the improvements to the properties especially benefited. The report also includes an estimate of the amount to be assessed against each lot or parcel of land.

#### STEP THREE: NOTICE TO OWNER

If the Engineer's report is favorable, the County mails the owner of each parcel of land to be assessed for the proposed improvements, a notice of the proposed improvements and the estimated amount of the assessment against their land.

#### STEP FOUR: OBJECTION PERIOD

The notice mailed in Step Three requires the owner to file a written notice with the County within 20 days after the mailing of the notice, of any objections to the project. If written objections are received by the County by more than 50% of the owners of the land representing more than 50% of the land, the project is then abandoned.

#### STEP FIVE: IMPROVEMENTS MADE

If the LID is not abandoned in Step Four, the Tillamook County Board of Commissioners may order the improvements to be made.

#### STEP SIX: ASSESSMENT ESTABLISHED

After the improvements have been completed, the County Engineer compiles a report of all of the costs of the improvements and the amount proposed to be assessed against each property. The Board of Commissioners, upon receiving this report, sets a hearing for objections to the report. All property owners are notified of the proposed amount of the assessment and of the time of the hearing. After the hearing, the Board of Commissioners shall order the amount of assessment against each property.

#### STEP SEVEN: PAYMENT OF ASSESSMENT

After the Board of Commissioners orders the assessments, the payments can be made in full or the owner will be allowed to pay for the assessment over a period of time with interest due on the unpaid portion. The interest rate and time allowed for payment have not been established at this time.

#### STEP EIGHT: LIEN

Unpaid assessment becomes a lien against the property.

#### LID TIMELINE

Due to the formal nature of the LID process and required public meetings and hearings, from start to completion an LID process takes anywhere from 1 to 2 years or more for project completion.

#### **COMMUNITY PAVING AGREEMENTS**

The Community Paving Agreement (CPA) is a less formal improvement process consisting of the following features:

1. If serious interest in funding a project were shown, the County would develop a cost estimate of the work and provide it to the citizens. The estimate will include how much money would be required from the citizens for the County to do the project (in accordance with the County Policy titled, Funding Policy For County/Community Paving of Gravel Roads).
2. **The County would not be involved in the decision about who paid how much or who didn't pay at all.**
3. The citizens would have a deadline to deposit the entire share of their costs with the County. This deadline occurs in early Spring, so we can budget and schedule the project.
4. The homeowners may use any of the following methods of payment to the County:
  - a. Payment by regular checking account check(s). The County upon receipt will cash these. If the County decides not to do the

project, a refund in the amount of the checks collected is mailed.

- b. Payment by bank cashier's check(s). The County does not cash these until after the work has been completed.
  - c. Payment into an escrow account with a bank or title company, whereby the funds would be held until the work is completed. This escrow account is created by and paid for by the homeowners.
    - (1) If the County decided to not do the project, the County would pay the escrow costs and then refund the money (plus interest) to the citizens.
    - (2) After the County does a project, the County receives all of the money in the escrow account (including interest). There is no attempt at a detailed accounting for an exact split of costs.
5. The projects may be constructed by County forces or by contract.

The attached flow chart explains the CPA cost estimate process more thoroughly.

#### CPA TIMELINE

Assuming the collection of neighborhood contribution funds in a timely manner, a typical CPA is started and finished within a year time frame. Typically the estimate is completed during the Winter and match funds collected during the Spring prior to a Summer overlay project.

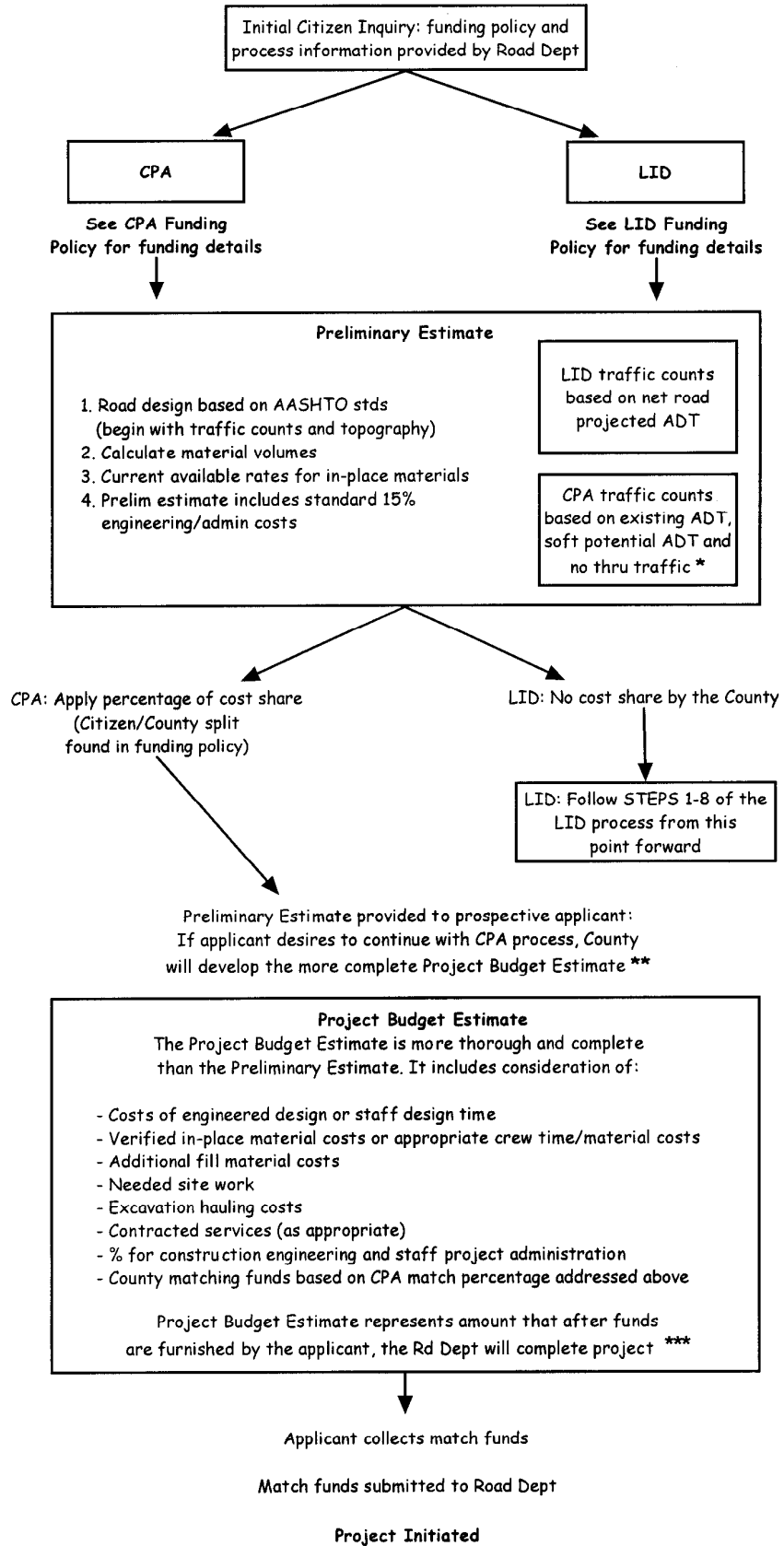
I hope this letter answers questions you may have regarding improvements to County Roads and the differences between Local Improvement Districts and Community Paving Agreements. If you have additional questions, please let me know.

Enclosure: LID/CPA Cost Estimates Flow Chart

cc: File

**LOCAL IMPROVEMENT DISTRICT /  
COMMUNITY PAVING AGREEMENT COST ESTIMATES**

See policy for definition of terms



\* CPA traffic count determination subject to interpretation based on specifics of a project

\*\* Preliminary Estimate and Project Budget Estimate are not necessarily the same

\*\*\* Project Budget Estimate will be honored by the Road Dept for up to 3 months at the discretion of the Director prior to applicant submission of respective match funds