

**Municipal Research and Services Center
Washington Chapter American Public Works Association**

**AGENDA
LOCAL IMPROVEMENT DISTRICT & ROAD IMPROVEMENT DISTRICT WORKSHOP**

**Three Rivers Convention Center
7016 W. Grandridge Blvd. * Kennewick
Tuesday, October 20, 2009
8:15 a.m. to 4:15 p.m.
Registration 8:00 a.m. to 9:00 a.m.**

- I. Introductions, Workshop Overview- 8:45 a.m. to 8:55 a.m.
John Carpita, MRSC

- II. LID Overview - 8:55 a.m. to 9:45 a.m.
P. Stephen DiJulio - Foster Pepper PLLC

Break- 9:45 a.m. to 9:55 a.m.

- III. LID/RID Assessment Methods & Special Benefit Analyses - 9:55 a.m. to 10:45 a.m.
Moderator – John Carpita, PE, MRSC
Robert J. Macaulay, MAI Appraiser, Macaulay and Associates
Ralph Rodriquez, City of Tacoma

Break- 10:45 a.m. to 10:55 a.m.

- IV. LID/RID Financing, Bond Sales and LID Administration -10:55 a.m. to 12:00 p.m.
Moderator - Scott G. Thomas, City of Burlington Attorney
Steve Gaidos, Financial Consultant, Steve Gaidos Consulting, LLC
Rod P. Kaseguma - Inslee, Best, Doezie, & Ryder, PS
Jerry Trujillo - City of Tacoma - Treasury Supervisor

Lunch - 12:00 p.m. to 1:00 p.m.

- V. LID/RID Hearings and Hearing Jeopardy - 1:00 p.m. to 2:00 p.m.
P. Stephen DiJulio - Foster Pepper PLLC
Rod P. Kaseguma - Inslee, Best, Doezie, & Ryder, PS
And Cast of Thousands

Break - 2:00 p.m. to 2:10 p.m.

- VI. LID/RID Programs and Projects in Practice Panel - 2:10 p.m. to 4:00 p.m.
Gary Bourne, PE - BHC Consultants LLC, Moderator
Mike Pleasants, PE - RH2
Ralph K. Rodriquez - City of Tacoma
Richard Tarry - City of Everett
Scott Thomas - City of Burlington
Using case histories and experience, panel members will illustrate formation issues, public relations issues, procedures, assessment methods, and administration issues. Audience participation is mandatory.

- VII. Final Questions & Wrap-up - 4:00 p.m. to 4:15 p.m.

Contributors

Rod P. Kaseguma

Attorney

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Rod Kaseguma has advised and represented Washington cities and special purpose districts for over 32 years. He served as an assistant city attorney for the City of Seattle from 1977 through 1985, focusing on general municipal law. From 1985 through 1989, he was an associate with Foster Pepper & Shefelman, focusing on municipal finance, special purpose district representation and LID formation, financing and proceedings. While at Foster Pepper & Shefelman, Rod prepared a comprehensive paper/manual regarding LID assessment delinquencies, liens and foreclosures, and presented it to the Association of Washington Cities and the Washington Association of Sewer Districts.

Rod joined Inslee, Best, Doezie & Ryder, P.S., in 1990. Since joining the firm, he has served as City Attorney and special City Attorney for several cities, and as general counsel and special legal counsel for water-sewer districts, fire districts, a joint operation of fire districts and cities, a ferry district, a flood district and a 911-call center. He is legal counsel to the Washington Association of Sewer and Water Districts. A significant portion of his work for municipalities has involved all aspects of LID's, ULID's and RID's, including formation, financing, special benefit studies, methods of assessment, deferral of assessments, construction of improvements, levying and collection of assessments and appeals from final assessment rolls. Recently, Rod worked on an LID having noncontiguous units of improvements and areas, which is an LID that is authorized but infrequently used.

P. Stephen DiJulio

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P. Stephen DiJulio, a partner in the Seattle office of Foster Pepper PLLC ("FP"), focuses his practice on litigation involving major infrastructure projects. Before joining FP in 1986, Mr. DiJulio was a Seattle Assistant City Attorney. He served in that capacity from 1977 through 1982. Mr. DiJulio was the City Attorney for the City of Kent from 1982 through 1986, serving additionally as City Administrator in 1986. His valuation work for local government has included such diverse public facilities as wastewater treatment plants, solid waste handling facilities, city halls, golf courses and cemeteries, as well as operating utility systems and franchises.

His extensive experience in eminent domain and valuation proceedings includes representation of large and small jurisdictions. See *Wong v. City of Long Beach* 119 Wn. App. 628 (2004); (successful trail corridor acquisition); *Central Puget Sound Regional Transit Authority v. Miller*, 128 P.3d 588 (2006); and, *HTK v. Seattle Popular Monorail Authority*, 155 Wn.2d 612 (2005).

Mr. DiJulio has served as special litigation counsel for the City of Lynnwood in contested proceedings in federal and state courts over development of the 196th Street Interchange at I-5. Mr. DiJulio represented the City in acquisition of the main, 12-acre parcel necessary for the freeway interchange construction. He also represented the City in the extensive Local Improvement District valuation proceedings providing necessary funding for that project. Similarly, the City of Kent's extensive transportation corridor financing programs (LIDs) were represented by Mr. DiJulio, and were affirmed in *Little Deli Marts, Inc. v. City of Kent*, 108 Wn. App. 1, 32 P.3d 286 (2001); rev. denied 145 Wn.2d 1030 (2002) and in *Tiffany Family Trust v. City of Kent*, 119 Wn. App. 262, 77 P.3d 354 (2003); affirmed 155 Wash.2d 225, 119 P.3d 325 (2005). He represented the City of Seattle on the recently successful South Lake Union Streetcar LID.

For the Seattle Monorail Project, Mr. DiJulio was integral to the process for valuing air rights as well as the assessment of damages relating to the proximity of elevated transit. He has managed relocation assistance contracts and has successfully managed both claims for and opposition to claims for relocation benefits. And, with Professor Richard Settle, Mr. DiJulio was successful in redefining the law regarding condemnation of private ways of necessity in *Wagle v. Williamson*, 51 Wn. App. 312, 754 P.2d 684 (1988) and 61 Wn. App. 474, 810 P.2d 1372 (1991).

Mr. DiJulio has extensive trial experience in environmental and administrative actions. He served as Special Deputy Prosecuting Attorney in the eight lawsuits involving the Klickitat County solid waste management program, and the development of the Roosevelt Regional Landfill. See, e.g., *Klickitat Citizens v. Klickitat County*, 122 Wn.2d 619 (1993); *Waste Management v. Clark County*, 115 Wn.2d 74 (1990) (counsel to Washington State Association of Counties). He successfully defended King County's solid waste program in *Rabanco v. King County*, 125 Wn. App. 794 (2005), including the management of the process for valuation of the County's Cedar Hills Landfill, and lease rates relating to that use of County property by a County department.

He regularly represents local government in litigation over constitutional disputes and annexation. He successfully argued on behalf of Moses Lake before the Supreme Court in defense of cities' petition annexation authority. *Grant County Fire District No. 5 v. City of Moses Lake*, 150 Wn.2d 791 (2004). In *Brower v. State*, 137 Wn.2d 44 (1998) he represented the Seattle Seahawks in defense of a state-wide referendum election supporting development of Qwest Field.

Mr. DiJulio regularly represents associations of municipalities, including the Association of Washington Cities, Washington State Association of Counties and the Washington Fire Commissioners Association. He is a lecturer at the University of Washington's Evans Graduate School of Public Affairs.

John W. Carpita, P.E.

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John Carpita joined MRSC in January 1996. He has BS and MS degrees in Civil Engineering from Montana State University. A registered professional engineer since 1972, he is currently registered in Washington. John has had a widely varied 40-year career as a consultant, county engineer, city engineer and project manager. He was project manager for two large roadway and bridge improvement projects

with the City of Issaquah combining TIB funds, FHWA funds and local improvement districts. With MRSC, John is a resource for engineering design, contract document preparation, construction contract issues, local improvement districts, sewer, water, storm drainage and solid waste issues, and resource conservation.

Steve Gaidos

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Steve, a native of Washington, has provided financial advisory and underwriting services for the municipalities of the State of Washington and the northwest for over 30 years. During his career, he has arranged over \$120 million of local improvement district financings for cities, counties, and special purpose districts and has achieved recognition as a leader in the area of assessment backed financing. In addition, he has served as advisor or investment banker for over \$3 billion in other forms of financing for municipalities of the Northwest, including cities, counties, hospital districts, ports, housing authorities and special purpose districts. He formed his own financial advisory firm in 1999 to concentrate his services on his primary client base of cities and counties.

Steve is a member of WFOA, AWC, and the Washington Municipal Treasurer's Association for all of which he has been a frequent presenter at conventions and seminars. He has also often been a panel member at conventions and seminars on LID financing of the Washington Municipal Treasurer's Association, Washington Finance Officers Association, Association of Washington Cities and of the Washington Municipal Research Services and APWA LID Committee presenting LID seminars for cities at various locations around the State. Steve co-authored the LID\RID Procedures Manual for Washington issuers as an active member of the American Public Works Association LID\RID Subcommittee. He has been asked by the House Local Government Committee to serve as a member of the Legislative Drafting Committee for local improvement district legislation to give the investment market prospective to the legislative drafting effort. In addition, he has been asked to testify before the House and Senate Local Government Committees of the State Legislature at hearings considering the development of new assessment district legislation.

Steve is an MBA graduate of Eastern Michigan University and has held Series 7 General Securities and Series 52 and 53 Municipal Securities licenses.

Robert Macaulay

Principal

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Robert J. Macaulay is the President and co-owner of Macaulay & Associates, Ltd., a real estate appraisal and consulting firm. He received the MAI designation from the Appraisal Institute in 1995 and is a

Certified Real Estate Appraiser - General Classification with the State of Washington. Mr. Macaulay is also a member of the International Right of Way Association, an approved appraiser and review appraiser with the Washington State Department of Transportation (WSDOT) and serves on the board of the Washington Center for Real Estate Research at Washington State University. Mr. Macaulay's appraisal experience is diverse and includes an emphasis on special benefit/proportionate assessment studies in connection with local improvement districts for a diverse range of municipal clients. Presenting testimony at quasi-judicial public hearings on these projects is also part of his expertise.

The firm has extensive experience dating back to 1975 with local improvement district (LID) special benefit and feasibility studies, including a variety of road improvement, utility and other infrastructure projects. Between 1990 and 2000, in addition to over 30 other feasibility and special benefit studies, almost a dozen major assignments were completed for projects costing from \$1.5 to \$82 million. Clients included the cities of Bellevue, Bothell, Burien, Issaquah, Lacey, Lake Stevens, Lynnwood, Ocean Shores, Redmond, Spokane, Sumner and Tukwila. Details on individual projects will be provided upon request. Since 2000, major special benefit/proportionate assessment studies have included road improvement projects for the cities of Burien and Covington (2003), a freeway interchange and arterial improvement project for the City of Sumner (2002 to 2004), a utility local improvement district for the City of Lake Stevens (2005), a city-wide road improvement project for the City of Ocean Shores (2006 to 2007) and a project improving access to the Southcenter regional shopping mall for the City of Tukwila (2006 to 2009). In the last three years (2006 to 2009), economic feasibility studies have been completed for the cities of Burien, Ferndale, Freeland, Kent, Lynnwood, Ocean Shores and Yelm.

Ralph K. Rodriguez

Senior LID Representative

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Ralph Rodriguez has been involved with Local Improvement Districts since 1982. Since 1997, he has managed the implementation of the vision, strategy, priorities, plans and goals established by the Tacoma City Council, Tacoma Public Utility Board, City Manager and Utilities Director for the Local Improvement District (LID) program in the Public Works Department and Tacoma Public Utilities (TPU) Tacoma Power. He provides guidance and support all City of Tacoma departments for their LID program, including, but not limited to; street and alley paving, sidewalks, street lighting, sanitary sewer mains, new underground electrical service as well as the conversion of overhead utilities to underground, as well as "Mega" LIDs creating "Urban Villages" within existing commercial neighborhoods. Ralph also is responsible for the tracking and collecting of fees related to all sanitary sewer connection charges and administering "Utility Reimbursement Agreements".

Scott Thomas

City Attorney

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Scott Thomas' law practice focuses on representing municipal governments, as well as contractors,

architects, and engineers in construction related issues. Mr. Thomas has served as an Assistant City Attorney for the City of Tacoma, as City Attorney for the City of Mount Vernon, and currently serves as the City Attorney for the City of Burlington. Mr. Thomas has advised his client's Finance and Public Works Departments in numerous matters, including issues concerning the formation of local improvement districts, and the foreclosure of delinquent L.I.D. assessments.

Mr. Thomas took his B.S. in Architecture from the University of Nebraska in 1983, and his J.D. with honors from the University of Puget Sound School of Law in 1993.

Pat Frankovic AICP

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Pat has 25 years experience with the Spokane County Public Works Department.

He is currently the RID Administrator with the Spokane County Division of Engineering and Roads [1999 - Present]. Supervises a three-person section, which includes an Engineering Technician 3 and an Engineering Technician 2, which is responsible for the coordination of all aspects of the RID process; from initial citizen contact through bond sale. The team creates an average of eight to ten new RIDs per year.

For 19 years [1983 - 1999 and 1976 - 1979] he was a Senior Planner with the Spokane County Division of Planning. The majority of time was spent in the Long Range Planning Section involved with local implementation of the Washington State Growth Management Act [GMA]. Pat also spent a number of years with the Current Planning Section responsible for various aspects of land development review such as zoning and subdivision administration.

He worked four years as a Private Consultant [1979 - 1983] with land development consulting firms in Washington and Montana serving as a Planner or Land Survey Technician on a variety of private and public projects.

Pat received a Bachelor of Arts Degree in Urban and Regional Planning from Eastern Washington University in 1976.

He achieved his American Institute of Certified Planners [AICP] professional certification in 1996.

Gary Bourne, PE

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Gary Bourne, PE, PLS, has been involved in the design and construction of public works projects for more than four decades. During his professional experience he has provided consulting assistance from Alaska to California including long range planning, funding acquisition, design, management, and administration of public works facilities. For the last 10 years Gary has specialized in LID Funding and

has been involved in more than 40 successfully completed LID funded projects over his career. Gary reports that the last 10 years of LID work has been more challenging than the first 30 years as the cost of improvements have continued to increase and supplemental funding has diminished and most recently disappeared. Gary's knowledge and experience as a consulting engineer, surveyor and city engineer provides him with a broad understanding of public works projects from conception to construction.

Completed recently was perhaps the most unique LID for the City of Bainbridge Island's South Island Sewer Project which featured a matrix driven assessment process for five distinctly different areas in one LID. Most recently he managed the formation of a \$24,000,000 sewer LID for the City of Edgewood completed before the current economic downturn at the peak of property values. This LID will now present new challenges as the final assessment roll process will be held with what is anticipated to be depressed property values.