



**CITY of NOVI CITY COUNCIL**

**Agenda Item F**  
**April 9, 2012**

**SUBJECT:** Approval of Resolution No. 5 for Special Assessment District No. 176 (Woodham Road Water Main Extension) approving the special assessment roll and authorizing construction of the project.

**SUBMITTING DEPARTMENT:** Department of Public Services, Engineering Division *Rm* *BTC*

**CITY MANAGER APPROVAL:** *[Signature]*

**BACKGROUND INFORMATION:**

Special Assessment District 176 was initiated by a formal petition signed by eight of the nine property owners in the proposed district to finance the construction of a water main extension to provide City water to nine homes along Woodham Road in the Echo Valley Estates subdivision. (See attached location map and additional background information in the February 29, 2012 memo.)

To date, City Council has adopted Resolutions 1 through 4, and conducted the second Public Hearing earlier on this agenda. Resolution No. 5 approves and confirms the attached special assessment roll in the amount of \$119,961 to be paid by the nine properties within the district, sets the term of the assessment for 20 years, sets the interest rate for the assessment at 6% per year, and provides authorization to proceed with the construction of the project.

If approved, the construction award for the project would be presented to City Council for consideration on a future agenda. The project could begin this spring and be completed this construction season.

**RECOMMENDED ACTION:** Approval of Resolution No. 5 for Special Assessment District No. 176 (Woodham Road Water Main Extension) approving the special assessment roll and authorizing construction of the project.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF NOVI

**WOODHAM ROAD  
WATER MAIN EXTENSION**

SPECIAL ASSESSMENT DISTRICT NO. 176

**RESOLUTION CONFIRMING ASSESSMENT ROLL**

(Resolution No. 5)

RECITATIONS:

The City has considered construction of the proposed improvement described below (the "**Project**"), and has requested the establishment of a special assessment district to finance and defray the cost of the Project.

The Project is further described in Exhibit A.

The Project is intended to especially benefit properties identified in the special assessment district attached to this Resolution, which shall be designated Special Assessment District No. **176** (the "**District**").

The City Council, after a public hearing, approved the cost of the Project in the amount of **\$119,961.00**, and approved the District as the special assessment district against which one hundred (100%) percent of the cost of the Project shall be assessed.

In accordance with the direction of the City Council, the City Assessor has prepared a special assessment roll allocating the total cost of the Project to the properties within the District according to law and the directions of City Council, and the Assessor has filed such roll with the City Clerk.

A public hearing on the special assessment roll was set and duly noticed according to law for the purpose of hearing objections with respect to the assessment roll.

The public hearing was conducted in accordance with the notice.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The City Council has determined that it is satisfied with the special assessment roll; that the proposed assessments are in proportion to the benefits received or to be received as a result of the Project; and that it would be appropriate to approve and confirm the special assessment roll and proceed with the Project.

2. The special assessment roll for Special Assessment District No. 176 in the amount of \$119,961.00 shall be and is hereby adopted and confirmed.

3. The City Clerk is directed to endorse on the special assessment roll the date of this confirmation, which shall be final and conclusive for the purpose of the Project unless the special assessment is contested in the State Tax Tribunal within the time and manner provided by ordinance and state law.

4. The special assessment against any property as made on the roll, or any part of such special assessment, may be paid in full on or before July 1, 2012 (the "**Cash Payment Date**").

5. All amounts of an assessment not paid on or before the Cash Payment Date shall be assessed against each property in the District in approximately 20 equal installments, the first of which shall be due and payable on July 1, 2012, the second of which shall be due and payable on July 1, 2013, and all subsequent installments shall be due and payable successively in intervals of 12 months from the due date of the second installment.

6. Any portion of an assessment that has not been paid on or before the Cash Payment Date shall bear interest until paid from July 1, 2012, at a rate equal to six (6) percent per annum prior

to the date of issuance of bonds in anticipation of the collection of such assessments, and on and after such date of bond issuance at a rate equal to one percent above the average net rate of interest borne by such bonds. Interest shall be due on the due date of the principal assessment installment payments, as noted above, commencing on the date the first assessment payment is due, as stated above. If any installment is not paid when due, the installment shall be deemed to be delinquent and a penalty shall be collected at the rate of one percent for each month or fraction of a month that the installment remains unpaid before being reported to the City Council for reassessment upon the City tax roll.

7. The City Clerk is directed to attach her warrant as required by law to the roll and to direct the roll, with her warrant attached, to the City Treasurer.

8. The City Treasurer shall collect the special assessments in accordance with the terms of this Resolution, the warrant and the statutes of the State of Michigan.

9. On the first day of September following the date when the installment shall become due, the City Treasurer shall submit to the City Council a delinquent special assessment roll for reassessment on the annual City tax roll.

10. All or any part of the unpaid assessment may be paid at any time with interest accrued through the month in which the payment is made.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

**CERTIFICATION**

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Novi at a meeting duly called and held on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**CITY OF NOVI**

BY: \_\_\_\_\_  
MARYANNE CORNELIUS, CLERK

SPECIAL ASSESSMENT DISTRICT NO. 176

50-22-29-203-002

50-22-29-203-003

50-22-29-203-004

50-22-29-203-005

50-22-29-203-011

50-22-29-203-012

50-22-29-203-013

50-22-29-203-014

50-22-29-203-019

## **EXHIBIT A**

### **SAD 176 WOODHAM ROAD WATER MAIN EXTENSION**

The construction of approximately 525 feet of 8" WATER MAIN and related facilities and improvements in Section 29 which will provide a direct benefit to nine parcels in Echo Valley Estates along a portion of Woodham Road.

SPECIAL ASSESSMENT DISTRICT  
#176  
WATER MAIN IMPROVEMENTS  
CERTIFICATE OF ASSESSOR

I, THE UNDERSIGNED, D. GLENN LEMMON, DO HEREBY CERTIFY AND REPORT THAT THE FOLLOWING SPECIAL ASSESSMENT ROLL, AND THE ASSESSMENT MADE BY ME PURSUANT TO RESOLUTION NO. 3 OF THE COUNCIL OF THE CITY OF NOVI, ADOPTED ON THE 21ST DAY OF FEBRUARY A.D., 2012, FOR THE PURPOSE OF PAYING THAT PART OF THE COST WHICH THE COUNCIL DECIDED SHOULD BE PAID AND BORNE BY SPECIAL ASSESSMENT FOR THOSE PROPERTIES LOCATED IN THE CITY OF NOVI FOR THE PURPOSE OF WATER MAIN IMPROVEMENTS ON WOODHAM ROAD IN ECHO VALLEY SUBDIVISION, THAT IN MAKING SUCH ASSESSMENT I HAVE, AS NEAR AS MAY BE, ACCORDING TO MY BEST JUDGEMENT, CONFORMED IN ALL THINGS TO THE DIRECTIONS CONTAINED IN THE RESOLUTION OF THE COUNCIL HEREINBEFORE TO AND THE ORDINANCE OF THE CITY RELATING TO SUCH ASSESSMENT, THAT THE TOTAL AMOUNT ASSESSED AGAINST THE PROPERTY IN THIS DISTRICT IS \$119,961.00, THAT THE ASSESSMENT WAS MADE UPON A UNIT BASIS WITH 9 UNITS OF BENEFIT.

DATED THIS 30th DAY OF MARCH, 2012



\_\_\_\_\_  
D. GLENN LEMMON, CITY ASSESSOR

CONFIRMED BY THE NOVI CITY COUNCIL AT ITS REGULAR MEETING HELD ON \_\_\_\_\_, 2012

\_\_\_\_\_  
MARYANNE CORNELIUS, CITY CLERK





ASSESSED TO AND ADDRESS	DESCRIPTION OF PROPERTY	UNIT OR FRONTAGE	RATE PER	TOTAL CHARGE	DATE PAID	INSTALLMENTS										INSTALLMENTS											
						2012	2013	2014	2015	2016		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026		2027	2028	2029	2030	2031
						1ST	2ND	3RD	4TH	5TH	6TH	7TH	8TH	9TH	10TH	11TH	12TH	13TH	14TH	15TH	16TH	17TH	18TH	19TH	20TH		
50-22-29-204-004 DIANE M. WAVREK 23970 WOODHAM NOVI, MI 48374	ECHO VALEY ESTATES LOT 55	1 UNIT	\$13,329.00	\$13,329.00	DATE PAID																						
					BALANCE	\$13,329.00	\$12,662.55	\$11,996.10	\$11,329.65	\$10,663.20	\$9,996.75	\$9,330.30	\$8,663.85	\$7,997.40	\$7,330.95	\$6,664.50	\$5,998.05	\$5,331.60	\$4,665.15	\$3,998.70	\$3,332.25	\$2,665.80	\$1,999.35	\$1,332.90	\$666.45		
					PRINCIPAL	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45		
					INTEREST	\$799.74	\$759.75	\$719.77	\$679.78	\$639.79	\$599.81	\$559.82	\$519.83	\$479.84	\$439.86	\$399.87	\$359.88	\$319.90	\$279.91	\$239.92	\$199.94	\$159.95	\$119.96	\$79.97	\$39.99		
					TOTAL	\$1,466.19	\$1,426.20	\$1,386.22	\$1,346.23	\$1,306.24	\$1,266.26	\$1,226.27	\$1,186.28	\$1,146.29	\$1,106.31	\$1,066.32	\$1,026.33	\$986.35	\$946.36	\$906.37	\$866.39	\$826.40	\$786.41	\$746.42	\$706.44		
50-22-29-204-005 ANGELINE NAPIERKOWSKI 23938 WOODHAM NOVI, MI 48374	ECHO VALEY ESTATES LOT 56	1 UNIT	\$13,329.00	\$13,329.00	DATE PAID																						
					BALANCE	\$13,329.00	\$12,662.55	\$11,996.10	\$11,329.65	\$10,663.20	\$9,996.75	\$9,330.30	\$8,663.85	\$7,997.40	\$7,330.95	\$6,664.50	\$5,998.05	\$5,331.60	\$4,665.15	\$3,998.70	\$3,332.25	\$2,665.80	\$1,999.35	\$1,332.90	\$666.45		
					PRINCIPAL	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45	\$666.45		
					INTEREST	\$799.74	\$759.75	\$719.77	\$679.78	\$639.79	\$599.81	\$559.82	\$519.83	\$479.84	\$439.86	\$399.87	\$359.88	\$319.90	\$279.91	\$239.92	\$199.94	\$159.95	\$119.96	\$79.97	\$39.99		
					TOTAL	\$1,466.19	\$1,426.20	\$1,386.22	\$1,346.23	\$1,306.24	\$1,266.26	\$1,226.27	\$1,186.28	\$1,146.29	\$1,106.31	\$1,066.32	\$1,026.33	\$986.35	\$946.36	\$906.37	\$866.39	\$826.40	\$786.41	\$746.42	\$706.44		
					DATE PAID																						
					BALANCE																						
					PRINCIPAL																						
					INTEREST																						
					TOTAL																						
TOTALS					BALANCE	\$119,961.00	\$113,962.95	\$107,964.90	\$101,966.85	\$95,968.80	\$89,970.75	\$83,972.70	\$77,974.65	\$71,976.60	\$65,978.55	\$59,980.50	\$53,982.45	\$47,984.40	\$41,986.35	\$35,988.30	\$29,990.25	\$23,992.20	\$17,994.15	\$11,996.10	\$5,998.05		
TOTALS					PRINCIPAL	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05	\$5,998.05		
TOTALS					INTEREST	\$7,197.66	\$6,837.78	\$6,477.89	\$6,118.01	\$5,758.13	\$5,398.25	\$5,038.36	\$4,678.48	\$4,318.60	\$3,958.71	\$3,598.83	\$3,238.95	\$2,879.06	\$2,519.18	\$2,159.30	\$1,799.42	\$1,439.53	\$1,079.65	\$719.77	\$359.88		
TOTALS					TOTAL	\$13,195.71	\$12,835.83	\$12,475.94	\$12,116.06	\$11,756.18	\$11,396.30	\$11,036.41	\$10,676.53	\$10,316.65	\$9,956.76	\$9,596.88	\$9,237.00	\$8,877.11	\$8,517.23	\$8,157.35	\$7,797.47	\$7,437.58	\$7,077.70	\$6,717.82	\$6,357.93		

# MEMORANDUM



**TO:** ROB HAYES, P.E.; DIRECTOR OF PUBLIC SERVICES  
**FROM:** BRIAN COBURN, P.E.; ENGINEERING MANAGER *BTC*  
**SUBJECT:** SAD 176—WOODHAM WATER MAIN EXTENSION UPDATE  
**DATE:** FEBRUARY 29, 2012

Resolution #3 approving the preliminary plans and cost estimate and directing the City Assessor to prepare a proposed special assessment roll was approved by City Council at the February 21, 2012 meeting. Glenn Lemmon, City Assessor, has prepared the enclosed special assessment roll using the project cost estimate of \$119,961 financed at 6% interest over 20 years. The attached letter was mailed to each of the nine property owners in the special assessment district (SAD) and details the annual assessment for each property owner.

The SAD process consists of five resolutions and two public hearings as outlined in more detail below.

Action	Description	Date
Resolution 1	<i>Council directs staff to have plans and a cost estimate prepared for the project</i>	<i>Approved 11/14/11</i>
Resolution 2	<i>Council determines the tentative necessity for the improvement and sets the date for Public Hearing 1</i>	<i>Approved 1/23/12</i>
Public Hearing 1	<i>To hear comments and objections on the proposed improvement and on the proposed special assessment district</i>	<i>Held at 2/21/12 meeting</i>
Resolution 3	<i>Council approves the preliminary plans and cost estimate, designates the special assessment district and directs the City Assessor to prepare a proposed special assessment roll</i>	<i>Approved 2/21/12</i>
Resolution 4	Council receives the proposed special assessment roll from the City Assessor and sets a date for Public Hearing 2.	Proposed for 3/12/12 meeting
Public Hearing 2	To hear comments and objections on the proposed special assessment roll	Proposed for 4/9/12 meeting
Resolution 5	Council makes final determination on proceeding with the improvement and confirms the special assessment roll	Proposed for 4/9/12 meeting

The above tentative schedule would facilitate construction bidding in late April, construction award in May, and would result in construction completion this year.

cc: Maryanne Cornelius, City Clerk  
Kathy Smith-Roy, Finance Director  
Glenn Lemmon, City Assessor



February 27, 2012

Re: Proposed Assessment Roll  
Special Assessment District 176

**CITY COUNCIL**

**Mayor**  
Bob Gatt

**Mayor Pro Tem**  
Dave Staudt

Terry K. Margolis

Andrew Mutch

Justin Fischer

Wayne Wrobel

Laura Marie Casey

**City Manager**  
Clay J. Pearson

**Director of Public Services/  
City Engineer**  
Rob Hayes, P.E.

Dear Resident:

The City Assessor has prepared the proposed special assessment roll as direct by Resolution 3, approved by City Council on February 21, 2012. The total project cost estimate is \$119,961, which equates to \$13,329 for each of the nine properties within the proposed district. The table on the next page outlines the proposed annual assessment for each parcel in the district based on an interest rate of 6% financed over 20 years.

The complete assessment roll is available upon request and can be viewed at the City Clerk's office at City Hall.

Resolution No. 4 acknowledging receipt of the proposed assessment roll from the City Assessor, and scheduling the public hearing on the roll is proposed for consideration at the March 12, 2012 City Council Meeting, with a public hearing proposed for April 9, 2012. An official public hearing notice will be mailed to you from the City Clerk once the public hearing date is officially determined.

As always, please contact me at (248) 735-5635 with any questions.

Sincerely,

ENGINEERING DIVISION

Benjamin Croy, PE  
Civil Engineer

**Department of Public Services**  
Field Services Complex  
26300 Lee BeGole Dr.  
Novi, Michigan 48375  
248.735.5640  
248.735.5659 fax

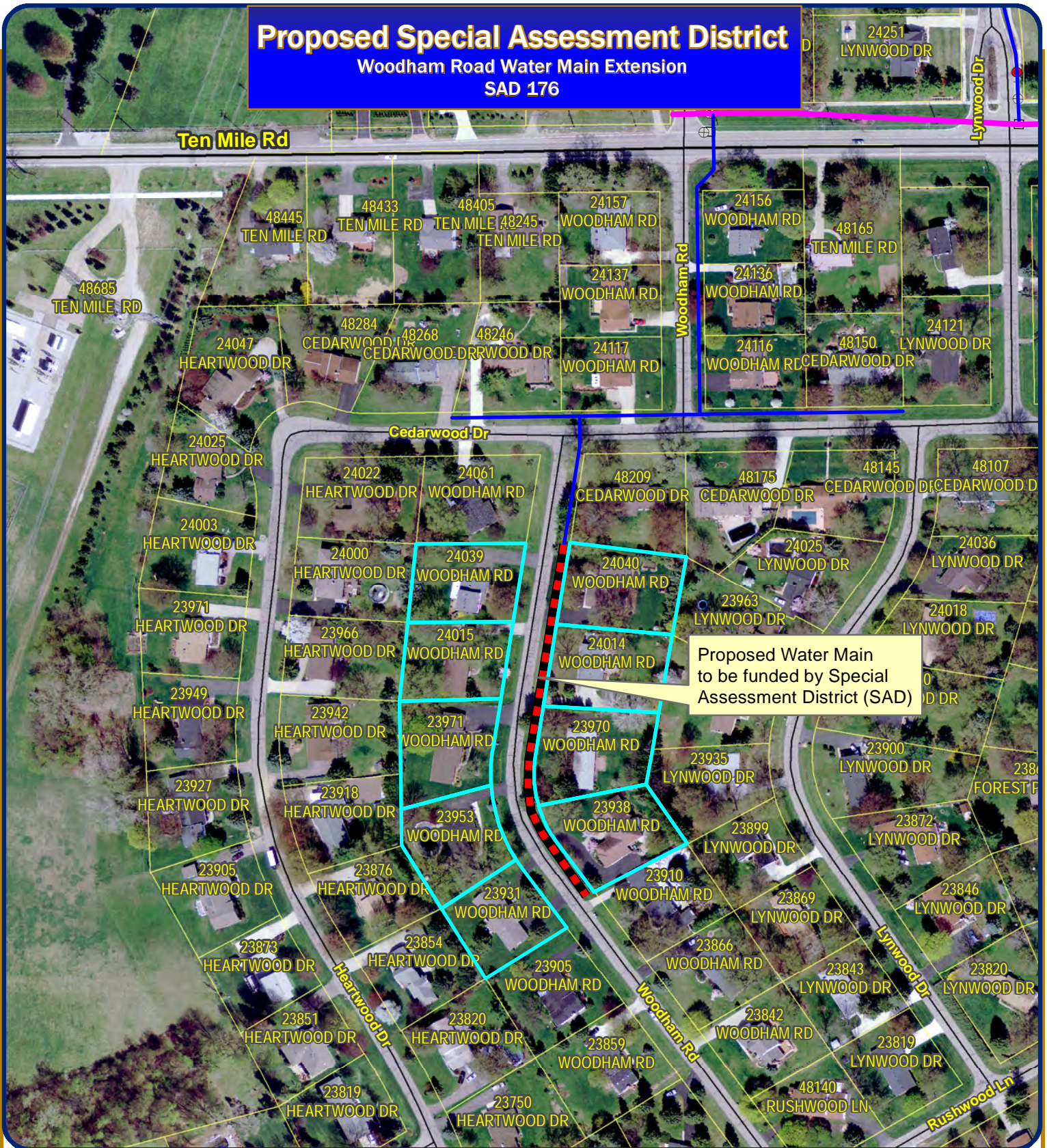
cityofnovi.org

PROPOSED ASSESSMENT FOR EACH PARCEL  
SPECIAL ASSESSMENT DISTRICT NO. 176

	Year	Balance	Principal	Interest	Annual Payment
1	2012	\$13,329.00	\$666.45	\$799.74	\$1,466.19
2	2013	\$12,662.55	\$666.45	\$759.75	\$1,426.20
3	2014	\$11,996.10	\$666.45	\$719.77	\$1,386.22
4	2015	\$11,329.65	\$666.45	\$679.78	\$1,346.23
5	2016	\$10,663.20	\$666.45	\$639.79	\$1,306.24
6	2017	\$9,996.75	\$666.45	\$599.81	\$1,266.26
7	2018	\$9,330.30	\$666.45	\$559.82	\$1,226.27
8	2019	\$8,663.85	\$666.45	\$519.83	\$1,186.28
9	2020	\$7,997.40	\$666.45	\$479.84	\$1,146.29
10	2021	\$7,330.95	\$666.45	\$439.86	\$1,106.31
11	2022	\$6,664.50	\$666.45	\$399.87	\$1,066.32
12	2023	\$5,998.05	\$666.45	\$359.88	\$1,026.33
13	2024	\$5,331.60	\$666.45	\$319.90	\$986.35
14	2025	\$4,665.15	\$666.45	\$279.91	\$946.36
15	2026	\$3,998.70	\$666.45	\$239.92	\$906.37
16	2027	\$3,332.25	\$666.45	\$199.94	\$866.39
17	2028	\$2,665.80	\$666.45	\$159.95	\$826.40
18	2029	\$1,999.35	\$666.45	\$119.96	\$786.41
19	2030	\$1,332.90	\$666.45	\$79.97	\$746.42
20	2031	\$666.45	\$666.45	\$39.99	\$706.44

# Proposed Special Assessment District

Woodham Road Water Main Extension  
SAD 176



Map Author: Croy  
Date: 8/29/11  
Project: Potential Woodham SAD  
Version #: V1.1



Feet



1 inch = 182 feet



City of Novi

Engineering Division  
Department of Public Services  
26300 Delwal Drive  
Novi, MI 48375  
cityofnovi.org

#### MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.