



## MEMORANDUM

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301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

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DATE: September 25, 2018

TO: Owosso City Council

FROM: Glenn Chinavare, Director of Public Services & Utilities

SUBJECT: Palmer Avenue Resurfacing – Special Assessment Resolution No 2

When deemed necessary, the city conducts a street improvement program. Public streets are selected for inclusion in the program either by citizen initiated petition or by selection of the city. **Palmer Avenue, from Gute Street to Prindle Street**, is proposed by the city for street resurfacing. Property owners are then specially assessed to cover the cost of the proposed improvement. Past practice has been to assess property owners along the street 40% of the proposed benefit and the remaining 60% to the community at large. Each property owner can pay an assessment in one lump sum or in installments over the multi-year period (the period being determined by the amount of the average assessment).

The special assessment process has five steps, each having its own purpose and accompanying resolution.

Step One/Resolution No. 1 identifies the special assessment district(s), directs the city manager to estimate project costs and the amounts to be specially assessed, and determines the life of the proposed improvements. Resolution No. 1 for the proposed improvement was approved by City Council at its **August 6, 2018** meeting.

Step Two/Resolution No. 2 sets the date for the hearing of necessity on the projects. It directs notices to be sent to each affected property owner detailing the proposed project, notifying them of the public hearing date, and the estimated amount of their assessment. City Council is asked to act upon Resolution No. 2 on **October 1, 2018** for the proposed improvement.

Step Three/Resolution No. 3 documents the hearing of necessity. This hearing provides affected residents with the opportunity to comment on whether they feel the project is necessary and of the proper scale. After hearing citizen comment on the project the city council has three options: if they agree that the project should proceed as proposed, the district is established and staff is directed to go on with the next steps of the proposed project, including obtaining bids; if they feel the project should go forward, but with some adjustments they may direct staff to make those adjustments and proceed; if they feel the project is not warranted and should not proceed at all they would simply fail to act on Resolution No. 3, effectively stopping the process.

Step Four/Resolution No. 4 takes place after the bids are received. Estimated assessment amounts are adjusted if necessary to reflect the actual cost as dictated by the bids received. A second public hearing is set to allow property owners to comment on their particular assessment. Each property owner is sent a second notice containing the date and time of the public hearing and the amount of the proposed assessment for their property.

Step Five/Resolution No. 5 documents the second public hearing, finalizes the special assessment roll and sets the terms of payment. This public hearing is designed to allow affected citizens the opportunity to argue whether or not the amount of their assessment is fair and equitable in relation to the benefit they receive from the project. If, after hearing citizen comment, the council decides adjustments need to be made to the assessment roll they may do so. Alternately, if they feel all the assessments are fair and equitable they may pass the resolution as written.

Tonight the council will be considering Resolution No. 2 for the proposed district as a part of the Consent Agenda.

Staff recommends authorization of Resolution No. 2 for the following district:

**Palmer Avenue, a Public Street, from Gute Street to Prindle Street**

**Special Assessment Resolution No. 2 for Palmer Avenue**

**RESOLUTION NO.**

**PALMER AVENUE  
FROM GUTE STREET TO PRINDLE STREET  
SPECIAL ASSESSMENT RESOLUTION NO. 2**

WHEREAS, the City Council has ordered the City Manager to prepare a report for public improvement, more particularly hereinafter described; and

PALMER AVENUE, A PUBLIC STREET, FROM GUTE STREET TO PRINDLE STREET;  
STREET RESURFACING

WHEREAS, the City Manager prepared said report and the same has been filed with the City Council as required by the Special Assessment Ordinance of the City of Owosso and the Council has reviewed said report.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The plans and estimate of cost and the report of the City Manager for said public improvement shall be filed in the office of the City Clerk and shall be available for public examination.
2. The City Council hereby determines that the Public Improvement hereinafter set forth may be necessary.
3. The City Council hereby approves the estimate of cost of said public improvement to be \$75,686.22 and determines that \$17,109.51 thereof shall be paid by special assessment imposed on the lots and parcels of land more particularly hereinafter set forth, which lots and parcels of land are hereby designated to be all of the lots and parcels of land to be benefited by said improvements and determines that \$58,576.71 of the cost thereof shall be paid by the City at large because of benefit to the City at large.
4. The City Council hereby determines that the portion of the cost of said public improvement to be specially assessed shall be assessed in accordance with the benefits to be received.
5. The City Council shall meet at the Owosso City Hall Council Chambers on Monday, October 15, 2018 for the purpose of hearing all persons to be affected by the proposed public improvement.
6. The City Clerk is hereby directed to cause notice of the time and place of the hearing to be published once in The Argus Press, the official newspaper of the City of Owosso, not less than seven (7) days prior to the date of said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of property subject to assessment, as indicated by the records in the City Assessor's Office as shown on the general tax roll of the City, at least (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
7. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING  
CITY OF OWOSSO, MICHIGAN

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

TAKE NOTICE that the City Council intends to acquire and construct the following described public improvement:

**Palmer Avenue, a Public Street, from Gute Street to Prindle Street  
Street Resurfacing**

The City Council intends to defray apart or all of the cost of the above-described public improvement by special assessment against the above described property.

TAKE FURTHER NOTICE that City Council has caused plans and an estimate of the cost and report for the above described public improvement to be prepared and made by the City Manager and the same is on file with the City Clerk and available for public examination.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall Council Chambers, Owosso, Michigan at 7:30 o'clock p.m. on Monday, October 15, 2018 for the purpose of hearing any person to be affected by the proposed public improvement.

ENGINEER'S ESTIMATE  
PALMER AVE

ENGINEER'S ESTIMATE OF PROBABLE COST FOR PALMER AVENUE, FROM GUTE TO PRINDLE

DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT	ELLIGIBLE AMOUNT	CITY COST 60 PERCENT	ASSESSMENT	ASSESSMENT
							AT 40% RESIDENTIAL	AT 40% COMMERCIAL
MOBILIZATION, MAX_____	LSUM	1	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 1,800.00	\$ 1,200.00	\$ 1,200.00
CURB AND GUTTER, REM	LFT	320	\$ 7.00	\$ 2,240.00	\$ 2,240.00	\$ 1,344.00	\$ 896.00	\$ 896.00
PAVT, REM	SYD	83	\$ 8.00	\$ 664.00				
SIDEWALK, REM	SYD	21	\$ 8.00	\$ 168.00				
MACHINE GRADING, MODIFIED	STA	9	\$ 350.00	\$ 3,150.00				
HMA BASE CRUSHING AND SHAPING, MODIFIED (6")	SYD	1443	\$ 2.75	\$ 3,968.25	\$ 2,301.59	\$ 1,380.95	\$ 230.16	\$ 920.63
ASPHALT CEMENT STABALIZED BASE COURSE (4")	SYD	1443	\$ 2.40	\$ 3,463.20				
ASPHALT CEMENT BINDER	GAL	2309	\$ 3.60	\$ 8,312.40				
SUBGRADE UNDERCUTTING, TYPE I	CYD	50	\$ 25.00	\$ 1,250.00				
DR STRUCTURE COVER, ADJ, CASE 1	EA	1	\$ 475.00	\$ 475.00	\$ 475.00	\$ 285.00	\$ 190.00	\$ 190.00
DR STRUCTURE, TEMP LOWERING	EA	1	\$ 250.00	\$ 250.00	\$ 250.00	\$ 150.00	\$ 100.00	\$ 100.00
DR STRUCUTRE COVER, TYPE EJ 1120 W/ SOLID GASKET SEALED COVER	EA	1	\$ 650.00	\$ 650.00	\$ 650.00	\$ 390.00	\$ 260.00	\$ 260.00
COLD MILLING HMA SURFACE (2.5")	SYD	1443	\$ 2.50	\$ 3,607.50	\$ 3,607.50	\$ 2,164.50	\$ 1,443.00	\$ 1,443.00
HMA, 13A	TON	201	\$ 70.00	\$ 14,070.00	\$ 14,070.00	\$ 8,442.00	\$ 5,628.00	\$ 5,628.00
DRIVEWAY, NONREINF CONC, 6 INCH	SYD	70	\$ 45.00	\$ 3,150.00				
CURB AND GUTTER, CONC, DET F4, MODIFIED	LFT	320	\$ 20.00	\$ 6,400.00	\$ 6,400.00	\$ 3,840.00	\$ 2,560.00	\$ 2,560.00
SIDEWALK, CONC, 4 INCH	SYD	43	\$ 4.50	\$ 193.50				
SIDEWALK, CONC, 6 INCH	SYD	230	\$ 5.00	\$ 1,150.00				
TURF ESTABLISHMENT, PERFORMANCE	SYD	142	\$ 5.00	\$ 710.00				
MAINTENANCE GRAVEL	TON	15	\$ 25.00	\$ 375.00	\$ 375.00	\$ 225.00	\$ 150.00	\$ 150.00
GATE BOX, ADJ, TEMP, CASE 1	EA	2	\$ 250.00	\$ 500.00	\$ 500.00	\$ 300.00	\$ 200.00	\$ 200.00
MINOR TRAF DEVICES	LSUM	1	\$ 500.00	\$ 500.00	\$ 500.00	\$ 300.00	\$ 200.00	\$ 200.00
BARRICADE, TYPE III, HIGH INTENSITY, FURN AND OPER	EA	2	\$ 100.00	\$ 200.00				
PLASTIC DRUM HIGH INTENSITY, FURN AND OPER	SFT	10	\$ 150.00	\$ 1,500.00				
SIGN, TYPE B, TEMP, PRISMATIC, FURN AND OPER	SFT	25	\$ 5.00	\$ 125.00				
MISCELLANEOUS WORK ITEMS	LSUM	1	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 1,800.00	\$ 1,200.00	\$ 1,200.00
<b>SUB TOTALS</b>				<b>\$ 63,071.85</b>	<b>\$ 37,369.09</b>	<b>\$ 22,421.45</b>	<b>\$ 14,257.16</b>	<b>\$ 14,947.63</b>
<b>INDIRECT COSTS:</b>								
ENGINEERING @ 15% OF SUB TOTAL				\$ 9,460.78	\$ 5,605.36	\$ 3,363.22	\$ 2,138.57	\$ 2,242.15
ADMINISTRATIVE @ 5% OF SUB TOTAL				\$ 3,153.59	\$ 1,868.45	\$ 1,121.07	\$ 712.86	\$ 747.38
<b>GRAND TOTALS</b>				<b>\$ 75,686.22</b>	<b>\$ 44,842.90</b>	<b>\$ 26,905.74</b>	<b>\$ 17,108.59</b>	<b>\$ 17,937.16</b>

ESTIMATED SPECIAL ASSESSMENT  
PALMER AVE

**PALMER AVENUE**

**SPECIAL ASSESSMENT ROLL**

ENGINEER'S ESTIMATE ELIGIBLE AMOUNT	\$44,842.90
ASSESSABLE RESIDENTIAL FRONT FEET	780.19
ASSESSABLE COMMERCIAL FRONT FEET	0.00
TOTAL ASSESSABLE FRONT FEET	780.19

CALCULATING ASSESSABLE FRONT FOOT RATE AND AMOUNTS:

PROPERTY TYPE	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	TOTAL
TOTAL ELIGIBLE PER TYPE	\$44,842.90	\$44,842.90	
CITY SHARE $\geq 60\%$	\$27,734.31	\$26,905.74	
PROPERTY SHARE @ $\leq 40\%$	\$17,108.59	\$17,937.16	
ASSESSABLE FRONT FOOT RATE: PROP SHARE/TOTAL FRONT FEET	\$21.93	\$22.99	
TOTAL FRONT FEET PER TYPE	780.19	0.00	
TOTAL AMOUNT OF ASSESSMENT PER TYPE:	\$17,108.59	\$0.00	\$17,108.59

SUMMARY: ACTUAL SPECIAL ASSESSMENT AMOUNTS PER SIDE OF STREET:

WEST SIDE	\$9,490.21
EAST SIDE	\$7,619.30
TOTAL SPECIAL ASSESSMENT	<u>\$17,109.51</u>

ESTIMATED INDIVIDUAL ASSESSMENTS  
PALMER AVE

PALMER AVE. GUTE TO PRINDLE

SPECIAL ASSESSMENT ROLL

WEST SIDE

ADDRESS NO.	STREET	ROLL NUMBER	FRONT FOOTAGE	CORNER LOT DISCOUNT	ASSESSABLE FRONT FEET	FRONT FOOT RATE	AMOUNT OF ASSESSMENT	
330	GUTE	500-001-001	71	0.75	53.25	\$21.93	\$1,167.77	R-1
1120	PALMER	500-001-002	66	1	66.00	\$21.93	\$1,447.38	R-1
1118	PALMER	500-001-003	132	1	132.00	\$21.93	\$2,894.76	R-1
1106	PALMER	500-001-004	132	1	132.00	\$21.93	\$2,894.76	R-1
1104	PALMER	500-001-005	66	0.75	49.50	\$21.93	\$1,085.54	R-1
			467		432.75		\$9,490.21	

EAST SIDE

ADDRESS NO.	STREET	ROLL NUMBER	FRONT FOOTAGE	CORNER LOT DISCOUNT	ASSESSABLE FRONT FEET	FRONT FOOT RATE	AMOUNT OF ASSESSMENT	
250	GUTE	500-002-001	155.25	0.75	116.44	\$21.93	\$2,553.47	R-1
1113	PALMER	500-002-002	66	1	66.00	\$21.93	\$1,447.38	R-1
1109	PALMER	500-002-003	66	1	66.00	\$21.93	\$1,447.38	R-1
1105	PALMER	500-002-004	132	0.75	99.00	\$21.93	\$2,171.07	R-1
			419.25		347.44		\$7,619.30	

TOTAL ASSESSABLE FRONT FOOTAGE

780.19



# *City of Owosso*

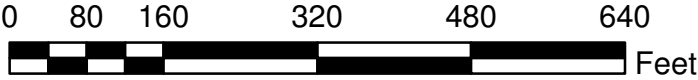
## Proposed Special Assessment

### Palmer Avenue From Gute St. to Prindle St.



#### Legend

- Palmer Ave Assessment Parcels
- City Parcels 2018
- 1100 Street Address Number



1 inch = 200 feet