

TECHNICAL MEMORANDUM

PREPARED FOR: Mr. Adam Wit, Clerk

Charter Township of Harrison

PREPARED BY: David M. Nummer, PE, Wade Trim

Ryan T. Brown, Wade Trim

DATE: March 21, 2022

RE: Huron Pointe 3 Street Paving SAD

Charter Township of Harrison

FILE: HSN 1020-22T

Residents of Venetian Drive have inquired about creating a Special Assessment District (SAD) to resurface their street. The street is approximately 20 feet wide and include 4,448 feet of asphalt paving with no shoulders, shallow ditches, and minimal storm sewer. The existing pavement is in very poor condition with excessive cracking, patching and ponding water.

The Township has developed a combined cost estimate for the resurfacing of Venetian Drive per the limits described above and as shown on the attached map. The estimate was developed based on the construction cost estimates prepared by the Macomb County Department of Roads and actual costs from other recent SADs within Harrison Township for similar proposed paving projects. The estimated cost and a brief project description are presented below.

PROJECT SCOPE

The proposed project consists of crushing and reshaping the existing pavement to create a new base material with the addition of a new four-inch-thick asphalt surface. The work would also include minor drainage work and driveway patching as necessary to match the drives with the new roadway surface. The manholes will also have to be brought to grade and sealed, which has been added to the total construction cost. This project does not include any ditching or drainage improvements other than the minor work noted above.

SPECIAL ASSESSMENT DISTRICT

The Special Assessment will be financed on a per lot basis over 57 lots. Special Assessments are typically financed over a period of ten years.

MACOMB COUNTY SUBDIVISION RECONSTRUCTION PROGRAM

In previous years, the Macomb County Department of Roads had a program that provides 50% participation in the cost of reconstructing local subdivision streets, up to a maximum of \$500,000. To qualify for this program, a project must be complete reconstruction including new base material, pavement, and a complete drainage system. The County will also allow pavement to crush/reshape paving projects if they include "significant drainage improvements." We do not know if the County will offer this program again for 2023.

The Township is limited to three projects each year. If the residents of Venetian Drive are interested in exploring the subdivision reconstruction program, the application would have to be submitted in the fall of 2022 for 2023 construction (provided the County offers this program in 2023). In addition, the scope of the work would have to be expanded to include "significant drainage improvements" so the cost of the project with the County cost participation may or may not be less than the cost to do the crush and reshape project as proposed.

PROJECT COST ESTIMATE

Unit Cost (based on the DOR estimated average for crushing	5
and reshaping pavement in Harrison Township)	\$200 per LF
Length of Road	<u>4,448 LF</u>
Estimated Construction Cost	\$ 889,600
20% Contingency	\$ 177,920
Construction Subtotal	\$ 1,067,520
1% Township Administrative Costs*	\$ 10,675
5% Bonding Cost	\$ 53,376
3% County Preliminary Engineering	\$ 32,026
10% County Construction Engineering	\$ 106,752
3% County Administrative Fee	\$ 32,026
Estimated Project Costs	\$ 1,302,375

Cost Per Lot (57 Lots Total) = \$22,849 Annual Assessment Payment** = \$2,959

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Huron Pointe 3 SAD Tech Memo.docx

Attachment (Proposed Special Assessment District Map)

^{*}One percent administrative cost assumes the Township would use available funds to finance the project rather than bonding. Should the project be bonded, an additional five percent should be added for bonding costs.

^{**}Based on ten-year assessment at five percent interest.

