



Office of Public Works

To: City of Milton Common Council
From: Howard Robinson, Director of the Public Works Department
Date: February 17, 2016
Subject: Discussion and Possible Action Regarding the Assessment of Water Mains for the 2016 Water Main Installations for N. Janesville Street and E. Bowers Lake Road.

Discussion

A public hearing is scheduled for February 17, 2016 concerning the special assessments for water main and appurtenance installation on N. Janesville St. and E. Bowers Lake Road. Preliminary Public Works Resolution 2016-02 was adopted January 19, 2016. This allows a special assessment hearing to be conducted.

A report has been made that consists of the estimated cost of the water main project to each property. A Class I notice has been published. The property owners have been notified.

Per city ordinance 66-241(8) new water main installation is assessable to property owners at 100% of the cost.

A copy of the information sent to the property owners is included with the memo. This report shows the estimated cost of the water main installation.

The most recent water main installation which involved an assessment was on Vincent Street in 2013. The property owners were assessed were allowed to repay it over 5 years at 0% interest. If the property were to be sold prior to the 5 year period, the outstanding amount would be due at the time of sale.

The curb and gutter assessments on Parkview Drive were allowed to have a 5 year repayments, if the amount was greater than \$500 with the payments being subjected to a 4.50% interest rate (City's borrowing rate on the loan + 2%).

Assessment Options:

The following are some options for allowing the property owners to repay the assessments:

1. Repay the assessment at _____% over _____ years.
2. If the amount is greater than _____, allow for a repayment at _____% over _____ years. Any amounts lower than \$_____, would be due at the time the exact amount can be determined (typically after project completion).
3. Make the assessment due in full at the time the exact amount can be determined (typically after project completion).
4. Payment deferred until such time the property connects to city water.

The City's interest rate on the water revenue bonds that were taken out in August was 3.00%. Under any repayment plan, if the property is sold or transferred prior to the assessment being paid in full, the remaining balance would be due at the sale or transfer of the property.

Attachments

- Information sent to property owners