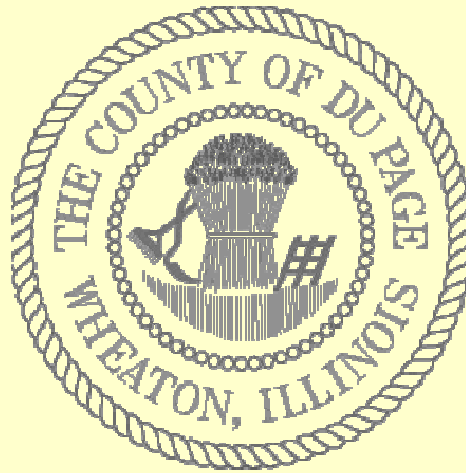


# **Nelson Highview Subdivision Water Main Improvements**



**DuPage County Public Works Department**  
**Nick Kottmeyer**  
**Superintendent**

# **Introduction**

## **Why are we meeting?**

- **Petition received for water service**
- **Individual homeowner requests**
- **Availability of Lake Michigan water service from DuPage County**

# **Introduction**

- **What is a Special Service Area?**
- **What is the process to form a Special Service Area?**

# Special Service Area Procedure

STEP 1: Property Owners make a request for service

STEP 2: Public Works Committee Approval

STEP 3: Meeting with Property Owners

STEP 4: Survey Property Owners to Form SSA

STEP 5: Public Works Approve or Deny SSA Creation

STEP 6: County Board Approve or Deny SSA Creation

STEP 7: If SSA is Approved - Public Hearing - 60 days

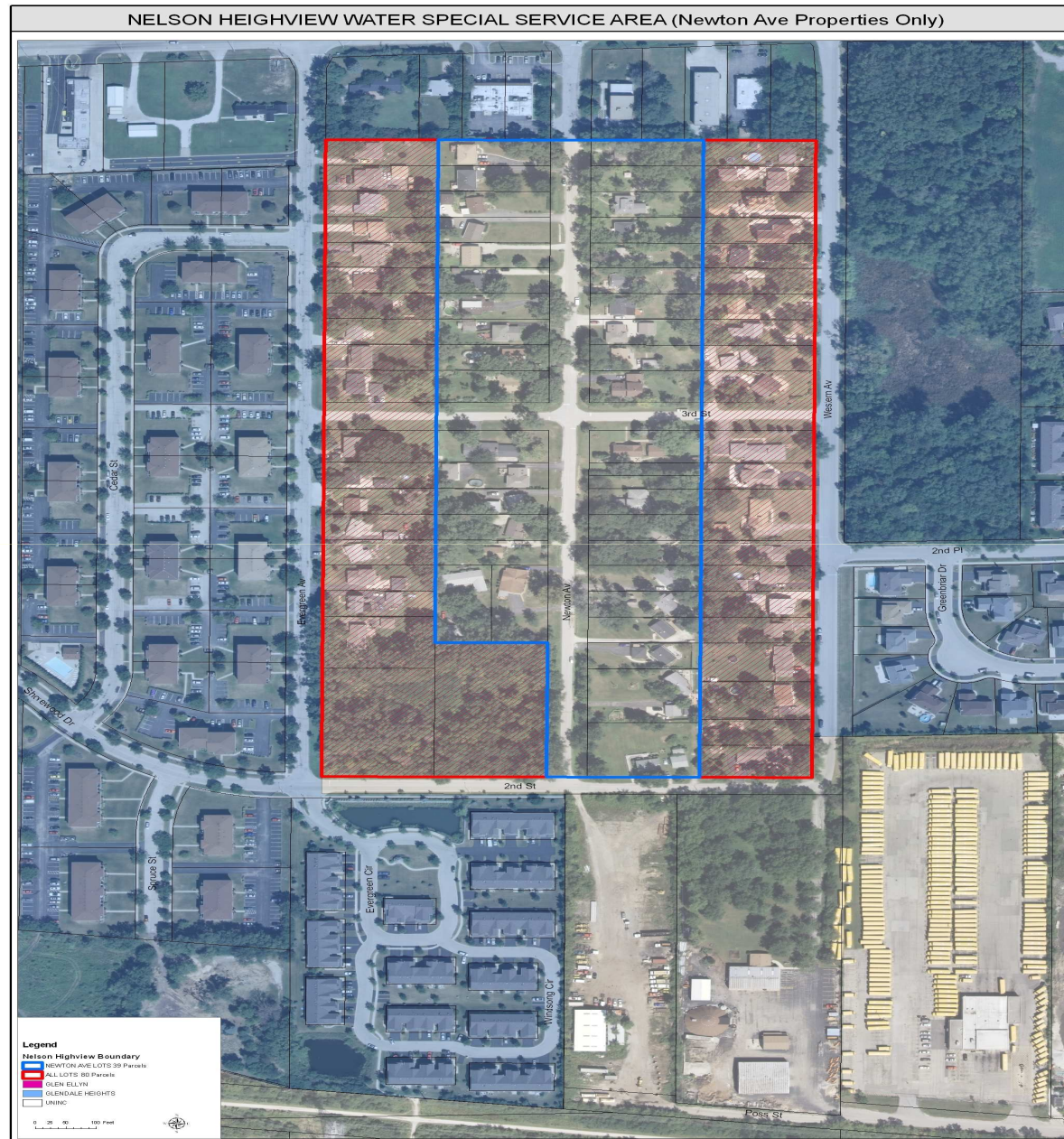
STEP 8: County Board Approve or Deny SSA Formation

# Nelson Highview Subdivision (Potential Service Area)





# Nelson Highview Subdivision (Newton Avenue Only)





# Nelson Highview SSA Water Mains



## Estimated Project Costs (Assumes 10% Of Properties Opt Out Of SSA)

	<b><u>Project Estimated Costs</u></b>						
	Construction (watermain infrastructure)					\$985,000	
	Pressure Booster Station					\$80,000	
	Engineering & Construction Oversight					\$100,000	
	Administrative/Legal Fees/Easements					\$100,000	
	Bond Issuance Expenses					\$85,000	
	Project Cost (sub-total)					\$1,350,000	
	Contingency 10%					\$135,000	
	<b>Total Project Cost (maximum SSA bonding amount)</b>					<b>\$1,485,000</b>	

*The Total Project Cost figure represents the amount needed to construct the water system in the public right of way and install the service stubs up to the property line with restoration.*



## Estimated SSA Tax Payments (Assumes 10% Of Properties Opt Out Of SSA)

20 Years @ 5.25% Interest Rate		Annual Payment	\$121,699	per year
Area Total Assessed Value of the SSA Parcels	72		\$5,163,363	
Annual Tax Rate = Payment / Total Area Assessed Value				
	\$121,699	/	\$5,163,363	= 0.0236
Annual Tax Rate = \$2.36 per \$100 of the assessed valuation				

### **Example of Annual Tax Payments (Assumes 10% Of Properties Opt Out Of SSA)**

- Utilize billing value for SSA tax calculations (billing value = assessed value - property exemptions).
- Assessed valuation is approximately one-third of fair market valuation
- Property owners should contact their Township Assessor for accurate property assessments & exemptions.
- Property owners should contact a tax advisor to determine tax deductibility of SSA tax payments.

Home Assessed at	\$ 60,000	(est. home value \$180,000)	Annual Payment	\$1,414
Home Assessed at	\$ 70,000	(est. home value \$210,000)	Annual Payment	\$1,650
Home Assessed at	\$ 80,000	(est. home value \$240,000)	Annual Payment	\$1,886

## Estimated Project Costs (Assumes Newton Avenue Participation Only)

	<b><u>Project Estimated Costs</u></b>					
	Construction (watermain infrastructure)				\$520,500	
	Pressure Booster Station				\$80,000	
	Engineering & Construction Oversight				\$60,000	
	Administrative/Legal Fees/Easements				\$70,000	
	Bond Issuance Expenses				\$75,000	
	<b>Project Cost (sub-total)</b>				<b>\$805,500</b>	
	Contingency 10%				\$80,550	
	<b>Total Project Cost (maximum SSA bonding amount)</b>				<b>\$886,050</b>	
<i>The Total Project Cost figure represents the amount needed to construct the water system in the public right of way and install the service stubs up to the property line with restoration.</i>						

## Estimated SSA Tax Payments (Assumes Newton Avenue Participation Only)

	<b><u>Finance Bond Payments (Assumes Participation Of Newton Avenue Properties Only)</u></b>						
	20 Years @ 5.25% Interest Rate				Annual Payment	\$72,614	per year
	Area Total Assessed Value of the SSA Parcels			39		\$2,521,563	
	Annual Tax Rate = Payment / Total Area Assessed Value						
			\$72,614	/	\$2,521,563	=	0.0288
	Annual Tax Rate =		\$2.88	per \$100 of the assessed valuation			

### **Example of Annual Tax Payments (Assumes Participation Of Newton Avenue Properties Only)**

- Utilize billing value for SSA tax calculations (billing value = assessed value - property exemptions).
- Assessed valuation is approximately one-third of fair market valuation
- Property owners should contact their Township Assessor for accurate property assessments & exemptions.
- Property owners should contact a tax advisor to determine tax deductibility of SSA tax payments.

Home Assessed at	\$ 60,000	(est. home value \$180,000)	Annual Payment	\$1,728
Home Assessed at	\$ 70,000	(est. home value \$210,000)	Annual Payment	\$2,016
Home Assessed at	\$ 80,000	(est. home value \$240,000)	Annual Payment	\$2,304

## Estimated Individual Private Costs

Water Connection Fee with 3/4" Meter (current rates)	(\$1592 + \$392)		\$1,984
Estimated cost of service line installed on private property varies		\$35/ft Avg 55ft	<u>\$1,925</u>
		Estimated Private costs	\$3,909
DuPage County Public Works water billing est. (6000 gals/ mo. average residential user)			\$41 monthly
<i>Note: Any remaining funds available at end of project will be applied towards connection &amp; meter expenses.</i>			



## Summary Of Financial Information Nelson Highview Water SSA

### **Scenario 1 – 10% of properties opt out of SSA**

Total Project Cost - \$1,485,000

SSA Tax Rate - \$2.36 per \$100 of assessed valuation

Home Assessed @ \$60,000 - \$1,414 per year

Home Assessed @ \$70,000 - \$1,650 per year

Home Assessed @ \$80,000 - \$1,886 per year

### **Scenario 2 – Newton Avenue Properties Only**

Total Project Cost - \$886,050

SSA Tax Rate - \$2.88 per \$100 of assessed valuation

Home Assessed @ \$60,000 - \$1,728 per year

Home Assessed @ \$70,000 - \$2,016 per year

Home Assessed @ \$80,000 - \$2,304 per year

### **Private Costs (Applies To Both Scenarios)**

Costs related to individual connections - \$3,909

All regular usage charges

# Construction Process & Tentative Timeline

## (If Approved By Homeowners)

- Engineering completed (Dec 2010)
- Obtain easements and permits (Jan 2011)
- Construction contract awarded (Jan 2011)
- County issues bond for project (Feb 2011)
- Construction started (March 2011)
- Completion of construction (August 2011)
- Initial restoration (September 2011)
- Individual water connection allowed (October 2011)
- Final restoration (March 2012)
- First Tax Increase From SSA Tax (2012)

# **Key Issues Related To Nelson Highview Project**

(If Approved By Homeowners)

- Future Of SSA project determined by residents
- If approved, final SSA boundaries will be set when County reviews surveys submitted.
- Final price of the SSA tax will be determined once boundaries are finalized.
- County will not include properties along Western & Evergreen that votes no to the survey.
- If project moves forward, all of Newton Avenue will be included.
- Other water service options exist from Glendale Heights.

# Property Owner Survey

## **Nelson Highview Subdivision Water Improvements Proposed Special Service Area August 2010 Homeowner Survey**

This survey is being sent to all property owners within the Nelson Highview Subdivision area to determine their interest in forming a special service area to finance a water improvement project. It should be understood that based on the results of this survey, DuPage County will determine if the SSA formation process will be initiated for your neighborhood. The final boundaries of the SSA project will be established once these surveys have been returned to the County with the boundaries being established to provide water service to the majority of property owner consensus.

If a majority consensus exists among the property owners in favor of forming a special service area, the results of this survey will be presented to the DuPage County Board to begin the formation process and a public hearing will be announced by registered mail.

Please select the statement that best represents your view on the formation of a special service area. **Only one vote for each lot will be counted.**

\_\_\_\_\_ **Yes, I am in favor** of creating a special service area to finance the proposed water improvement project in my area. I understand that the final cost of this project will depend upon the number of properties included within the SSA, with the SSA tax ranging from \$2.36 to \$2.88 per \$100 of assessed valuation. I understand that this survey will be used to determine whether an SSA will be initiated by the DuPage County Board.

\_\_\_\_\_ **No, I am not in favor** of creating a special service area to finance the proposed water improvement project in my area. I understand that this survey will be used to determine whether an SSA will be initiated by the DuPage County Board.

\_\_\_\_\_ I already receive water service from another water utility provider, therefore do not include me within the boundary of any proposed special service area for water.  
Please provide name of current water provider: \_\_\_\_\_

Owner's Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

Parcel Number: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Please return this survey prior to September 10, 2010.**

MAIL TO: DuPage County Public Works  
Nelson Highview Subdivision Water Improvements Survey  
421 N. County Farm Road  
Wheaton, IL 60187

Please call (630) 407-6800 with any questions/comments related to this survey.



# Frequently Asked Questions

- Will the SSA charges be tax deductible?
- When is the first year this shows on my taxes?
- How is the cost per home calculated?
- Is it possible for the costs to be higher or lower?
- What happens to remaining project bond funds?
- What happens if I sell my house?
- What happens if the SSA is approved and properties not included in SSA want to connect in the future?

# **Questions & Answers**

## **CONTACT INFORMATION**

**DuPage County Public Works  
630-407-6800**