



CITY of NOVI CITY COUNCIL

Agenda Item E
April 22, 2014

SUBJECT: Approval of a request by Martel Developments, L.L.C. to waive the Maintenance and Guarantee Bond required under Section 26.5-33(1)(d)(12) of the ordinance for water and sewer facilities installed for West Park Place Condominiums (located off of West Park Drive, north of West Road).

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

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

The developer of West Park Place Condominiums – Martel Developments, L.L.C., has requested that the City waive the two-year maintenance and Guarantee Bond requirement under Ordinance Section 26.5-33(1)(d)(12) for the project due to the length of time that has elapsed since the installation of the utilities.

The Ordinance requires a Maintenance and Guarantee Bond for all newly installed water main and sanitary sewer facilities that will ultimately be dedicated as public for a two-year term. The bond ensures the improvements are in good working order by repairing any defect, whether due to improper or defective materials, equipment, labor, workmanship, or otherwise without expense to the City. The two-year term would normally coincide with the issuance of a Temporary Certificate of Occupancy for the first unit or building.

The water main and sanitary sewer serving this site was installed, tested and approved for operation in 2008 but not formally dedicated at that time. Therefore, the developers of West Park Place Condominiums are requesting the waiver for the Maintenance and Guarantee Bond to move forward with Utility Acceptance by the City. The City has not experienced any problems with the facilities in question and therefore staff recommends approval of the requested waiver of the Maintenance and Guarantee Bond requirement.

RECOMMENDED ACTION: Approval of a request by Martel Developments, L.L.C. to waive the Maintenance and Guarantee Bond required under Section 26.5-33(1)(d)(12) of the ordinance for water and sewer facilities installed for West Park Place Condominiums (located off of West Park Drive, north of West Road).

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

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

Sec. 26.5-33. Requirements for completion of improvements in developments with public streets and utilities.

The following requirements shall apply where the streets and utilities within a development are contemplated or required to be dedicated to the public and accepted by the city.

(1) *Completion of utilities and acceptance for maintenance.*

...

d. The following acceptance documents (executed by or on behalf of the applicant unless otherwise specified herein) must be submitted to the city engineer for review and approval prior to approval of plot plan for single-family residential building sites, including platted subdivisions and site condominiums and prior to issuance of any temporary certificate of occupancy for all other developments:

...

12. Maintenance and guarantee bond equal to twenty-five (25) percent of the cost of the construction of the utilities to be accepted. This bond must be in effect for a period of two (2) years from the date of the "acknowledgement" signed by the city engineer indicating the city has accepted the utilities and corresponding easements.

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March 11, 2014

Mr. Adam Wayne, Staff Engineer
City of Novi Dept. of Public Services Engineering Division
26300 Lee BeGole Drive
Novi, MI 48375

RE: Westpark Place Condominiums

Dear Mr. Wayne:

We are attorneys for Martell Developments, LLC ("Martell"). As you know, Martell is in the process of completing the dedication of the water main and sanitary sewer utilities to the City of Novi for operation and maintenance. As part of that process, a two-year Maintenance and Guarantee Bond is usually required to be submitted together with other related documents. As the owner of the Westpark Place Condominiums, Martell hereby requests a bond waiver from the City Council.

The original developer, Westpark Place L.L.C., commenced construction of the Westpark Place Condominiums during the winter of 2004-2005. The utility systems, including the water mains and sanitary sewers, were completed and made operational in the latter half of 2005.

Martell was the mortgagee of several units of the condominium project and acquired title to those units via a deed in lieu of foreclosure in May 2008. Shortly thereafter, Martell purchased the remaining unsold units from the original developer together with an undivided interest in the project's common elements. Now, more than 8 years after construction, Martell has submitted the documentation for dedication of those utilities to the City of Novi. Typically, the underground contractor who installs the utilities provides a two-year Maintenance and Guarantee Bond. However, it is unlikely the contractor who did the work will be able to find a surety company that will issue a bond for construction that took place 8 years ago. Both the water mains and sanitary sewers have been operational for over 8 years without incident. For these reasons, we conclude the following:

Mr. Aaron Staup, Construction Engineering Coordinator

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1. That the literal application of the bonding requirement will result in exceptional and practical difficulty to Martell Developments, LLC;
2. The fact that the systems have been operational for over 8 years without incident more than exceeds the two-year bond term requirement and represents a reasonable alternative and does not substantially deviate from the performance that would be obtained by strict enforcement of the standards; and
3. The granting of the variance will not be detrimental to the public health, safety or welfare, will not be injurious to adjoining or neighboring property, nor contrary to the overall purpose and goals of the chapter or article containing the regulation in question.

We ask that you place this matter on the City Council agenda for their consideration and acceptance of the utility systems.

If you have any questions, or require anything further, please do not hesitate to call.

Very truly yours,



Arthur J. LeVasseur

AJL:dmm

cc: Elizabeth K. Saarela
Andy Attisha



Stantec

Stantec Consulting Michigan Inc.
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Ann Arbor MI 48108-2216
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November 18, 2008
File: 2075064900

City of Novi
Engineering Division
45175 West Ten Mile Road
Novi, Michigan 48375

Attention: Mr. Aaron Staup

Dear Mr. Staup:

**Reference: West Park Place Site Condominiums
Utility, Grading, and Pavement Final Inspection for Substantial Completion**

At the request of the Applicant and City of Novi, our field personnel visited the above referenced site on November 17, 2008 to inspect the outstanding punch list items from the May 2, 2008 punch list. As a result of this walkthrough, all public Water and Sanitary Sewer punch-list items have been completed for this site. The Storm Sewer, Roads, and Curb are not approved at this time and will be addressed at a later date once the Applicant has completed those punch-list items. Stantec has generated the attached updated punch list for completion by the Applicant prior to substantial completion and final acceptance of the entire site.

If you have any questions, please do not hesitate to contact us.

Sincerely,

STANTEC CONSULTING MICHIGAN INC.

Dean Trella
Construction Services
Tel: (734) 214-1829
Fax: (734) 761-1200
dean.trella@stantec.com

Attachment: Punch List

- c. Sarah Marchioni, City of Novi (via email)
- Marina Neumaier, City of Novi (via email)
- Sheila Weber, City of Novi (via email)
- Sami Harb, Windmill Group (via email)
- George Tsakoff, Stantec (via email)



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**CITY OF NOVI
WEST PARK PLACE
UTILITY AND GRADING PUNCH LIST
PROJECT NO. 2075064900**

November 17, 2008 Walkthrough

1. STORM SEWER

- a. All storm sewers, catch basins, and manholes.
 - Jet and vacuum entire storm sewer system.
 - Provide legible receipt or manifest of disposal of the waste at the landfill in regards to the storm sewer cleaning.
- b. Manhole No.15, 16, and 6:
 - Reset casting by removing casting, clearing loose and unsecured adjustment material, and replacing with new mortar bed and approved adjustment materials.
 - Point and tuck casting inside and outside.
- c. Catch Basin 19 and 20:
 - Remove and reset casting by removing the casting, clearing the adjustment materials, and replacing with new bed of mortar and approved adjustment materials.
 - Point and tuck casting and adjustment inside and outside.
 - Point and tuck around the edge drain pipes for both structures.
- d. Catch Basin 2, 5, 5A, and 8:
 - Remove and reset casting by removing the casting, clearing the adjustment materials, and replacing with new bed of mortar and approved adjustment materials.
 - Point and tuck casting and adjustment inside and outside.
- e. Catch Basin 21:
 - Remove and center casting by removing the casting, clearing the adjustment materials, and replacing with new bed of mortar and approved adjustment materials.
 - Point and tuck casting and adjustment inside and outside.
 - Install the soil erosion measures for greenbelt structures. This should include 5 foot tee posts around the outside of each catch basin forming a square with silt fence installed around the posts. A inlet filter should also be installed under each located on the casting.

**Reference: City Of Novi
West Park Place
Utility And Grading Punch List**

2. GRADING & PAVING

- a. Sidewalk ramps need to have ADA detectible warning plates installed. Any existing ramps without damage may use an adhesive detectible warning plate; any new or replaced ramps will require a cast in place detectible warning plate.
- b. Pavement areas need to be milled down 1 ½ inches to allow for the wearing course. There are many location were the asphalt is already the same level as the curb or only ¼ to ½ inch below the curb.
- c. The work within the right of way is not complete on this site because there are only 6 lots with completed houses or under house construction. The sidewalks and back of curb grading on the remaining 9 lots have not been completed. The streets to be dedicated should have all of the work completed within the road right of way to conform to the approved plans for the site.
- d. Pavement, curb, and gutter were also marked out for repair during this walk-through. These repairs should be completed and the final asphalt wearing course installed pending an agreement with the City on a road restoration bond amount.

Please contact Dean Trella to schedule inspection for all of the storm sewer related items prior to performing this work. Once the entire punch-list is complete, contact our office to schedule a re-inspection of the entire work. If you have any questions, please don't hesitate to contact me.

PUNCHLIST PREPARED BY: Dean Trella, Stantec