

North Shore Estates Association, Inc.
P.O. Box 347
Ferrysburg, MI 49409

July 1, 2014

Re: Important NSEA Road Project Update – Please Read Carefully!

Dear North Shore Estates Association Property Owner:

This letter is to provide you with an update regarding the status of the road project. On June 9, 2014 bids were received by Spring Lake Township for construction of the roadway improvements. Only two bids were received from the 12 contractors that purchased plans for the project. The project advertisement was made available to over 100 contractors. Bids came in much higher than anticipated, and follow-up interviews with contractors indicated that the project is unlike others, and several factors led to the substantial increase in cost. These include:

- Limited access
- Limited areas for material and equipment storage
- Contractors' workforces have not returned to levels prior to the economic downturn and firms are very busy.
- Scheduling: The project bidding period provided for limited flexibility in contractors' schedules, which the Township believes also contributed to only two bids received (both contractors that did submit bids indicated that while the project fit their schedule this year, they would not likely bid on it if delayed to 2015).
- Material costs have increased. The asphalt estimate of \$65 per ton from early 2014 increased to \$76 per ton. Asphalt accounts for nearly 40 percent of the project costs.
- Original estimates from 2010 did not fully account for the interface between driveways and the new roadway. Several improvements completed since the original design was done (i.e. new driveways along the roadway) have also led to additional costs.
- Engineers were conservative in their approach to how the road will interface with driveways, and bids provided full replacement of existing surfaces.

After meeting with the Township, contractors, and the engineer, steps were taken to lower the costs to property owners. The major item focused on restoring driveways and parking areas, which accounted for approximately 25 percent of the construction costs. The NSEA Board met and determined that in order to minimize costs to all property owners, existing concrete and brick driveways will be saw cut, material removed and restored with hot mix asphalt. Those with asphalt and aggregate drives will be replaced with the same material that currently exists. Asphalt, concrete and brick parking areas extending beyond the main driveway, or a maximum of 25 feet, will be restored with aggregate.

Additional measures taken to reduce the cost of the project include limiting the size of disturbances from drainage areas, revising catch basins to open bottom basins to allow additional infiltration, and reuse of existing aggregate for maintenance gravel during construction. The NSEA Board also voted to increase their investment from \$100,000 to \$140,000 to help offset the amount to be assessed to property owners.

After incorporating the cost-cutting measures noted above, the revised assessment estimate is \$5,300 per lot or building site within the association.

This bid process has given us a better understanding of the challenges this project presents to contractors, and therefore, we do not anticipate that the cost to complete the project will go down in the future. In addition, our critical dune construction permit will expire in April, 2015. Based on these factors and the condition of our deteriorating roadway, **the NSEA Board has voted to move forward with the project.** The Board has also

requested that the Spring Lake Township Board extend the time period for payment of the assessment, and their initial response to this request has been positive.

Additional Information Regarding Driveways and Drainage:

Replacement of roadside parking areas with material other than aggregate will require board approval, and all costs will be the responsibility of the property owner.

Homeowners whose drives slope toward the road will be required to provide the following to retain storm water from their drive and property:

- A trench drain the width of their drive with a drywell to leach away storm water from their drive and property
- Homeowners with an existing system to catch water that is non-functioning will be required to install a trench drain and drywell per NSEA specifications
- Areas other than drive approaches that are paved and slope toward the road will have a 4 foot wide gravel area at the NSEA road. Other proposed solutions will require NSEA Board approval.

Trench drain and drywell installation costs will be the responsibility of the property owner. We will assist homeowners with planning issues to achieve this result.

Project Timing

We anticipate road construction will begin immediately after Labor Day weekend, and will last until mid to late October. NSEA residents should expect ongoing traffic delays during this time.

Cut lines on existing driveways will be marked with spray paint no later than August 29. Homeowners wishing to discuss their driveway interface should contact NSEA board member Bob Landman at 616-842-2490. We respectfully request that homeowners refrain from contacting the road contractor directly.

We encourage all property owners to attend the NSEA annual meeting scheduled for Saturday, July 12 at 10:00 a.m. at Ferrysburg City Hall, 17290 Roosevelt Rd. We will be available to address questions related to the road project at that time. You are also encouraged to contact any Board member directly prior to or after the annual meeting.

We anticipate that Spring Lake Township will award the contract for the project at the Township Board meeting scheduled for Monday, July 14 at 7:00 p.m. at Spring Lake Township Hall, 106 S. Buchanan St.

Very Truly Yours,

North Shore Estates Association, Inc. Board Members

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