



# MAYOR & COUNCIL COMMUNICATION

**DATE:** September 20, 2016  
**REGULAR**  
**ITEM #** 26

**AGENDA ITEM:** Old Village Phase 1: Street, Drainage, and Utility Improvements – Resolution Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessments, and Calling for Hearing on Proposed Assessment

**SUBMITTED BY:** Chad Isakson, Assistant City Engineer

**THROUGH:** Kristina Handt, City Administrator

**REVIEWED BY:** Jack Griffin, City Engineer  
Cathy Bendel, Finance Director  
Sarah Sonsalla, City Attorney

**SUGGESTED ORDER OF BUSINESS:**

- Introduction of Item ..... City Engineer
- Report/Presentation..... City Engineer
- Questions from Council to Staff ..... Mayor Facilitates
- Public Input, if Appropriate.....Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion ..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

**POLICY RECOMMENDER:** Engineering/Finance.

**SUMMARY AND ACTION REQUESTED:** The City Council is respectfully requested to consider declaring costs to be assessed and calling for the final assessment hearing for the Old Village Phase 1 Street, Drainage, and Utility Improvements.

**LEGISLATIVE HISTORY/BACKGROUND INFORMATION:** The Old Village Phase 1 Street, Drainage and Utility Project has been completed and the total project costs are known. Pursuant to Minnesota Statutes, Section 429 the Council must declare the amount to be assessed against the benefitting properties and Call the Hearing on the Proposed Assessment for these improvements. The Assessment Hearing is proposed for October 18, 2016. The Final Assessment Roll must be certified to the County Auditor by November 30, 2016.

The final total project cost is \$6,600,000 with the County cost share contribution of \$1,047,000. The final total cost of the street and landscape improvements is \$1,456,000; sanitary sewer improvements are

\$826,000; regional drainage improvements are \$2,719,000; and water system improvements are \$552,000. The watermain replacement and regional storm sewer system are not being assessed.

The final street assessments have been calculated based on the final project costs resulting in a residential per unit assessment of \$8,300, down from the preliminary unit assessment of \$9,200; and a commercial per lineal foot assessment of \$230, down from \$255. The street and landscape improvements are being assessed at 30% of the total costs for residential properties using an average residential front footage, and 100% for commercial properties based upon the actual front footage.

The final per REC unit sanitary sewer assessment is \$11,000 with some commercial properties being assigned multiple REC units, down from \$14,000 per REC unit. The Feasibility Reports for both Old Village sanitary sewer project phases presented the preliminary assessment amounts to be based on the total cost for the extension of sanitary sewer for both Phase 1 and Phase 2 of the improvements, divided by the total number of REC's (or SAC's) connecting to the sewer main. The Final Assessment Roll for sanitary sewer improvements have been prepared based on council direction provided at the September 6, 2016 council meeting, to assess for sanitary sewer improvements based on the total cost for the overall extension of sanitary sewer improvements needed to replace all (or substantially all) existing private wastewater systems in the Old Village area, including the Phase 1 and Phase 2 sewer improvement projects and future sewer extension projects planned for the Old Village service area.

Assessments for street improvements are being levied over 15 years (increased from 10 years) while the sanitary sewer improvements will be levied over a 20 year period (increased from 15 years).

**RECOMMENDATION:** Staff is recommending that the City Council approve Resolution No. 2016-78, thereby declaring the costs to be assessed to be \$471,460 for street improvements and \$561,000 for sanitary sewer improvements; ordering the preparation of the proposed assessments and calling for the hearing on the proposed assessments for October 18, 2016 at or around 7:00 pm. The recommended motion for the action is as follows:

***“Move to approve Resolution No. 2016-78; A Resolution Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessment, and Calling for the Hearing on the Proposed Assessment for the Old Village Phase 1 Street, Drainage, and Utility Improvements.”***

**ATTACHMENT(S):**

1. Resolution No. 2016-78 Resolution Declaring Cost to be Assessed, Ordering Preparation of Proposed Assessment, and Calling for Hearing on Proposed Assessment.
2. Notice of Hearing on Proposed Assessment.
3. Final Assessment Rolls.

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2016-78**

**A RESOLUTION DECLARING COST TO BE ASSESSED, ORDERING  
PREPARATION OF PROPOSED ASSESSMENTS, AND CALLING FOR  
HEARING ON PROPOSED ASSESSMENTS FOR THE OLD VILLAGE  
PHASE 1 STREET, DRAINAGE, AND UTILITY IMPROVEMENTS**

**WHEREAS**, a contract has been let for the Old Village Phase 1 Street, Drainage and Utility Improvements including street drainage and utility improvements of Upper 33rd Street N, 36th Street N from Laverne Ave N to west end, and Laverne Avenue North from CSAH 14 to Upper 33rd Street N; and

**WHEREAS**, the total cost of the improvements will be \$6,599,686.

**WHEREAS**, the City Clerk and City Engineer have prepared the proposed assessment roll and will maintain said assessment roll on file in the City offices for public inspection.

**NOW, THEREFORE, BE IT RESOLVED,**

1. The portion of the cost of such street and landscaping improvements to be paid by the City is hereby declared to be \$984,411, and the portion of the cost to be assessed against benefited property owners is declared to be \$471,460.
2. The portion of the cost of such sanitary sewer improvements to be paid by the City is hereby declared to be \$265,254, and the portion of the cost to be assessed against benefited property owners is declared to be \$561,000.
3. The City Clerk, with the assistance of the City Engineer, has calculated the proper amount to be specially assessed for such improvements against every assessable lot, piece or parcel of land to be benefited by the improvements, and the Clerk has filed a copy of such proposed assessment in the City offices for public inspection.
4. Assessments shall be payable in equal annual installments extending over 15 years for streets and 20 years for sanitary sewer, the first of the installments to be payable on or before the first Monday in January, 2017, and shall bear interest at the rate of 2.68 percent per annum from the date of the adoption of the assessment resolution.
5. A public hearing shall be held on the 18th day of October, 2016, in the Council Chambers of the City Hall at or approximately after 7:00 P.M. to pass upon such proposed assessment. All persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
6. The City Clerk is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and she shall state in the notice the total cost of the improvement. She shall also cause mailed notice to be

given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearings.

7. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City Clerk. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. A property owner may at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE TWENTIETH DAY OF SEPTEMBER, 2016.**

**CITY OF LAKE ELMO**

By: \_\_\_\_\_  
Mike Pearson  
Mayor

(Seal)  
ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk

**CITY OF LAKE ELMO**  
**NOTICE OF HEARING ON PROPOSED ASSESSMENT**  
**OLD VILLAGE PHASE 1: STREET, DRAINAGE, AND UTILITY**  
**IMPROVEMENTS**

Notice is hereby given that the City Council of Lake Elmo will meet in the Council Chambers of the City Hall at or approximately after 7:00 P.M. on Tuesday, October 18, 2016, to consider, and possibly adopt, the proposed assessment against abutting property for the Old Village Phase 1: Street, Drainage, and Utility Improvement. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the area proposed to be assessed:

- Street, landscape, and streetscape improvements along Upper 33<sup>rd</sup> Street from Lake Elmo Avenue to Laverne Avenue, Laverne Avenue from Upper 33<sup>rd</sup> Street to CSAH 14, 36<sup>th</sup> Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33<sup>rd</sup> Street to 36<sup>th</sup> Street.
- Sanitary sewer improvements along Upper 33<sup>rd</sup> Street from where it crosses the Union Pacific Railroad Tracks to Lake Elmo Avenue, along Laverne Avenue from Upper 33<sup>rd</sup> Street to CSAH 14, 36<sup>th</sup> Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33<sup>rd</sup> Street to 200-feet south of 36<sup>th</sup> Street.

You may at any time prior to certification of the assessment to the county auditor on November 18, 2016, pay the entire assessment on such property to the City Clerk with interest accrued to the date of payment. No interest shall be charged if the entire assessment is paid to the City Clerk 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 (date assessment certified to County Auditor) or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 2.68 percent per year.

Once assessments are certified to the County, the assessments are payable in equal annual installments extending over a period of 15 years for street improvements and 20 years for sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January 2017, and will bear interest at the rate of 2.68 percent per annum from the date of adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of the assessment resolution until December 31, 2016. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed street improvement assessment is \$471,460. The total amount of the proposed sanitary sewer improvement assessment is \$561,000. *The City*

*contribution for the overall improvement project is \$4,519,898 and Washington County's contribution for the overall improvement project is \$1,047,328. Written or oral objections will be considered at the meeting. No appeal may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.*

An owner may appeal an assessment to district court pursuant to Minnesota Statutes, Section 429.081 by serving notice of the appeal upon the Mayor or Clerk within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the Mayor or Clerk.

The City Council is authorized in its discretion to defer the payment of an assessment for any homestead property owned by a person for whom it would be a hardship to make payment if the owner is 65 years of age or older and/or the owner is a person retired by virtue of a permanent and total disability or by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in section 190.05 subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments. The owner must request a deferment of the assessment at or before the public hearing at which the assessment is adopted and make application on forms prescribed by the City Clerk within 30 days after the adoption.

Notwithstanding the standards and guidelines established by the City for determining a hardship, a deferment of an assessment may be obtained pursuant to Minnesota Statutes Section 435.193.

**DATED:** September 20, 2016

**BY ORDER OF THE LAKE ELMO CITY COUNCIL**

**Mike Pearson, Mayor**

*(Published in the Oakdale-Lake Elmo Review on September 28, 2016)*

OLD VILLAGE PHASE 1: STREET AND UTILITY IMPROVEMENTS  
 FINAL SANITARY SEWER  
 ASSESSMENT ROLL

NO.	NAME	ADDRESS	MAILING ADDRESS	PID	ASSESSMENT	
					AMOUNT	SAC
1	AGINCOURT LLC	3459 LAKE ELMO AVE N	8602 NEAL AVE N STILLWATER MN	55082 1302921320041	\$ 33,000.00	3
2	LENZMEIER JOHN & REHAK VICKY	11178 UPPER 33RD ST N	PO BOX 18 LAKE ELMO MN	55042 1302921320042	\$ 11,000.00	1
3	CHEEE LLC		7250 HUDSON BLVD N OAKDALE MN	55128 1302921310017	\$ 11,000.00	1
4	CHEEE LLC	11320 UPPER 33RD ST N	7250 HUDSON BLVD N OAKDALE MN	55128 1302921240024	\$ 22,000.00	2
5	CITY OF LAKE ELMO		3800 LAVERNE AVE N LAKE ELMO MN	55042 1302921230028	\$ 11,000.00	1
6	JUDITH I MOHAR TRS	3520 LAVERNE AVE N	299 COUNTY RD C2 W ROSEVILLE MN	55113 1302921230027	\$ 11,000.00	1
7	SQUADRITO FRANK & BARBARA N	3570 LAVERNE AVE N	PO BOX 74 LAKE ELMO MN	55042 1302921230072	\$ 11,000.00	1
8	BUETEL BRUCE W & ARLINE V	3590 LAVERNE AVE N	PO BOX 124 LAKE ELMO MN	55042 1302921230073	\$ 11,000.00	1
9	GERMAN EVANG LUTHERAN CHURCH	11194 36TH ST N	11194 36TH ST N LAKE ELMO MN	55042 1302921230060	\$ 33,000.00	3
10	BJORKMAN BARBARA E	3650 LAVERNE AVE N	3650 LAVERNE AVE N LAKE ELMO MN	55042 1302921230019	\$ 11,000.00	1
11	PERLTIER GENE M & ANN E		PO BOX 455 LAKE ELMO MN	55042 1302921230018	\$ 11,000.00	1
12	TRACY R LACRIOX TRS	11199 STILLWATER BLVD N	7485 GRANADA BAY S COTTAGE GROVE MN	55016 1302921230065	\$ 88,000.00	8
13	LAKE ELMO CREAMERY BLDG LLC	3481 LAVERNE AVE N	7250 HUDSON BLVD N SUITE 160 OAKDALE MN	55128 1302921310016	\$ 44,000.00	4
14	CITY OF LAKE ELMO		3800 LAVERNE AVE N LAKE ELMO MN	55042 1302921230030	\$ 11,000.00	1
15	WACKER WILLIAM G & SALLANN	3603 LAVERNE AVE N	PO BOX 167 LAKE ELMO MN	55042 1302921230017	\$ 11,000.00	1
16	FAINT DAVID S & KAREN L KOHL	3617 LAVERNE AVE N	3617 LAVERNE AVE N LAKE ELMO MN	55042 1302921230075	\$ 11,000.00	1
17	BUTLER BRYAN C & MOLLY K BRENDMOEN	3631 LAVERNE AVE N	3631 LAVERNE AVE N LAKE ELMO MN	55042 1302921230014	\$ 11,000.00	1
18	WIER RICHARD R & ANNE M	3645 LAVERNE AVE N	3645 LAVERNE AVE N LAKE ELMO MN	55042 1302921230013	\$ 11,000.00	1
19	SELDEN TERI G	3673 LAVERNE AVE N	3673 LAVERNE AVE N LAKE ELMO MN	55042 1302921230012	\$ 11,000.00	1
20	BUETEL DOUGLAS J	3693 LAVERNE AVE N	3693 LAVERNE AVE N LAKE ELMO MN	55042 1302921230009	\$ 11,000.00	1
21	GUERIN KRISTLE M	3699 LAVERNE AVE N	1171 MANNING AVE S AFTON MN	55001 1302921230008	\$ 11,000.00	1
22	KOSMAN RICHARD J & CYNTHIA A	11227 STILLWATER BLVD N	20286 ST CROIX TRL N SCANDIA MN	55073 1302921230007	\$ 22,000.00	2
23	CHRIST LUTHERAN CHURCH LAKE ELMO	3549 LAKE ELMO AVE N	PO BOX 310 LAKE ELMO MN	55042 1302921230053	\$ 22,000.00	2
24	CITY OF LAKE ELMO	3537 LAKE ELMO AVE N	3800 LAVERNE AVE N LAKE ELMO MN	55042 1302921230054	\$ 11,000.00	1
25	DALE AND LINDA QUAST TRS	3251 LAKE ELMO AVE N	14664 57TH ST N STILLWATER MN	55082 1302921230058	\$ 11,000.00	1
26	KROMSCHROEDER JERRY R	3517 LAKE ELMO AVE N	360 RIVER RD HUDSON WI	54016 1302921230057	\$ 11,000.00	1
27	LAKE ELMO REAL ESTATE GROUP LLC	3515 LAKE ELMO AVE N	2001 OAK GLEN LN STILLWATER MN	55082 1302921230056	\$ 11,000.00	1
28	RE HAGSTROM PROP LLC	3511 LAKE ELMO AVE N	15 DELLWOOD AVE WHITE BEAR LAKE MN	55110 1302921230059	\$ 22,000.00	2
29	RDWAGS LLC	3479 LAKE ELMO AVE N	14 KINNUNEN RD ESKO MN	55733 1302921320026	\$ 22,000.00	2
30	JRSC LLC	3469 LAKE ELMO AVE N	PO BOX 818 STILLWATER MN	55082 1302921320027	\$ 11,000.00	1
31	CITY OF LAKE ELMO	11200 UPPER 33RD ST N	3800 LAVERNE AVE N LAKE ELMO MN	55042 1302921320044	\$ 11,000.00	1
32	PELTIER GENE M & ANN E	11179 STILLWATER BLVD N	PO BOX 455 LAKE ELMO MN	55042 1302921230046	\$ 11,000.00	1
<b>TOTAL</b>					<b>\$ 561,000.00</b>	

OLD VILLAGE PHASE 1: STREET AND UTILITY IMPROVEMENTS  
 FINAL STREET, DRAINAGE, LANDSCAPE, AND STREETScape  
 ASSESSMENT ROLL

NO.	NAME	ADDRESS		MAILING ADDRESS				PID	ASSESSMENT	STREET FRONT			
									AMOUNT	FOOTAGE			
1	AGINCOURT LLC	3459	LAKE ELMO	AVE N	8602	NEAL	AVE N	STILLWATER	MN	55082	1302921320041	\$ 23,000.00	100
2	GERMAN EVANG LUTHERAN CHURCH	11194	36TH	ST N	11194	36TH	ST N	LAKE ELMO	MN	55042	1302921230060	\$ 91,770.00	399
3	CHRIST LUTHERAN CHURCH				11194	36TH	ST N	LAKE ELMO	MN	55042	1302921230020	\$ 9,200.00	40
4	CHRIST LUTHERAN CHURCH				11194	36TH	ST N	LAKE ELMO	MN	55042	1302921230061	\$ 4,600.00	20
5	TRACY R LACRIOX TRS	11199	STILLWATER	BLVD N	7485	GRANADA BAY	S	COTTAGE GROVE	MN	55016	1302921230065	\$ 50,830.00	221
6	LAKE ELMO CREAMERY BLDG LLC	3481	LAVERNE	AVE N	7250	HUDSON	BLVD N SUITE 160	OAKDALE	MN	55128	1302921310016	\$ 23,000.00	100
7	LAKE ELMO CREAMERY BLDG LLC				7250	HUDSON	BLVD N SUITE 160	OAKDALE	MN	55128	1302921320083	\$ 21,160.00	92
8	KOSMAN RICHARD J & CYNTHIA A	11227	STILLWATER	BLVD N	20286	ST CROIX	TRL N	SCANDIA	MN	55073	1302921230007	\$ 16,790.00	73
9	CHRIST LUTHERAN CHURCH LAKE ELMO	3549	LAKE ELMO	AVE N		PO BOX	310	LAKE ELMO	MN	55042	1302921230053	\$ 33,810.00	147
10	JUDITH I MOHAR TRS	3520	LAVERNE	AVE N	299	COUNTY RD C2	W	ROSEVILLE	MN	55113	1302921230027	\$ 13,800.00	60
11	JUDITH I MOHAR TRS				299	COUNTY RD C2	W	ROSEVILLE	MN	55113	1302921230026	\$ 9,200.00	40
12	LENZMEIER JOHN & REHAK VICKY	11178	UPPER 33RD	ST N		PO BOX	18	LAKE ELMO	MN	55042	1302921320042	\$ 8,300.00	100
13	JOHNSON STEPHEN D	11320	UPPER 33RD	ST N	2915	LAKE ELMO	AVE N	LAKE ELMO	MN	55042	1302921320088	\$ 8,300.00	390
14	CITY OF LAKE ELMO				3800	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921320044	\$ 16,600.00	50
15	CITY OF LAKE ELMO	3510	LAVERNE	AVE N	3800	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921320031	\$ 8,300.00	83
16	CITY OF LAKE ELMO				3800	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230025	\$ 8,300.00	80
17	SQUADRITO FRANK & BARBARA N	3570	LAVERNE	AVE N		PO BOX	74	LAKE ELMO	MN	55042	1302921230072	\$ 8,300.00	125
18	BUETEL BRUCE W & ARLINE V	3590	LAVERNE	AVE N		PO BOX	124	LAKE ELMO	MN	55042	1302921230073	\$ 8,300.00	205
19	BJORKMAN BARBARA E	3650	LAVERNE	AVE N	3650	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230019	\$ 8,300.00	100
20	PERLTIER GENE M & ANN E					PO BOX	455	LAKE ELMO	MN	55042	1302921230018	\$ 8,300.00	40
21	CITY OF LAKE ELMO				3800	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230030	\$ 33,200.00	260
22	FAINT DAVID S & KAREN L KOHL	3617	LAVERNE	AVE N	3617	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230075	\$ 8,300.00	65
23	BUTLER BRYAN C & MOLLY K BRENDMOE	3631	LAVERNE	AVE N	3631	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230014	\$ 8,300.00	95
24	WIER RICHARD R & ANNE M	3645	LAVERNE	AVE N	3645	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230013	\$ 8,300.00	120
25	SELDEN TERI G	3673	LAVERNE	AVE N	3673	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230012	\$ 8,300.00	90
26	BUETEL DOUGLAS J	3693	LAVERNE	AVE N	3693	LAVERNE	AVE N	LAKE ELMO	MN	55042	1302921230009	\$ 8,300.00	75
27	GUERIN KRISTLE M	3699	LAVERNE	AVE N	1171	MANNING	AVE S	AFTON	MN	55001	1302921230008	\$ 8,300.00	60
28	ALBRECHT ANDREA	3603	LAKE ELMO	AVE N	3603	LAKE ELMO	AVE N	LAKE ELMO	MN	55042	1302921230050	\$ 8,300.00	147
<b>TOTAL</b>											<b>\$ 471,460.00</b>		

\*Properties in Red represent Commercial properties.

\*\*Properties in Black represent Residential properties.