



STAFF REPORT

DATE: May 2, 2017

PUBLIC HEARING

ITEM #: 4

AGENDA ITEM: CSAH 13 (Ideal Avenue/Olson Lake Trail) Street, Drainage, Trail and Sanitary Sewer Improvements – Public Improvement Hearing, Ordering the Improvements and Final Assessment Hearing

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Brian Swanson, Finance Director
Sarah Sonsalla, City Attorney
Rob Weldon, Public Works Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: Should the City Council Order the Improvements and adopt the Final Assessment Role for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Street, Drainage, Trail and Sanitary Sewer Improvements?

BACKGROUND: On April 4, 2017, the Lake Elmo City Council accepted the feasibility report and called for a public improvement hearing and final assessment hearing for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Street, Drainage, Trail and Sanitary Sewer Improvements.

The project includes the Phase 2 extension of sanitary sewer for the Olson Lake Trail municipal urban service area. The Phase 1 sanitary sewer extension project was constructed in 2013 with Phase 2 intended to be constructed in coordination with Washington County's street reconstruction along CSAH 13. Washington County has programmed the CSAH 13 street improvements to be constructed in 2017 and initiated the planning and preliminary design work accordingly. The Lake Elmo City Council provided municipal consent for the CSAH 13 Phase 1 Improvements as presented by Washington County on July 19, 2016. The proposed improvements are located on Olson Lake Trail (CSAH 13) from 44th Street North to 50th Street North. The street is owned and operated by Washington County and the City Boundary between Oakdale and Lake Elmo is along the center of the street.

The main objective of this project is to extend municipal sanitary sewer service along Olson Lake Trail to an area served by septic systems adjacent to Olson Lake. The project has been coordinated to be cost effectively implemented with the Washington County street improvements. Washington County is improving the condition of the streets, providing drainage improvements and installing an off-street trail for pedestrians and bicyclists. A public informational meeting was held on December 15, 2016 at Oakdale City Hall to present approximate assessment information and answer questions from the public.

PROPOSAL DETAILS/ANALYSIS: The City Council is respectfully requested to hold the Public Improvement Hearing for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements; and following the hearing, consider adopting Resolution 2017-042 Ordering the Improvement. Please note that because this project was initiated by the City Council, and not by a resident petition, Ordering the Improvement may be adopted only by vote of four-fifths of all members of the council.

After the public hearing is closed, and if council adopts Resolution 2017-042 Ordering the Improvement, the Council is further asked to hold the final assessment hearing for the project. The final assessment hearing is being held prior to construction since the sanitary sewer assessment amount was set by the Phase 1 feasibility report completed in 2013 and because the street, drainage and trail assessment will be set by the City cost share for the Washington County led project.

Pursuant to Minnesota Statutes, Section 429 the Council must declare the amount to be assessed against the benefiting properties and the hearing on the proposed assessment for those improvements must be conducted. Staff has enclosed a proposed Final Assessment Roll as recommended in the feasibility report. After the hearing is closed the City Council is respectfully requested to consider approving Resolution 2017-042 Adopting the Final Assessment Roll.

The attached notices were published in the official newspaper and individual notifications were sent to each address that potentially will be impacted by these improvements. A Feasibility Report has been completed and adopted by the City Council defining the scope of the proposed improvements together with the estimated project costs.

The following summarizes the report findings, revised street assessments per Council direction, and recommendations:

Sanitary Sewer:

- The project will be implemented as a joint effort between Washington County, the City of Lake Elmo, and the City of Oakdale, coordinated through Cooperative and Joint Powers Agreements. Washington County is the lead agency.
- The project will provide municipal sanitary sewer service to an additional 13 Lake Elmo properties and 7 Oakdale Properties through the extension of the existing Oakdale sanitary sewer system.
- The estimated one-time unit assessment for sanitary sewer will be levied over 20 years. The base assessment value is \$20,500. This unit assessment has been reduced by \$3,000 for those properties that will incur additional installation costs for an individual pumping station. The pumping station purchase is included in the unit assessment and the \$3,000 assessment deduction provides a set allowance for the pumping station installation.
- Additional costs in the estimated combined amount of \$3,500 would be collected from property owners by the City of Oakdale at the time of connection to sewer. This amount is comprised of various permitting and connection fees previously established by the Oakdale utility and includes the Met Council SAC fee.
- Properties will also be directly responsible to pay a private plumbing contractor to make the service connection for their property, from the right-of-way to their home. This cost is property specific and includes the installation of the pumping station if required.
- Lake Elmo ordinance requires properties to connect to sanitary sewer service within 2 years.
- Once connected, the City of Oakdale will bill on a quarterly basis for ongoing sewer use charges. Under current practice, Oakdale uses the winter quarter water use of the property, as metered from the private well, to determine and bill for annual sewer flows.

Street, Drainage, and Trail Improvements:

- CSAH 13 (Ideal Avenue/Olson Lake Trail) is a County State Aid Highway. Improvements made along CSAH 13 must meet minimum County state aid design standards.

- The CSAH 13 improvements have been developed and recommended by Washington County after receiving public input. Preliminary plans were approved by both Oakdale and Lake Elmo.
- Washington County requires City cost participation based on County policy, including permanent and temporary right-of-way acquisition, pedestrian trail improvements, curb and gutter, retaining walls, and storm water pond construction costs.
- Residential properties will be assessed on a per unit basis at 30% of the total city cost share for those improvements. The street, drainage, and trail assessment for each parcel on this project is \$5,600 for 23 residential properties. The assessment will be levied over a 15-years.

FISCAL IMPACT: The estimated total project cost is \$5,500,000 with the City cost share estimated to be \$640,000. The City share of the street, drainage, and trail improvements is estimated at \$425,000 and City share of the sanitary sewer improvements estimated at \$214,800. The improvements are proposed to be assessed against the benefitting properties consistent with the City’s Special Assessment Policy including proposed assessments in the amount of \$128,800 for the street, drainage and trail improvements and \$230,500 for the sanitary sewer improvements.

RECOMMENDATION: Staff is recommending that the City Council approve Resolution 2017-042 Ordering the Improvements. Staff is also recommending that the City Council approve Resolution 2017-043 Adopting the Final Assessment Roll. The suggested motions to approve these actions are as follows:

“Move to adopt Resolution No. 2017-042 Order the Improvements for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements.”

and

“Move to adopt Resolution No. 2017-043 Adopting the Final Assessment Roll for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements.”

ATTACHMENTS:

1. Resolution No. 2017-042 Ordering the improvements for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements.
2. Notice of Hearing on Improvement.
3. Resolution No. 2017-043 Adopting the final assessment roll for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements.
4. Notice of Hearing on Proposed Assessment.
5. Location Map.
6. Assessment Roll.

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

RESOLUTION NO. 2017-042

**A RESOLUTION ORDERING THE IMPROVEMENT FOR CSAH 13
(IDEAL AVENUE/OLSON LAKE TRAIL) IMPROVEMENTS**

WHEREAS, pursuant to city council authorization, adopted on April 4, 2017, the council ordered a hearing on improvement for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 2nd day of May, 2017, at which all persons desiring to be heard were given the opportunity to be heard thereon; and

WHEREAS, the feasibility report prepared by SEH, Inc., and dated April, 2017 states that the project is necessary, cost-effective, and feasible.

NOW, THEREFORE, BE IT RESOLVED,

1. Such improvement is deemed necessary, cost-effective, and feasible as detailed in the Feasibility Report dated April 2017.
2. Such improvement is hereby ordered as proposed in the council resolution adopted this 2nd day of May, 2017.
3. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SECOND DAY OF MAY, 2017.

CITY OF LAKE ELMO

(Seal)
ATTEST:

Julie Johnson
City Clerk

By: _____
Mike Pearson
Mayor

**CITY OF LAKE ELMO
NOTICE OF HEARING ON IMPROVEMENT
CSAH 13 (IDEAL AVENUE/OLSON LAKE TRAIL) 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, May 2, 2017, to consider the making of the following improvements, pursuant to Minnesota Statutes, Sections 429.011 to 429.111;

The improvements consist of the extension of sanitary sewer along CSAH 13 (Ideal Avenue/Olson Lake Trail) between 44th Street North and 50th Street North including the reconstruction of the existing streets with concrete curb and gutter, installation of storm sewer, and construction of an off-road bituminous trail.

Sanitary sewer assessments are proposed for those properties that abut the improvements and receive a service stub as part of the project including 4473, 4497, 4565, 4719, 4751, 4769, 4823, 4849, 4863, 4891, 4911, and 4941 Olson Lake Trail and 7803 50th Street North. The area proposed to be assessed for the street, drainage, and trail improvements include the properties directly abutting and accessing the proposed streets along CSAH 13 between 44th Street North and 50th Street North.

The estimated total cost for the project is \$5,500,000 with the street, drainage, and trail improvements estimated at \$5,160,000 and the sanitary sewer improvements estimated at \$340,000. A reasonable estimate of the impact of the assessment will be available at the hearing. Such persons as desiring to be heard with reference to the proposed improvements will be heard at this meeting.

DATED: April 4, 2017

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

(Published in the Oakdale-Lake Elmo Review on April 12 and 19, 2017)

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

**RESOLUTION NO. 2017-043
A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR
THE CSAH 13 (IDEAL AVENUE/OLSON LAKE TRAIL)
IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements including street, drainage, trail, and sanitary sewer improvements along CSAH 13 from 44th Street North to 50th Street North.

NOW, THEREFORE, BE IT RESOLVED,

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over 15 years for street, drainage and trail improvements and 20 years for sanitary sewer, the first of the installments to be payable on or before the first Monday in January, 2018, and shall bear interest at the rate of 4.0% percent per annum from October 31, 2017. To the first installment shall be added interest on the entire assessment from October 31, 2017 until December 31, 2017. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to the certification of the assessment to the county auditor, pay the whole of the assessment on such property, with the interest accrued from October 31, 2017 to the date of payment, to the City Clerk, except that no interest shall be charged if the entire assessment is paid prior to October 31, 2017; and he/she 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 October 31 or interest will be charged through December 31 of the next succeeding year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SECOND DAY OF MAY, 2017.

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Mike Pearson
Mayor

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
CSAH 13 (IDEAL AVENUE/OLSON LAKE TRAIL) 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, May 2, 2017, to consider, and possibly adopt, the proposed assessment against abutting property for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the area proposed to be assessed:

- Street, drainage, and trail improvements along CSAH 13 (Ideal Avenue/Olson Lake Trail) from 44th Street North to 50th Street North.
- Sanitary sewer improvements along CSAH 13 (Ideal Avenue/Olson Lake Trail) from 44th Street North to 50th Street North. Properties include 4473, 4497, 4565, 4719, 4751, 4769, 4823, 4849, 4863, 4891, 4911, and 4941 Olson Lake Trail and 7803 50th Street North.

You may at any time prior to certification of the assessment to the county auditor on October 31, 2017, 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 prior to October 31, 2017. 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 October 31 (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 4.00 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, drainage and trail improvements and 20 years for sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January 2018, and will bear interest at the rate of 4.00 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, 2017. 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 \$128,800. The total amount of the proposed sanitary sewer improvement assessment is \$230,500. 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.

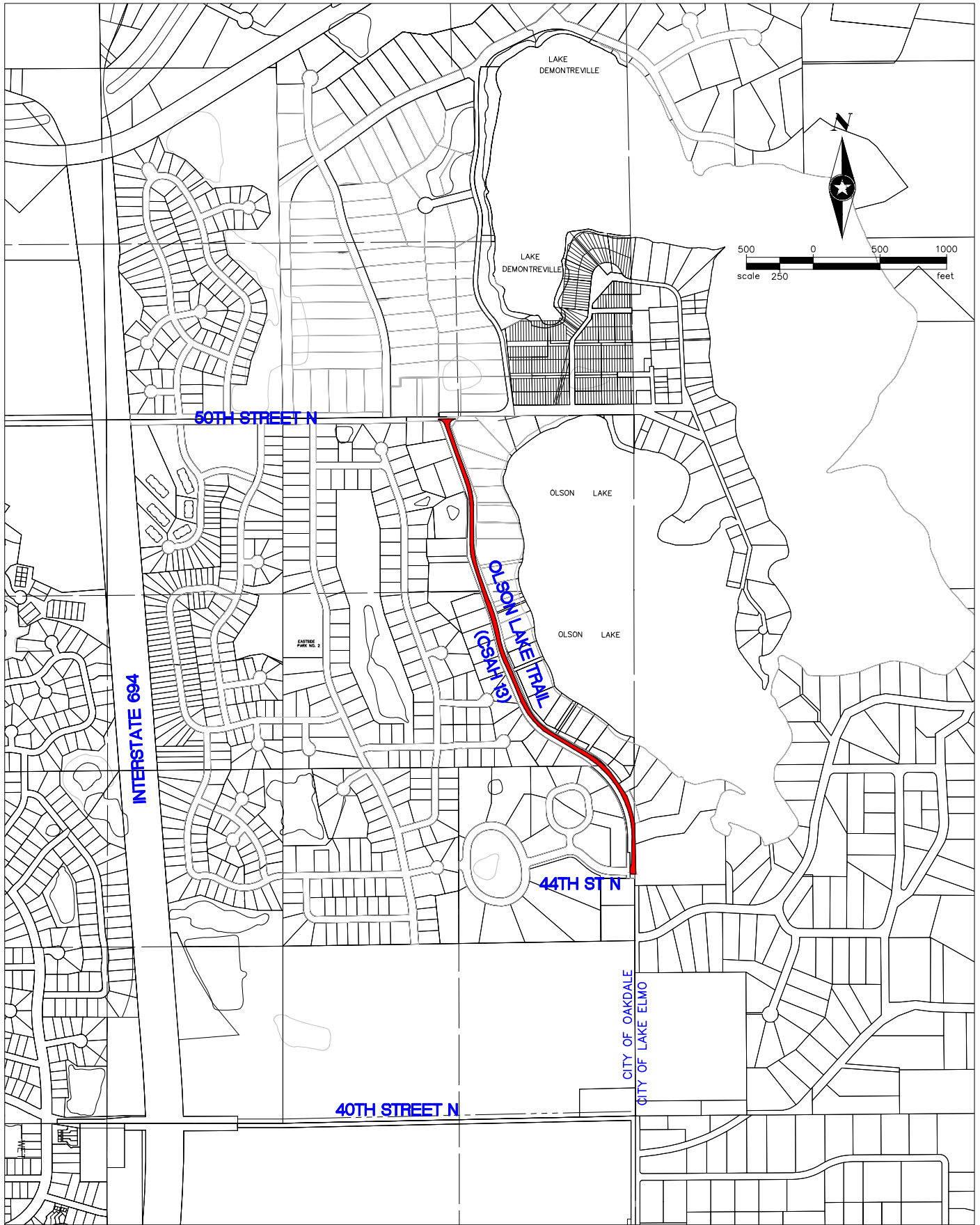
DATED: April 4, 2017

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

(Published in the Oakdale-Lake Elmo Review on April 12, 2017)

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 ST. PAUL, MN 55110-5196
 www.sehinc.com

FILE NO.
 139299
 DATE:
 03/14/17

LOCATION MAP
OLSON LAKE TRAIL IMPROVEMENTS
OAKDALE, MINNESOTA

EXHIBIT
NO. 1

NO.	NAME	ADDRESS	MAILING ADDRESS	PID	TOTAL ASSESSMENT	STREET ASSMT	SAN SEWER ASMT
1	DAVID SOVEREIGN LIVING TRS	4415 OLSON LAKE TRL N	4415 OLSON LAKE TRL N	LAKE ELMO MN 55042	0902921320030	\$ 5,600.00	\$ 5,600.00
2	SOVEREIGN JEFFERY C	4405 OLSON LAKE TRL N	8 EVERGREEN DR	LANDFALL MN 55128	0902921320022	\$ 5,600.00	\$ 5,600.00
3	HILLEREN ANNA-MARIE S & MICHAEL J	4455 OLSON LAKE TRL N	4455 OLSON LAKE TRL N	LAKE ELMO MN 55042	0902921320021	\$ 5,600.00	\$ 5,600.00
4	FLANAGAN PATRICK J & ANNE H	4473 OLSON LAKE TRL N	4473 OLSON LAKE TRL N	LAKE ELMO MN 55042	0902921320001	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
5	HOLM BARBARA E	4497 OLSON LAKE TRL N	4497 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140059	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
6	ANDERSON JEANNE M & ANTHONY P NELSON	4535 OLSON LAKE TRL N	4535 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140006	\$ 5,600.00	\$ 5,600.00
7	LEAKE JEFFERY R & ELIZABETH A	4545 OLSON LAKE TRL N	4545 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140061	\$ 5,600.00	\$ 5,600.00
8	SCHWALBACH JAMES & BEVERLY TRS	4555 OLSON LAKE TRL N	4555 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140052	\$ 5,600.00	\$ 5,600.00
9	SCHULTZ CAROLYN A	4565 OLSON LAKE TRL N	4565 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140066	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
10	HAIDER ANTHONY J & DIANE M	4575 OLSON LAKE TRL N	4575 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140067	\$ 5,600.00	\$ 5,600.00
11	PATRICIA GRAHAM FAMILY TRS	4635 OLSON LAKE TRL N	4635 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140005	\$ 5,600.00	\$ 5,600.00
12	HEINS SCOTT & KRISTINE	4655 OLSON LAKE TRL N	4655 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140072	\$ 5,600.00	\$ 5,600.00
13	TAYLOR REBECCA M	4671 OLSON LAKE TRL N	4671 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140071	\$ 5,600.00	\$ 5,600.00
14	STOBER THOMAS	4709 OLSON LAKE TRL N	4709 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140070	\$ 5,600.00	\$ 5,600.00
15	BRINK MARY F & THOMAS W	4719 OLSON LAKE TRL N	4719 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140069	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
16	FIELDS FAMILY TRS	4751 OLSON LAKE TRL N	4751 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921140065	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
17	PEPIN ANNALIESE M & BRYAN G MILLER	4769 OLSON LAKE TRL N	4769 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110011	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
18	GERGEN ELIZABETH J	4823 OLSON LAKE TRL N	4823 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110012	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
19	SEIFERT THOMAS V & DARYL P	4849 OLSON LAKE TRL N	4849 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110001	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
20	KETZNER BRUCE M & BETH A	4863 OLSON LAKE TRL N	4863 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110019	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
21	KOSTUCH GREGORY D & PATRICIA M	4891 OLSON LAKE TRL N	4891 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110005	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
22	JANET L SCHNEIDER TRS	4911 OLSON LAKE TRL N	4911 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110006	\$ 23,100.00	\$ 5,600.00 \$ 17,500.00
23	FORSHIER CLAUDE & BARBARA	4941 OLSON LAKE TRL N	4941 OLSON LAKE TRL N	LAKE ELMO MN 55042	0802921110004	\$ 26,100.00	\$ 5,600.00 \$ 20,500.00
24	REVOIR HAROLD J & JANE L	7803 50TH ST N	7803 50TH ST N	LAKE ELMO MN 55042	0802921110008	\$ 17,500.00	\$ - \$ 17,500.00
TOTAL					\$	359,300.00	\$ 128,800.00 \$ 230,500.00