



STAFF REPORT

DATE: October 16, 2018
REGULAR
ITEM #: 20

AGENDA ITEM: Old Village Phase 3 Street and Utility Improvements – Adopting the Final Assessment Roll

SUBMITTED BY: Jack Griffin, City Engineer
REVIEWED BY: Kristina Handt, City Administrator
Sue Iverson, Finance Director
Sarah Sonsalla, City Attorney
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: Should the City Council adopt the final assessment roll for the Old Village Phase 3 Street and Utility Improvements?

BACKGROUND: The City of Lake Elmo is extending sanitary sewer to serve the existing properties in the Old Village area to replace the use of private on-site sewage treatment systems. The project also includes regional drainage improvements to address historic flooding issues in the Downtown area, the replacement of aged watermain pipes and reconstructing the public streets that are disturbed during the work. The Improvements are being constructed in phases and through separate projects. The Old Village Phase 3 Street and Utility Improvements project was constructed in 2017 and 2018 and the work is now complete.

On September 4, 2018, the City Council approved a Resolution declaring the costs to be assessed, ordering the preparation of the proposed assessment, and calling for the hearing on proposed assessment for the Old Village Phase 3 Street and Utility Improvements. On October 2, 2018 the Final Assessment Hearing was held and closed after hearing from property owners wishing to address the Council. Mailed notice was provided to each assessed property and notice of the public hearing was been published in the local paper.

The property owner at 11200 Stillwater Boulevard filed an objection to the final assessments and requested that a 30-foot drainage easement be deducted from the front footage calculation for that property and that the property assessments be allocated in proportion to the square footage for each office condo rather than by equal units.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429 the Council must declare the amount to be assessed against the benefitting properties. Staff has attached a Final Assessment Roll which must be certified to the County Auditor by November 30, 2018.

The Final Assessment Rolls have been calculated based on the final project costs and in accordance with the City's Special Assessment Policy. The total project cost, at completion, is \$2,052,500; down from the feasibility report cost of \$2,498,100. The table below summarizes the preliminary unit assessment from the feasibility report and the proposed final unit assessment.

For the Laverne Avenue commercial area, the final street and drainage unit assessment has been calculated using 100% of the total Street and Drainage Improvement project costs, assessed per lineal front foot. However, this portion of the project cost exceeded the feasibility report estimate and the unit assessment is not allowed to be increased. Therefore, the feasibility report unit assessment for the commercial properties was held at the preliminary assessment amount of \$205 / linear foot or 93% of the total project costs.

At the request of the Twin Gable Office Condominiums located at 11200 Stillwater Boulevard, the final assessment roll has been revised to reallocate the overall property assessments in accordance with their prescribed percentage breakdown. Special Assessment Waiver Agreements have been executed and received from all 8 units essentially agreeing to this assessment reallocation.

Laverne Ave Area, North of CSAH14	Feasibility Report Assessment Rate	Final Assessment Rate	Difference
Street and Storm Sewer Improvements	\$205 / Linear Foot	\$205 / Linear Foot	\$0
Sanitary Sewer Improvements	\$11,300 / SAC	\$11,300 / SAC	\$0
Watermain Assessment Rate	\$0	\$34,837*	\$34,837

**The owner of 3825 Lake Elmo Avenue North requested water service be extended to their property and signed a waiver of assessment to complete the work.*

For the 31st Street neighborhood, the street and drainage improvements were assessed at 30% of the total project costs, assessed per unit (or residential household). In accordance with the City assessment policy, one property is being assessed 50% of the unit assessment because they have a driveway access to two different streets and will be assessed for improvements to each street project.

31st Street Neighborhood	Feasibility Report Assessment Rate	Final Assessment Rate	Difference
Street and Storm Sewer Improvements	\$8,700	\$6,900	(\$1,800)
Sanitary Sewer Improvements	\$11,300 / SAC	\$11,300 / SAC	\$0

FISCAL IMPACT: The total project cost is \$2,052,500 with the City cost share at \$890,838, including \$447,075 for the street and drainage improvements and \$418,063 for watermain improvements. The remaining costs are proposed to be assessed against the benefitting properties consistent with the City's Special Assessment Policy including proposed assessments in the amount of \$567,225 for the street and drainage improvements, \$983,100 for the sanitary sewer improvements, and \$34,837 for watermain improvements. The remainder of watermain improvements will be funded through the water enterprise fund and the trail improvements will be funded through the park funds.

RECOMMENDATION: Staff is recommending that the City Council approve a resolution adopting the Final Assessment Roll for the Old Village Phase 3 Street and Utility Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2018-111, Adopting the Final Assessment Roll for the Old Village Phase 3 Street and Utility Improvements.”

ATTACHMENTS:

1. Resolution Adopting the Final Assessment Roll on Street Improvements.
2. Final Assessment Roll.

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

**RESOLUTION NO. 2018-111
A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR
OLD VILLAGE PHASE 3 STREET AND UTILITY 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 Old Village Phase 3 Street, Drainage, and Utility Improvements including street, drainage, watermain and sanitary sewer improvements along 31st Street North, Laverne Court, Layton Court, and Laverne Avenue 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 and drainage improvements and 20 years for watermain and sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January, 2019 and shall bear interest at the rate of 3.26% percent per annum from the adoption date of this assessment resolution for the street and drainage improvements and sanitary sewer improvements, and shall bear interest at the rate of 3.30% percent per annum from the adoption date of this assessment resolution for the watermain improvements. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2018. 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 to the date of payment, to the City Clerk, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; 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 SIXTEENTH DAY OF OCTOBER,
2018.**

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Mike Pearson
Mayor

Julie Johnson
City Clerk

OLD VILLAGE PHASE 3: STREET AND UTILITY IMPROVEMENTS
 31ST STREET NEIGHBORHOOD
 FINAL ASSESSMENT ROLL
 STREET AND DRAINAGE AND SANITARY SEWER ASSESSMENT ROLL

NO.	NAME	ADDRESS	MAILING ADDRESS	PID	TOTAL ASSESSMENT AMOUNT	STREET & DRAINAGE ASSESSMENT AMOUNT	SANITARY SEWER ASSESSMENT AMOUNT	SAC
1	KELLY LISA M & JOHN W	11200 31ST ST N	11200 31ST ST N LAKE ELMO MN 55042	1302921330032	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
2	SACHS RICHARD J & DEBORAH J	11212 31ST ST N	11212 31ST ST N LAKE ELMO MN 55042	1302921330033	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
3	TERRELL SARA A	11230 31ST ST N	11230 31ST ST N LAKE ELMO MN 55042	1302921330034	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
4	COSTELLO PAUL T	11252 31ST ST N	11252 31ST ST N LAKE ELMO MN 55042	1302921340011	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
5	CRIEGO GAIL A	11272 31ST ST N	11272 31ST ST N LAKE ELMO MN 55042	1302921340012	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
6	KENT S TARBUTTON TRS	11292 31ST ST N	7656 BIRMINGHAM FOREST DR FRISCO TX 75034	1302921340013	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
7	BURNS AMY P	11306 31ST ST N	11306 31ST ST N LAKE ELMO MN 55042	1302921340014	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
8	WAGONER BRIAN K & ELIZABETH A FLAMO WAGONER	11334 31ST ST N	11334 31ST ST N LAKE ELMO MN 55042	1302921340015	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
9	DUPIUS LUC M & ROCHELLE M MCCUNE	3151 LAKE ELMO AVE N	PO BOX 34 LAKE ELMO MN 55042	1302921330009	\$ 3,450.00	\$ 3,450.00	\$ -	0
10	BLOOMQUIST ERIN C & LEE C	11225 31ST ST N	11225 31ST ST N LAKE ELMO MN 55042	1302921330035	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
11	PRITCHARD KENNETH L & AUDRA L	11269 31ST ST N	11269 31ST ST N LAKE ELMO MN 55042	1302921340017	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
12	SCORE BLAKE N & BRENDA K	11295 31ST ST N	11295 31ST ST N LAKE ELMO MN 55042	1302921340016	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
13	WILLIAM C HJELMGREN TRS	3153 LAYTON CT N	3153 LAYTON CT N LAKE ELMO MN 55042	1302921340020	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
14	KECK BRIAN W & SCHILTGEN MOLLY	3127 LAYTON CT N	3127 LAYTON CT N LAKE ELMO MN 55042	1302921340021	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
15	MENENDEZ ARMANDO & ELLA S	3105 LAYTON CT N	3105 LAYTON CT N LAKE ELMO MN 55042	1302921340022	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
16	MATTILA JOSHUA & JESSICA	3091 LAYTON CT N	3091 LAYTON CT N LAKE ELMO MN 55042	1302921340025	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
17	IRENE DAU TRS AGR	3081 LAYTON CT N	3081 LAYTON CT N LAKE ELMO MN 55042	1302921340030	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
18	KINDLER BRIAN T	3084 LAYTON CT N	3084 LAYTON CT N LAKE ELMO MN 55042	1302921340029	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
19	KOFOED DONALD E & CAROL A	3094 LAYTON CT N	3094 LAYTON CT N LAKE ELMO MN 55042	1302921340026	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
20	GLANZER RICHARD D & EILEEN S	3112 LAYTON CT N	3112 LAYTON CT N LAKE ELMO MN 55042	1302921340019	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
21	AUDREY L OLSEN TRS	3124 LAYTON CT N	3124 LAYTON CT N LAKE ELMO MN 55042	1302921340018	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
22	KNOLL CRAIG M & DIANE C	3127 LAVERNE CT N	3127 LAVERNE CT N LAKE ELMO MN 55042	1302921340023	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
23	MAGISTAD JOHN M & AMY T	3115 LAVERNE CT N	3115 LAVERNE CT N LAKE ELMO MN 55042	1302921340024	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
24	MADSEN STEPHEN & ANNE M SCHLOEGEL	3099 LAVERNE CT N	3099 LAVERNE CT N LAKE ELMO MN 55042	1302921340027	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
25	LUCILLE C ZIGNEGO TRS	3081 LAVERNE CT N	3081 LAVERNE CT N LAKE ELMO MN 55042	1302921340028	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
26	SNOWELL N RALEIGH REV TRS	3074 LAVERNE CT N	3074 LAVERNE CT N LAKE ELMO MN 55042	1302921340033	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
27	GEVING NANCY E	3124 LAVERNE CT N	3124 LAVERNE CT N LAKE ELMO MN 55042	1302921330036	\$ 18,200.00	\$ 6,900.00	\$ 11,300.00	1
TOTAL					\$ 476,650.00	\$ 182,850.00	\$ 293,800.00	

OLD VILLAGE PHASE 3: STREET AND UTILITY IMPROVEMENTS
 LAVERNE AVENUE AREA
 FINAL ASSESSMENT ROLL
 STREET, SANITARY SEWER, AND WATERMAIN ASSESSMENT ROLL

NO.	NAME	ASSESSABLE PROPERTY ADDRESS		MAILING ADDRESS				PID	TOTAL	STREET,	STREET	SANITARY	SAC	WATERMAIN
									ASSESSMENT	DRAINAGE,	FRONT	SEWER		ASSESSMENT
								AMOUNT	SIDEWALK,	FOOTAGE	ASSESSMENT			
									AMOUNT			AMOUNT	AMOUNT	
1	ISD 834 STILLWATER			1875	GREELY ST S	STILLWATER	MN 55082	1302921220001	\$ 20,500.00	\$ 20,500.00	100	\$ -	0	
2	ISD 834 STILLWATER	11030	STILLWATER BLVD N	1875	GREELY ST S	STILLWATER	MN 55082	1302921230001	\$ 474,600.00	\$ -	0	\$ 474,600.00	42	
3	WESTBROOK ASSOCIATES	3825	LAKE ELMO AVE N	PO BOX	36	STILLWATER	MN 55082	1302921220002	\$ 80,037.00	\$ -	0	\$ 45,200.00	4	\$ 34,837.00
4	CITY OF LAKE ELMO	3800	LAVERNE AVE N	3880	LAVERNE AVE N	LAKE ELMO	MN 55042	1302921220009	\$ 44,920.00	\$ 33,620.00	164	\$ 11,300.00	1	
5	CITY OF LAKE ELMO	3880	LAVERNE AVE N	3880	LAVERNE AVE N	LAKE ELMO	MN 55042	1302921220026	\$ 46,125.00	\$ 46,125.00	225	\$ -	0	
6	CITY OF LAKE ELMO			3880	LAVERNE AVE N	LAKE ELMO	MN 55042	1302921220025	\$ 25,625.00	\$ 25,625.00	125	\$ -	0	
7	EXCEL PARTNERS LLC	11343	39TH ST N	11343	39TH ST N	LAKE ELMO	MN 55042	1302921220008	\$ 56,785.00	\$ 56,785.00	277	\$ -	0	
8	RULE 36 LMDT PARTNRSH DULUTH	3819	LAVERNE AVE N	600	25TH AVE S #105	ST. CLOUD	MN 56301	1302921220007	\$ 81,050.00	\$ 47,150.00	230	\$ 33,900.00	3	
9	LEONARD INVESTMENTS LLC	11144	STILLWATER BLVD N	1000	CONCORD ST S	SOUTH ST. PAUL	MN 55075	1302921230004	\$ 124,330.00	\$ 79,130.00	386	\$ 45,200.00	4	
10	THARROS LLC	11200	STILLWATER BLVD N #100	4350	MCDONALD DRIVE CT N	STILLWATER	MN 55082	1302921220016	\$ 19,426.03	\$ 13,391.83	65	\$ 6,034.20	0.534	
11	NORTHERN LIGHTS INFO SYS LLC	11200	STILLWATER BLVD N #101	11200	STILLWATER BLVD N #101	LAKE ELMO	MN 55042	1302921220017	\$ 13,641.88	\$ 9,404.38	46	\$ 4,237.50	0.375	
12	ERBAN DOROTHY DAVIDSON	11200	STILLWATER BLVD N #102	3748	OAKGREEN AVE N	STILLWATER	MN 55082	1302921220018	\$ 7,093.78	\$ 4,890.28	24	\$ 2,203.50	0.195	
13	ERBAN DOROTHY DAVIDSON	11200	STILLWATER BLVD N #103	3748	OAKGREEN AVE N	STILLWATER	MN 55082	1302921220019	\$ 13,751.01	\$ 9,479.61	46	\$ 4,271.40	0.378	
14	FLACKEY DEAN E	11200	STILLWATER BLVD N #104	532	OLD HWY 35	HUDSON	WI 54016	1302921220020	\$ 13,641.88	\$ 9,404.38	46	\$ 4,237.50	0.375	
15	STROP BRIAN A & DENISE M	11200	STILLWATER BLVD N #105	2930	30TH STREET CIRCLE N	LAKE ELMO	MN 55042	1302921220021	\$ 13,641.88	\$ 9,404.38	46	\$ 4,237.50	0.375	
16	HOBBY FARMS INC	11200	STILLWATER BLVD N #106	11550	STILLWATER BLVD N #123	LAKE ELMO	MN 55042	1302921220022	\$ 14,187.55	\$ 9,780.55	48	\$ 4,407.00	0.390	
17	SCMC PROPERTIES LLC	11200	STILLWATER BLVD N #107	11200	STILLWATER BLVD N #107	LAKE ELMO	MN 55042	1302921220023	\$ 13,751.01	\$ 9,479.61	46	\$ 4,271.40	0.378	
18	D3PL PROPERTIES LLC	11240	STILLWATER BLVD N	11240	STILLWATER BLVD N	LAKE ELMO	MN 55042	1302921210006	\$ 45,200.00	\$ -	0	\$ 45,200.00	4	
TOTAL									\$ 1,108,307.00	\$ 384,170.00		\$ 689,300.00		\$ 34,837.00