



STAFF REPORT

DATE: October 18, 2022
FINAL ASSESSMENT HEARING

AGENDA ITEM: Adopt Final Assessment Roll for the Hamlet on Sunfish Lake Street and Utility Improvements

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Sarah Sonsalla, City Attorney
Marty Powers, Public Works Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: The City Council is respectfully requested to hold a Public Hearing for the proposed assessments for the Hamlet on Sunfish Lake Street and Utility Improvements. Following the hearing, should the City Council adopt the final assessment roll?

BACKGROUND: On September 20, 2022, 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 Hamlet on Sunfish Lake Street and Utility Improvements. Mailed notice has been provided to each assessed property and notice of the public hearing has been published in the local paper.

Consistent with conditions outlined in the feasibility report and MPCA grant agreement, properties that opted not to connect to city water within the one-year timeframe will have special assessments for the public improvements imposed against the benefiting properties. Formal mailed notice, dated November 8, 2021 was sent to each property indicating that the public watermain was available for connection and that the property owner had one year to complete the water service connection and well abandonment work. The allocated one-year timeframe to meet this eligibility and to abate the public improvement assessments will expire on November 8, 2022. A reminder notice was sent on June 14, 2022.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429 the Council must declare the amount to be assessed against the benefitting properties and the hearing on the proposed assessment for these improvements must be conducted. Staff has attached a Final Assessment Roll which must be certified to the County Auditor by November 30, 2022. ***Properties that provide proof of connection and sealing of the well by the November 8, 2022 deadline will be removed from the assessment roll prior to certifying the assessments to Washington County.***

There are 22 properties that completed the connection to city water and abandoned their private well(s) prior to the council declaring the costs to be assessed. Since that meeting no additional properties have completed the connection work.

Special assessments are levied in accordance with Minnesota Statutes Chapter 429 and consistent with the City's Special Assessment Policy. Attached to this agenda report is a summary of the Estimated Total Project Costs showing the cost breakdown by infrastructure component and resulting unit assessment. Based on the Estimated Final Project Cost at completion, the street and drainage improvement assessment remains unchanged at \$12,800 per residential property, and the public watermain assessment is reduced from \$22,500 down to \$21,000 per residential property. The street and drainage improvements will be

levied over a 15-year period and the watermain assessments will be levied over a 20-year period. Assessments would be charged an interest rate of 4.05%.

FISCAL IMPACT: The estimated total project cost for the street, drainage and watermain portion of the project is \$2,607,200; including \$1,747,700 for the street, drainage, and storm sewer improvements and \$859,500 for the water system improvements. Of these costs, \$243,200 will be specially assessed for street and drainage improvements and \$399,000 will be specially assessed for watermain improvements. The remaining costs will be covered by the grant.

RECOMMENDATION: Staff is recommending that the City Council approve a resolution adopting the Final Assessment Roll for the Hamlet on Sunfish Lake Street and Utility Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2022-094, Adopting the Final Assessment Roll for the Hamlet on Sunfish Lake Street and Utility Improvements.”

ATTACHMENTS:

1. Resolution Adopting the Final Assessment Roll.
2. Notice of Hearing on Proposed Assessment.
3. Estimated Total Project Cost at Completion.
4. Final Assessment Roll.

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

RESOLUTION NO. 2022-094

**A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR THE HAMLET
ON SUNFISH LAKE 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 Hamlet on Sunfish Lake Street and Utility Improvements including street, drainage, and watermain improvements along Kindred Way North and Kindred Court 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 improvements, the first of the installments to be payable on or before the first Monday in January, 2023 and shall bear interest at the rate of 4.05 percent per annum from the adoption date of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2022. 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 November 15 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 EIGHTEENTH DAY OF
OCTOBER, 2022.**

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Charles Cadenhead
Mayor

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
HAMLET ON SUNFISH LAKE STREET AND UTILITY IMPROVEMENTS

Notice is hereby given that the City Council of Lake Elmo will conduct a public hearing on **Tuesday October 18, 2022** at, or approximately after, 7:00 P.M. to consider, and possibly adopt, the proposed assessment against abutting properties for the Hamlet on Sunfish Lake Street and Utility Improvements. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the proposed improvements and area(s) to be assessed:

The extension of municipal water into the Hamlet on Sunfish Lake subdivision to provide clean drinking water to each of the 41 homes located in the neighborhood including a water service stub to the public right-of-way. Following the watermain installation, the public streets in the neighborhood, including Kindred Way North and Kindred Court North were reconstructed with the installation of drain tile, a new bituminous surface and concrete curb and gutter.

You may at any time prior to certification of the assessment to the county auditor on November 18, 2022, 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 November 18, 2022. 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 (for the assessment to be 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 4.05 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 and drainage improvements and 20 years for watermain improvements, the first of the installments to be payable on or before the first Monday in January 2023 and will bear interest at the rate of 4.05 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, 2022. 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 street improvement amount to be assessed is \$243,200. The total watermain amount to be assessed is \$399,000. The total project costs for the public watermain and street reconstruction is \$2,607,200. 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, 2022

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Charles Cadenhead, Mayor

(Published in the Stillwater Gazette on September 23, 2022)

CITY OF LAKE ELMO
HAMLET ON SUNFISH LAKE STREET AND UTILITY IMPROVEMENTS

PROJECT NO. 2019.125

	Feasibility Report Estimate of Cost	Post Bid Estimate of Cost	FINAL PROJECT Estimate of Cost
Total Project Cost	\$3,970,600	\$4,057,100	\$3,822,695
<i>(Repair & Replace Option)</i>	\$3,815,600	\$3,902,100	\$3,667,695
Sanitary Sewer (w/ Oversizing)	\$775,000	\$800,000	\$680,895
<i>City Oversize Cost Share</i>	\$155,000	\$155,000	\$155,000
Sanitary Sewer (Repair & Replace)	\$620,000	\$645,000	\$525,895
<i>Assessable Parcels</i>	41	41	41
<i>Assessment Amount</i>	\$15,200	\$15,800	\$12,800
Street and Storm Sewer	\$1,740,000	\$1,814,000	\$1,747,700
<i>Assessable Cost</i>	\$522,000	\$544,200	\$524,310
<i>Assessable Parcels</i>	41	41	41
<i>Assessment Amount</i>	\$12,800	\$13,300	\$12,800
Watermain	\$921,000	\$908,500	\$859,500
<i>Assessable Cost</i>	\$921,000	\$908,500	\$859,500
<i>Assessable Parcels</i>	41	41	41
<i>Assessment Amount</i>	\$22,500	\$22,200	\$21,000
Private Water Service Connections	\$534,600	\$534,600	\$534,600

HAMLET ON SUNFISH LAKE
FINAL ASSESSMENT ROLL
STREET AND DRAINAGE IMPROVEMENTS

NO.	NAME	ADDRESS			MAILING ADDRESS						STREET AND DRAINAGE ASSESSMENT	
											PID	AMOUNT
1	NIEDENFUER MICHAEL J & ASHLEY M HOLLENBACK	4276	KINDRED	WAY N	4276	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921310009	\$12,800
2	WETTERSTROM WILLIAM R & JUDITH	4236	KINDRED	WAY N	4236	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921310011	\$12,800
3	ROSEMARY A SCHUMACHER TRUST	4138	KINDRED	WAY N	4138	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340019	\$12,800
4	TENNANT ROBERT H	4076	KINDRED	WAY N	4076	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340022	\$12,800
5	MOLINE VERNON Z & BEVERLY J	4044	KINDRED	WAY N	4044	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340023	\$12,800
6	SUPAN CHRIS & ANDREA	3982	KINDRED	WAY N	3982	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340026	\$12,800
7	LINDHOLM DOUGLAS A	3936	KINDRED	WAY N	3936	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340028	\$12,800
8	HANSON FAMILY TRUST	3862	KINDRED	WAY N	15518	CAMINO ESTR DR W		SURPRISE	AZ	85374	1402921210010	\$12,800
9	OLSON DOUGLAS E & ROBERTA J	3834	KINDRED	WAY N	3834	KINDRED	WAY N	LAKE ELMO	MN	55042	1402921210011	\$12,800
10	COOPER MATTHEW & NINA	3806	KINDRED	WAY N	3806	KINDRED	WAY N	LAKE ELMO	MN	55042	1402921210012	\$12,800
11	KINER SCOTT B & MARDELL L	4179	KINDRED	WAY N	4179	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340007	\$12,800
12	GRAVEN KRISTA K	4151	KINDRED	WAY N	4151	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340008	\$12,800
13	CARTER CHAD J & KRISTI M	4127	KINDRED	WAY N	4127	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340009	\$12,800
14	GRUNDAHL TANYA A & LEIF S	4037	KINDRED	WAY N	4037	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340012	\$12,800
15	MILLER RUSSELL JOHN JR & ANN M	4009	KINDRED	WAY N	4009	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340013	\$12,800
16	JACKELS THOMAS A & PAM E	3947	KINDRED	WAY N	3947	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340015	\$12,800
17	BARWICK CHRISTY M & JOSEPH	3778	KINDRED	CT N	3778	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210013	\$12,800
18	BESTLER DAVID C & SUSAN L	3756	KINDRED	CT N	3756	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210014	\$12,800
19	TRS AGR JAN M JACOBSON	3720	KINDRED	CT N	3720	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210016	\$12,800
TOTAL											\$243,200	

HAMLET ON SUNFISH LAKE
FINAL ASSESSMENT ROLL
WATERMAIN ASSESSMENT

NO.	NAME	ADDRESS			MAILING ADDRESS					PID	WATERMAIN	
											ASSESSMENT	
											AMOUNT	
1	NIEDENFUER MICHAEL J & ASHLEY M HOLLENBACK	4276	KINDRED	WAY N	4276	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921310009	\$21,000
2	WETTERSTROM WILLIAM R & JUDITH	4236	KINDRED	WAY N	4236	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921310011	\$21,000
3	ROSEMARY A SCHUMACHER TRUST	4138	KINDRED	WAY N	4138	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340019	\$21,000
4	TENNANT ROBERT H	4076	KINDRED	WAY N	4076	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340022	\$21,000
5	MOLINE VERNON Z & BEVERLY J	4044	KINDRED	WAY N	4044	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340023	\$21,000
6	SUPAN CHRIS & ANDREA	3982	KINDRED	WAY N	3982	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340026	\$21,000
7	LINDHOLM DOUGLAS A	3936	KINDRED	WAY N	3936	KINDRED	WAY N	LAKE ELMO	MN	55042	1102921340028	\$21,000
8	HANSON FAMILY TRUST	3862	KINDRED	WAY N	15518	CAMINO ESTR DR W		SURPRISE	AZ	85374	1402921210010	\$21,000
9	OLSON DOUGLAS E & ROBERTA J	3834	KINDRED	WAY N	3834	KINDRED	WAY N	LAKE ELMO	MN	55042	1402921210011	\$21,000
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17	BARWICK CHRISTY M & JOSEPH	3778	KINDRED	CT N	3778	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210013	\$21,000
18	BESTLER DAVID C & SUSAN L	3756	KINDRED	CT N	3756	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210014	\$21,000
19	TRS AGR JAN M JACOBSON	3720	KINDRED	CT N	3720	KINDRED	CT N	LAKE ELMO	MN	55042	1402921210016	\$21,000
TOTAL											\$399,000	