

STAFF REPORT

DATE: 5/6/2025 Consent

TO:City CouncilFROM:Marty Powers, Public Works DirectorAGENDA ITEM:Storm Water AppealREVIEWED BY:Nicole Miller, City Administrator

### **CORE STRATEGIES:**

□ Vibrant, inclusive, connected community

□ Responsive, transparent, adaptive governance

□ Managed Growth

Efficient, reliable, innovative services
Balanced Finances now and future
Resilient Infrastructure

**BACKGROUND:** The city has a surface water management fee to maintain ditches, culverts, ponds, storm sewer capital improvements, equipment, planning, inventories, weed control and surface water quality improvement in the city for all residents.

**ISSUE BEFORE COUNCIL:** Should the council approve a 75% reduction in the stormwater fee for four of the seven Utility Accounts on the six MHC Cimarron LLC parcels for 2024 and future years?

**PROPOSAL DETAILS/ANALYSIS**: Applicant has submitted a surface water fee appeal for 7 utility accounts on 6 PIDs. With Assistance from Valley Branch Watershed District, it was determined that four utility accounts on parcels 36.029.21.24.0001, 36.029.21.23.0002, 36.029.21.23.0001 and the west utility acct on 36.029.21.21.0001 have been identified as having stormwater improvements to help convey and retain stormwater on site, reducing impacts of the city's stormwater system.

Three of the utility account on PIDs 36.029.21.13.0001, 36.029.21.12.0001, and the east utility acct on 36.029.21.21.0001 were found to have no stormwater retention improvements and convey surface water directly into Rose Lake.

Staff is recommending a reduction in the surface water fees for only four of the utility accounts. This fee also supports the activities which all property owners utilize regardless of water retention capacity.

### FISCAL IMPACT: None

### **OPTIONS:**

Approve a 75% reduction of stormwater fees on the four utility accounts in 2024 and for future years

Deny stormwater fee reduction

### **<u>RECOMMENDATION</u>**:

Motion to approve a 75% reduction in surface water fees for the four utility accts on PIDs 36.029.21.24.0001, 36.029.21.23.0002, 36.029.21.23.0001 and west utility acct on 36.029.21.21.0001 in 2024 and future years

### **ATTACHMENTS:**

<u>Storm Water Fee Appeal</u> <u>Storm Water Ordinance</u> <u>PID/Utility Acct Investigation Details</u>



### STORM WATER FEE APPEAL

Name M4	IC Cimaron LLC	Telephone No. (651) 436 - 6188
Street Address	901 Lake Elmo Ave M	Cell Phone No. ( )
Account No.	05-00030010-00-7	Property ID No. 360029.21,23.0001
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City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

this is private property. We service all our
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pumps into our pond on our property.
We are requesting to be Reinbursed from
prior years.

Please attach sheet or documentation for additional information.

Signature

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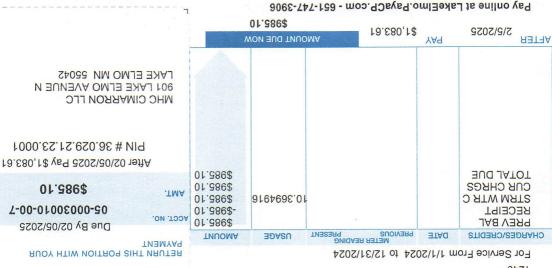
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#### ACCOUNT NUMBER

2-00-01002000-20

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1/2/2026

PID # 36.029.21.23.0001

DATE

Permit No. 3 Lake Elmo, MN **DIA** U.S. POSTAGE 1st Class Mail

WWW.LAKEELMO.GOV 9062-171 (199) **3880 LAVENNE AVENUE N** CITY OF LAKE ELMO



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- Delinquent utility bills are certified to property taxes if full payment is not received by November 15 of each year.
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### STORM WATER FEE APPEAL Telephone No. (651) 436-6188 MHC Cimaron LLC Name 901 Lake Elmo Ave N Cell Phone No. ( ) Street Address Property ID No. 36.029.21.21.0001 5-00030000-00-4 Account No.

City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

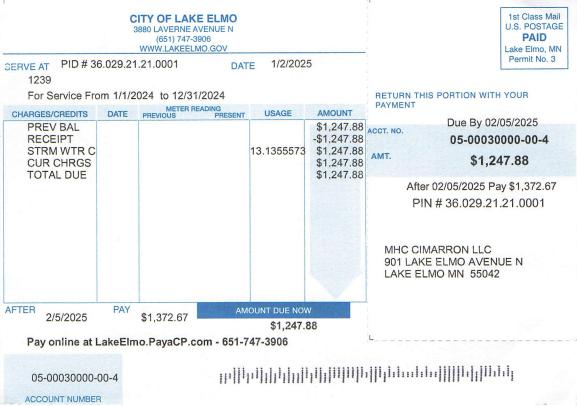
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# STORM WATER FEE APPEAL

Name MH	C Cimaron LLC	Telephone No. (651) 436 - 6188
Street Address	901 Lake Elmo Ave N	Cell Phone No. ( )
Account No.	05-00630030-00-3 Proper	ty ID No. 36.029.21.24.000

City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

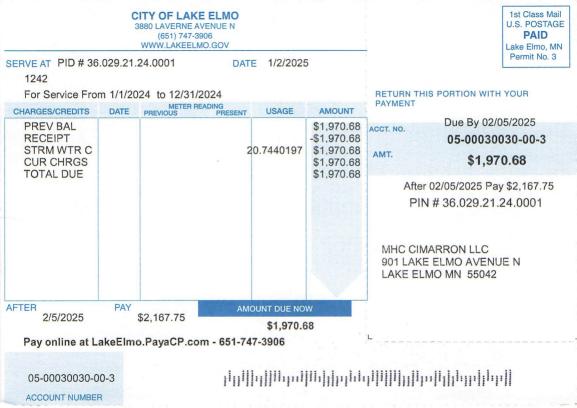
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### STORM WATER FEE APPEAL

Name MY	IC Cimaron LLC	Telephone No. (651) 436-6188
Street Address	901 Lake Elmo Ave N	Cell Phone No. ( )
Account No.	05-00029990-00-2 Pro	operty ID No. 36,029,21.21,00

City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

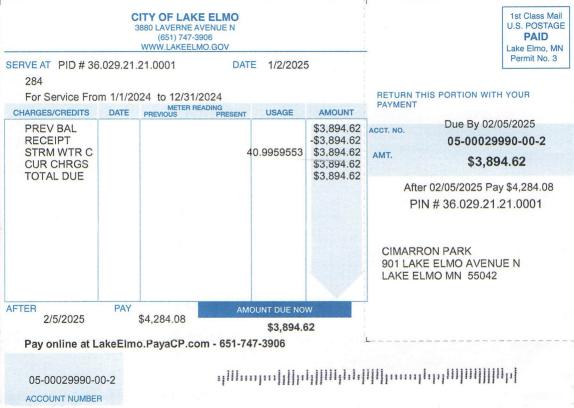
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# STORM WATER FEE APPEAL

Name M7	IC Cimaron LLC	Telephone No. (651) 436-6188
Street Address	901 Lake Elmo Ave N	Cell Phone No. ( )
Account No.	05-00030020-00-0 Prop	erty ID No. 3(0,029.21.23,0002

City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

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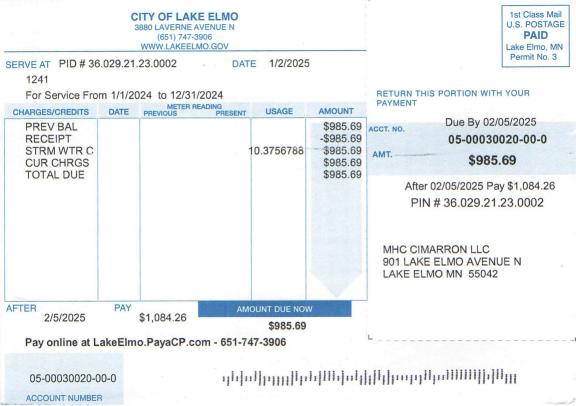
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# STORM WATER FEE APPEAL

Name <u>M</u> H	IC Cimaron LLC	Telephone No. (651) 436-6188
Street Address	901 Lake Elmo Ave N	Cell Phone No. ( )
Account No.	05-00029970-00-6 P	Property ID No. 36, 029.21, 12, 660

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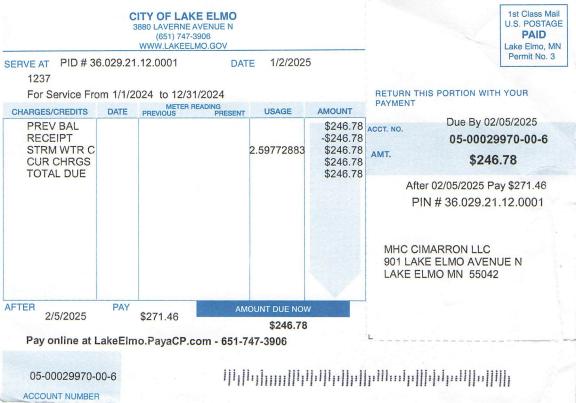
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## STORM WATER FEE APPEAL

Name <u>M</u> H	IC Cimaron LLC	Telephone No. (651) 436 - 6188
Street Address	901 Lake Elmo Ave N	Cell Phone No. ( )
Account No.	05-00629980-00-9 Proper	ty ID No. 36.029.21.13.0001

City Ordinance 5.16.070(a) states: If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed. Please provide an explanation for your request to have the fee recomputed.

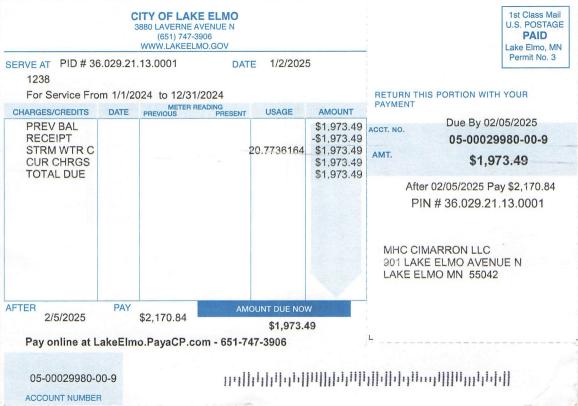
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# **CHAPTER 53: STORM WATER MANAGEMENT UTILITY**

#### Section

- 53.01 General operation
- 53.02 Surface water management utility equations
- 53.03 Surface water management fee
- 53.04 Credits
- 53.05 Exemptions
- 53.06 Statement of surface water management charges
- 53.07 Appeal of fee
- 53.08 Delinquent payments
- 53.09 Annual certification of delinquent accounts

### § 53.01 GENERAL OPERATION.

(A) The municipal surface water system shall be operated as a public utility (hereinafter called the surface water management utility), pursuant to M.S. § 444.075, as it may be amended from time to time, from which revenues will be derived subject to the provisions of this chapter and Minnesota Statutes.

(B) In general, revenue from the surface water utility shall be used for preparation of a Surface Water Management Plan, maintenance of existing ditches, culverts, pond, and storm sewers, capital improvement in developed areas, equipment, planning, inventories, and water quality improvements, including weed control.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

### § 53.02 SURFACE WATER MANAGEMENT UTILITY EQUATIONS.

The utility charge (UC) shall be reviewed and determined annually by the City Council. The utility equation for various land uses to determine the surface water management fees are assigned as follows.

Current Land Use	Utility Factor (multiplied by the utility charge (UC)
Residential	1.0 * UC per Lot
Agricultural	3.0 * UC ÷ 40 * Total Acres
Manufactured Home Park	0.52 * UC per Acre
Commercial/Industrial	3.08 * UC per Acre
Vacant Land	0.15 * UC per Acre
Golf/Park	0.35 * UC per Acre
School/Church	1.12 * UC per Acre
	Residential     Agricultural     Manufactured Home Park     Commercial/Industrial     Vacant Land     Golf/Park

- Conditional Use Permit	Site Specific
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(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

#### § 53.03 SURFACE WATER MANAGEMENT FEE.

Surface water management fees shall be established for a period of time as set by City Council resolution.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

#### § 53.04 CREDITS.

Surface water management fee adjustment credits.

(A) The City Council, upon report and recommendation of the City Administrator, Finance Director and Public Works Director, shall apply a credit to a property owner's surface water management fee provided the property owner has contributed to the management of surface water through intentional acts of retaining or reusing surface water to have a minimal impact on the municipal surface water management system or surface waters of the State of Minnesota. The Council may apply a 25% to 75% credit based on the property owner's employment of surface water retention practices in accordance with § 150.277. These practices include the installation of:

- (1) Rain barrel;
- (2) Rain garden;
- (3) Retention pond;
- (4) Swales, ditches or man-made watercourses;
- (5) Riparian area plantings;
- (6) Other practices that may be deemed as intentional detention of surface water run-off.

(B) The City Council, may grant a one-time or ongoing credit based the effectiveness of the surface water retention as it relates to the management of the municipal surface water management system as a whole. For practices, such as rain gardens constructed in the adjacent right-of-way, the City Council may grant an ongoing credit in exchange for the adjacent property owner's participation in the maintenance of the surface water retention device. This credit will not exceed 50% of the annual surface water management fee.

(C) The City Council, upon the report and recommendation of the City Administrator and Finance Director, may apply a financial hardship credit of no greater than 75% based on a review of the property owner's ability to pay.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011; Am. Ord. 12-057, passed 5-15-2012)

#### § 53.05 EXEMPTIONS.

The following land uses are exempt from the surface water management fee:

- (A) Public right-of-way;
- (B) Parks;
- (C) Lakes; and
- (D) Railroad property.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

#### § 53.06 STATEMENT OF SURFACE WATER MANAGEMENT CHARGES.

Statements for the preceding yearly surface water management service shall be mailed to each customer on or before March 5.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

### § 53.07 APPEAL OF FEE.

(A) If a property owner or person responsible for paying the surface water management fee believes that a particular assigned fee is incorrect, the person may request that the fee be recomputed.

(B) Appeals will be heard once a year, in a manner determined by the Council in accordance with the schedule established for credit applications, in established city policy.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

### § 53.08 DELINQUENT PAYMENTS.

A penalty equal to \$5 or 10% of the amount due, whichever is greater, shall be added to accounts not paid in full on or before May 1.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

### § 53.09 ANNUAL CERTIFICATION OF DELINQUENT ACCOUNTS.

(A) Each year the city staff shall prepare a list of delinquent surface water management service charge accounts, including accrued penalties thereon, in the form of an assessment roll.

(B) On or before October 1 of each year, the City Council shall review the delinquent surface water management service charge assessment roll and adopt an appropriate resolution directing that the assessment roll be certified to the County Auditor as a lien against the premises served and directing that the County Auditor collect the assessment as part of the ensuing year's tax levy.

(Ord. 97-122, passed 7-15-2003; Am. Ord. 08-041, passed 4-5-2011)

### 2024 Cimarron Stormwater Fee Appeal Review Details

PIDs

#### 36.029.21.21.0001

West Utility Acct- Recommend 75% Credit, 2 rain gardens, one retention pond, storm water piping and swales. A portion of the surface water from around the office buildings are captured in the rain gardens, the majority of the remaining stormwater from this parcel/west utility acct is conveyed through their storm water system and retained by a manmade retention pond with an overflow into Rose Lake Elmo

East Utility Acct – Recommend Denial, this Sewer Pond/Rose Lake Utility Account Area has no stormwater retention improvements, the surface water is conveyed directly into Rose Lake

**36.029.21.24.0001** Recommend 75% credit, the surface water on this parcel is conveyed through piping and swales to a retention pond on another Cimmaron parcel

36.029.21.12.0001 Recommend Denial, the surface water on this parcel is not retained on site, but is conveyed directly into Rose Lake

36.029.21.13.0001 Recommend Denial, the surface water from this parcel is not retained on site but is conveyed directly into Rose Lake

**36.029.21.23.0002** Recommend 75% credit, the surface water on this parcel is conveyed through piping and swales to a retention pond on another Cimmaron parcel

**36.029.21.23.0001** Recommend 75% credit, the surface water on this parcel is conveyed through piping and swales to a retention pond on another Cimarron parcel

4/9/2025