



AGENDA

**Baxter City Council Special Meeting
October 10, 2018
6:00 p.m.**

1. Call Meeting to Order
2. Roll Call
3. Presentation of 2018 Cypress Drive Assessment Hearing
4. Questions of City Council Members
5. Open Public Hearing
6. Close Public Hearing
7. Next Steps
8. Adjourn

Presentation for

2018 Cypress Drive Improvements

Baxter, Minnesota

Assessment Hearing

October 10, 2018



Building a Better World for All of Us®



Project Location



Project Cost Summary

Preliminary - Summary of Costs

Construction	Contingency	Land, Engineering, Fiscal, Administrative, Legal, Miscellaneous	Total
\$8,607,316	\$860,732	\$4,854,254	\$14,322,302

Final - Summary of Costs

Construction	Contingency	Land, Engineering, Fiscal, Administrative, Legal, Miscellaneous	Total
\$9,953,092	\$497,655	\$6,720,227	\$17,170,974

Final Special Assessments

City Assessment Policy:

- New/Reconstruction & Full Depth Reclamation (FDR) Project Costs:
 - Policy is to assess 100% of costs up to 44ft road width.
 - City covers remaining costs
- Storm Water Drainage (storm sewer and storm water basin) Costs:
 - Assess 60% of costs for reconstruction up to 44ft road width.
 - Assess 100% of costs for new construction up to 44ft road width

Final Special Assessments

City Assessment Policy (continued):

- Street Intersection and Traffic Control
 - Assess a portion of costs for intersection improvements such as roundabouts, turn lanes, and traffic signals to properties within the Benefited Area which can include more than just properties that abut the project improvements.
- Trails
 - No assessments for trails

Final Special Assessments

City Assessment Policy (continued):

- New/Reconstruct Street, FDR, Storm Water
 - Interior lots: 100% of benefitting adjusted front footage.
 - Corner lots: 100% of benefitting long-side and short side footage (Industrial/Commercial/Multi-Family).
 - Irregular lots: 100% of benefitting footage based on average lot width.
 - Footages calculated at building setback line.

Final Special Assessments

Assumptions:

- Assessments for Street, Stormwater Drainage, Water Main, and Sanitary Sewer based on benefitting footage.
- Assessments for Intersection Control (roundabouts, traffic signal, turn lanes) based on benefitting area by area wide assessment.
- Due to project's regional benefits, Cypress Drive, Excelsior Road, and College Road having major collector/minor arterial functional classifications, and TH 210 having statewide significance, 78% of the Intersection Control costs (ie roundabouts and City's share of traffic signal costs) is paid with a city contribution, with the remaining 22% assessed to benefitting properties in the area by an area wide assessment.

Final Special Assessments

Assumptions (continued):

- Cypress Drive between College Rd & Excelsior Rd:
 - Due to the project's regional benefits, and one-time Federal Aid funding source, the costs of railroad crossing and differential between the assessment rates for New and Reconstructed Street versus FDR are paid by the City.
 - With the one time funding source, a single FDR assessment rate was utilized.
 - Due to the project's regional benefits and one-time Federal Aid funding source, a single Reconstruction Storm Water assessment rate was utilized.

Final Special Assessments

Assumptions (continued):

- Remaining Street assessments
 - Assessed at FDR rates in lieu of higher reconstruction rates as streets are identified in the City's Pavement Management Plan/CIP for FDR within the next 5 years and being improved now to coordinate with the Cypress Drive improvements.
- Sanitary Sewer Services are 100% assessed; remaining Sanitary Sewer improvements (lift station rehabilitation and reconfiguration of a major junction manhole) have system wide benefit and the City is responsible for those costs.
- Water Main and Services are 100% assessed except for footage across TH 210 and railroad rights-of-way and boring costs.

Final Special Assessments

Assessment Payment Terms

- Payments collected annually with property taxes beginning in 2019.
- 12 year term.
 - Interest free prepayments and partial payments may be made up to 30-days following the assessment hearing (prior to November 15, 2018).
 - Assessment balances will be certified to the County with payments to begin on the following year's county tax statements.
 - Assessment balances will be amortized over the assessment term with an interest rate estimated at 5.0%. The actual rate will be determined when the bonds are sold within the next month.
 - Future payoff requirements after certification:
 - Interest accrues through the end of the calendar year.
 - Future payments in full may be made by November 15 of any year to either the City of Baxter or the Crow Wing County Auditor to avoid paying the following year's interest.

Final Special Assessments

Assessment Deferments for Residential Homestead Parcels

- Hardship (Senior Citizen, Disability or Military Active Duty):
 - Individuals meeting age, disability and military active duty requirements based upon qualifying income may be eligible to request a deferment of their special assessment.
 - Deferment criteria, application and documentation requirement and procedures are specified in the City of Baxter Assessment Policy for Public Initiated Improvements & Specials Assessments of the City of Baxter Code.
 - Applications are available on the City's website baxtermn.gov or at City Hall.
 - The application deadline for deferment of the first payment in 2019 is extended to November 15, 2018. Thereafter, the annual deadline to apply for deferment of future payments is August 31 of each year.

Final Special Assessments

FINANCIAL SUMMARY - PRELIMINARY

	TOTAL	STREET	STORM SEWER	SANITARY SEWER	WATER MAIN	TRAILS
ESTIMATED ASSESSMENTS	\$1,954,829	\$1,487,484	\$233,245	\$83,751	\$150,350	\$0
EXTERNAL FUNDING	\$7,935,898	\$6,562,988	\$1,372,910	\$0	\$0	\$0
ESTIMATED CITY COST	\$4,431,575	\$2,989,294	\$698,200	\$143,797	\$204,650	\$395,634
ESTIMATED TOTAL	\$14,322,302	\$11,039,766	\$2,304,355	\$227,548	\$355,000	\$395,634

FINANCIAL SUMMARY – FINAL

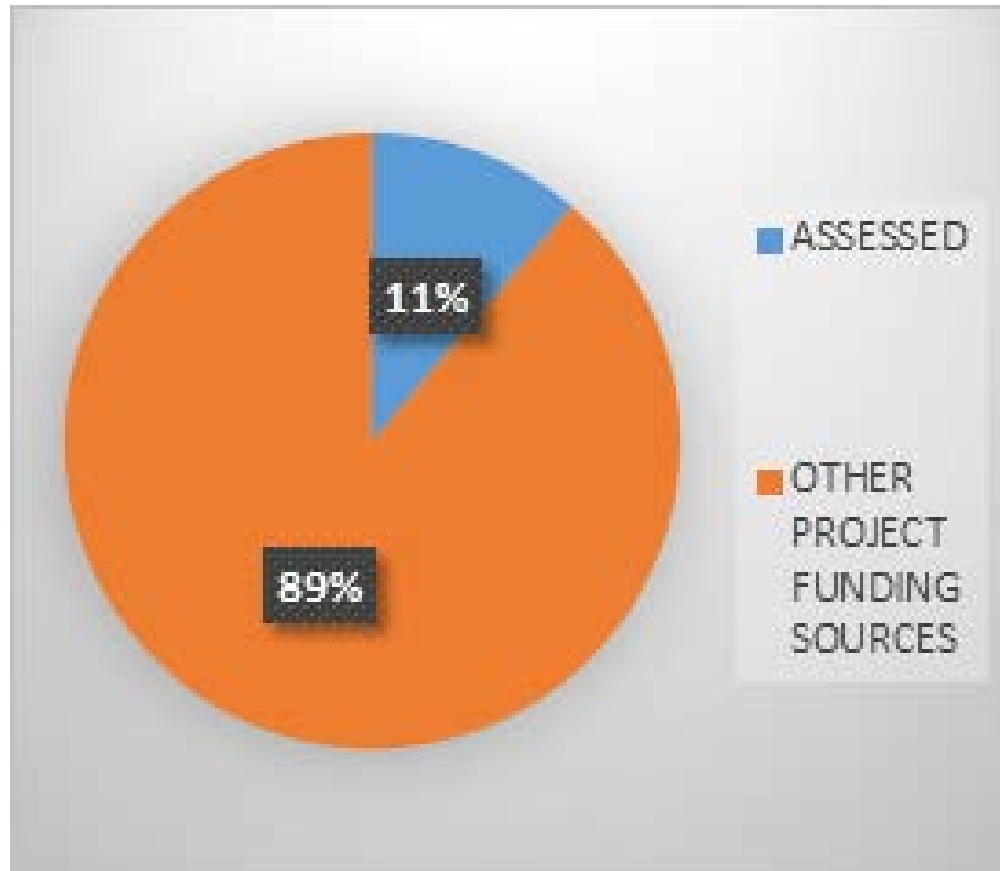
	TOTAL	STREET	STORM SEWER	SANITARY SEWER	WATER MAIN	TRAILS
ESTIMATED ASSESSMENTS	\$1,946,349	\$1,511,003	\$241,775	\$54,842	\$138,729	\$0
EXTERNAL FUNDING	\$9,386,058	\$7,386,058	\$2,000,000	\$0	\$0	\$0
ESTIMATED CITY COST	\$5,838,567	\$3,519,989	\$978,933	\$363,957	\$307,295	\$668,393
ESTIMATED TOTAL	\$17,170,974	\$12,417,050	\$3,220,708	\$418,799	\$446,024	\$668,393

Final Special Assessments - Summary

	TOTAL ESTIMATED COSTS	ESTIMATED ASSESSMENTS	EXTERNAL FUNDING	ESTIMATED CITY COST	PERCENT OF PROJECT ASSESSED
PRELIMINARY	\$14,322,302	\$1,954,829	\$7,935,898	\$4,431,575	13.65%
FINAL	\$17,170,974	\$1,946,349	\$9,386,058	\$5,838,567	11.34%

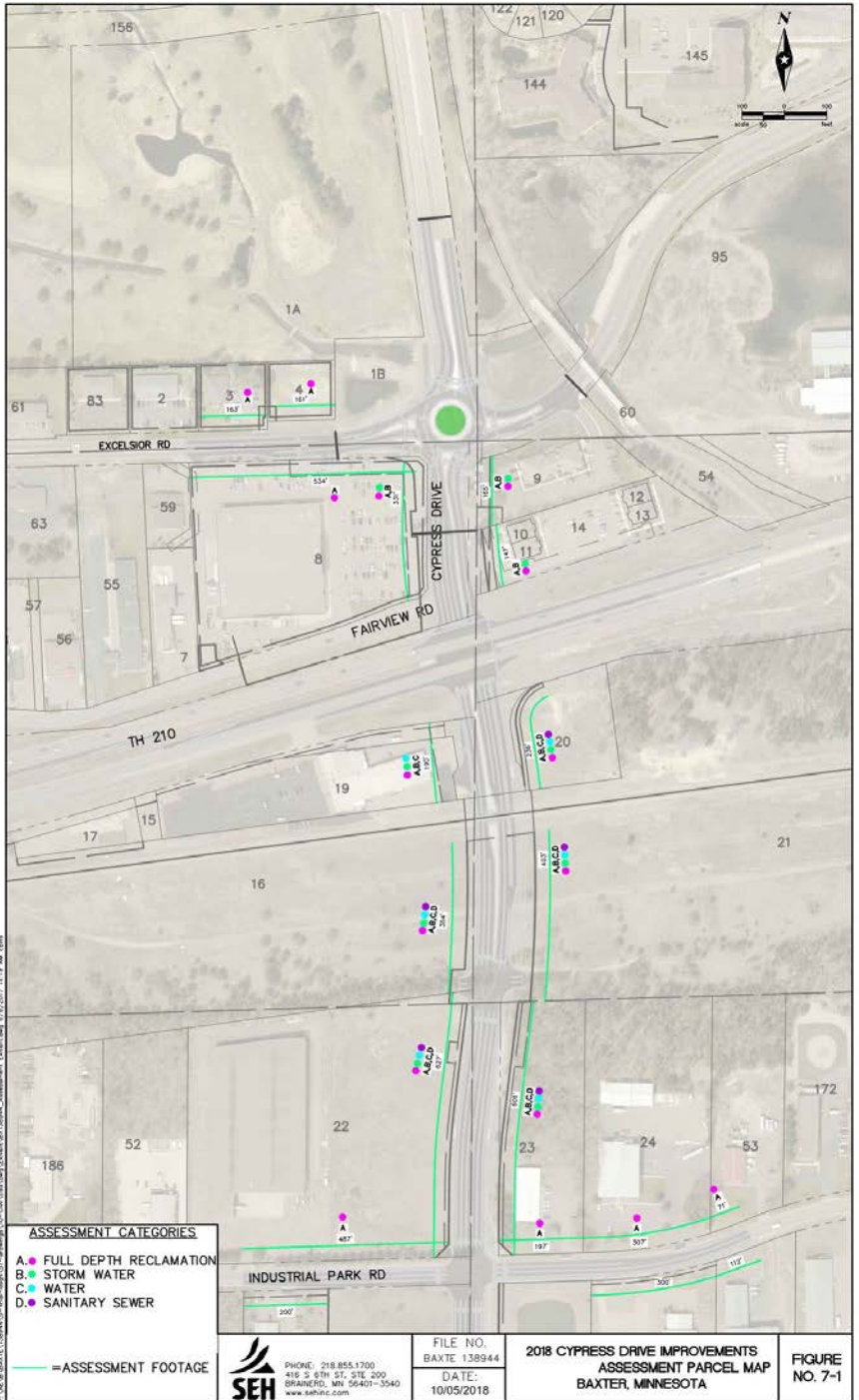
Final Special Assessments

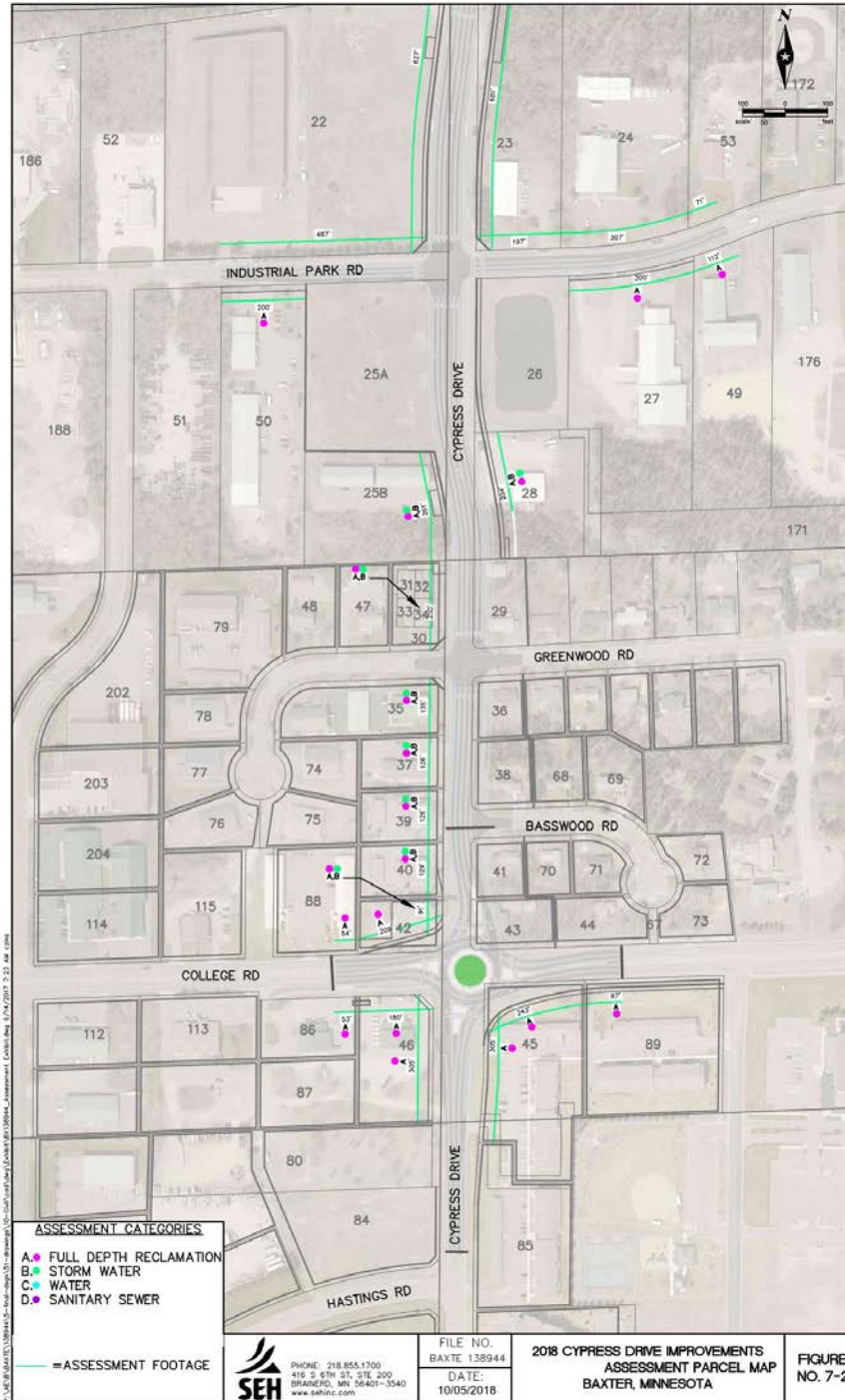
11.3% of total estimated project costs assessed, remaining 88.7% paid with other sources



Final Special Assessments – Rates

CATEGORY	PRELIMINARY	FINAL	UNIT
FDR COLLEGE RD/CYPRESS DR (S OF COLLEGE)	\$121.14	\$122.67	LF
FDR INDUSTRIAL ROAD	\$77.78	\$78.85	LF
FDR EXCELSIOR ROAD	\$111.43	\$115.57	LF
FDR CYPRESS DR (COLLEGE TO EXCELSIOR)	\$77.78	\$78.85	LF
STORM	\$52.58	\$55.76	LF
WATER MAIN	\$62.36	\$57.54	LF
8-INCH SANITARY SERVICE	\$21,918.60	\$13,886.53	EA
6-INCH SANITARY SERVICE	\$13,304.50	\$9,022.85	EA
INTERSECTION CONTROL	\$0.037	\$0.038	SF





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ASSESSMENT CATEGORIES
A. FULL DEPTH RECLAMATION
B. STORM WATER
C. WATER
D. SANITARY SEWER

ASSESSMENT FOOTAGE

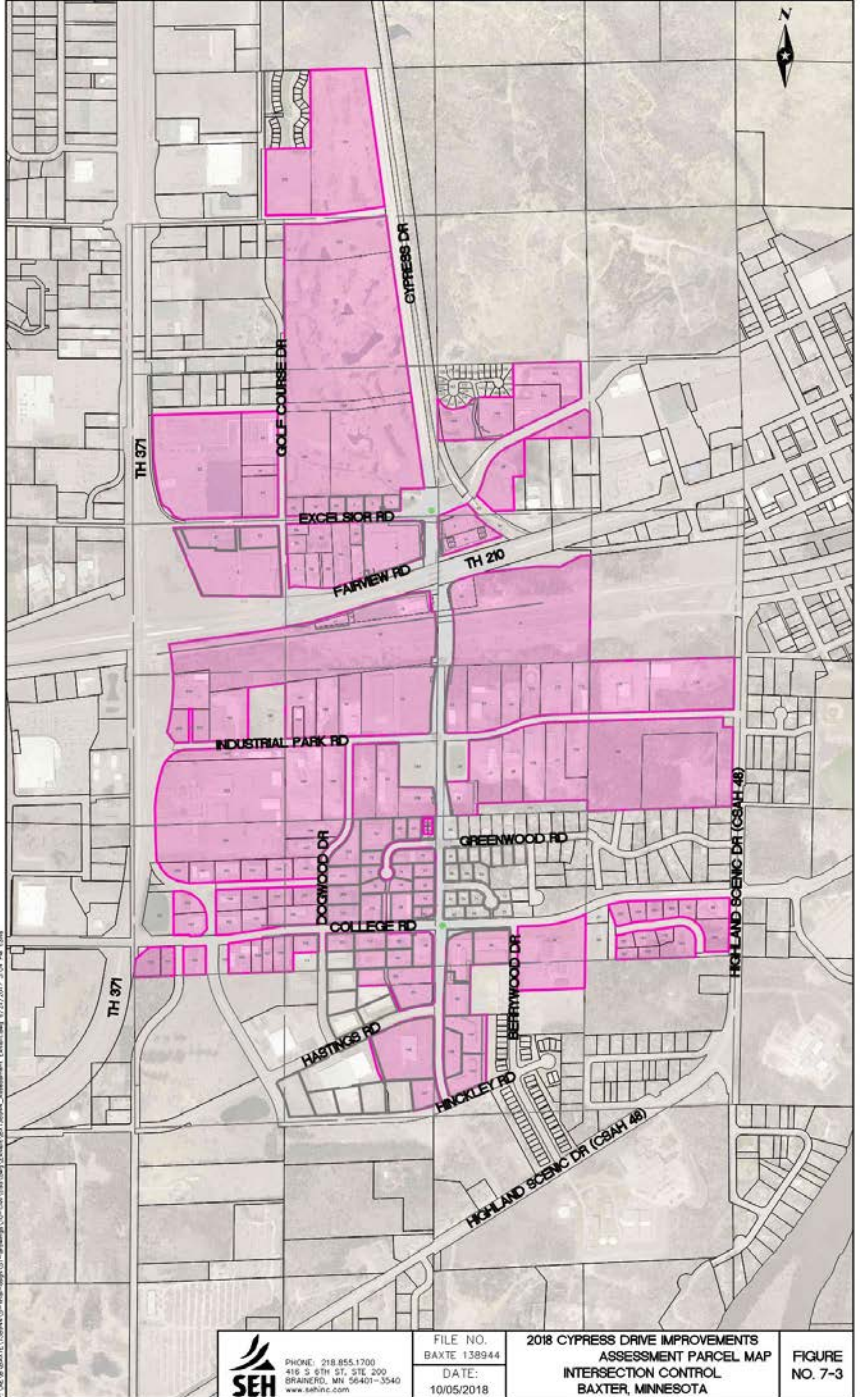


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FILE NO.
BAXTE 138944
DATE:
10/05/2018

2018 CYPRESS DRIVE IMPROVEMENTS
ASSESSMENT PARCEL MAP
BAXTER, MINNESOTA

FIGURE
NO. 7-2



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2018 CYPRESS DRIVE IMPROVEMENTS
 ASSESSMENT PARCEL MAP
 INTERSECTION CONTROL
 BAXTER, MINNESOTA

FIGURE
 NO. 7-3

Project Schedule

- Construction Started: July 2018
- Assessment Hearing: October 10, 2018
- Substantial Completion
on TH 210 and North: December 2018
- End Construction: October 2019
- Project Closeout: July 2020

Note: construction schedule subject to change

Questions?

Thank You For Attending!