

**BAXTER CITY COUNCIL MINUTES**  
**Special Meeting**  
**August 10, 2017**

Mayor Darrel Olson called the special meeting to order at 6:00 p.m.

COUNCIL MEMBERS PRESENT: Mayor Darrel Olson, Council Members Quinn Nystrom, Steve Barrows, Todd Holman and Mark Cross.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: City Administrator Bradley Chapulis, Assistant City Administrator Kelly Steele, and Public Works Director Trevor Walter.

**2017 MILL & OVERLAY AND FULL DEPTH RECLAMATION ASSESSMENT HEARING**

Kevin Wernberg, of Widseth Smith Nolting, explained, the project recommendations made by the utilities commission and action taken by the council, including the Improvement Hearing held on May 8, 2017. The council will consider adopting the assessment roll and awarding the construction contract on August 15, 2017. The project would be completed by mid-October.

The residential project area of Oak Street, Marohn Road, Mountain Ash Drive, Wedgewood Drive, and Lakewood Lane is proposed to be a mill and overlay. A full depth reconstruction is proposed for the Oak Street and Memorywood Drive intersection and the south side of Mountain Ash Drive, west of Parkwood Drive. The project includes the reconstruction of manhole casings and water valve boxes. Various drainage improvements as also proposed.

The industrial project area of Goedderz Road and Dogwood Drive is proposed as full depth reclamation. The project includes reconstruction of manhole casings and water value boxes. Broken or cracked concrete curb and gutter will be replaced. Drainage structure castings will be replaced.

The total project cost estimated at the Improvement Hearing was estimated at \$648,525. The project was bid and two bids were received. The low bid resulted in the total project cost to be reduced to \$538,686.85.

One hundred percent of the mill and overlay costs, up to 26' in roadway width, are assessed to the benefitting properties. The project area is mostly comprised of residential properties of similar size so the unit assessment method was applied. The City pays for the water system improvements on Oak Street. The City assessed for property on Mountain Ash where the former water treatment plant and water supply wells were previously located. The total assessable project cost is \$218,122.08. The estimated cost per unit/lot is \$2,478.66. The estimated city costs are \$38,945.99. Some lots within the project area could be subdivided into a second lot and would receive a second assessment.

One hundred percent of the full depth reclamation costs, up to 44' in roadway width, are assessed to the benefiting properties. The project area is entirely industrial and the front footage assessment method has been applied. The estimated project cost at the Improvement Hearing was \$338,560 and the Assessment Hearing is \$298,969.40. The assessable frontage was calculated to be 5,106, with the estimated cost per foot of \$58.55.

Prepayments and partial assessment payments are allowed up to 30 days following council adoption of the assessment roll. Assessment balances will be certified to the Crow Wing County Auditor with payments to begin on the next year's county tax statement. The assessment balance will be amortized over a 7-year assessment term for the mill and overlay properties and a 12-year assessment term for full depth reclamation properties. The interest rate is estimated at 4.75%. Future payoff requirements after certification will accrue interest through the end of the year. After 2017, payments in full must be made by November 15 to either the City of Baxter or Crow Wing County Auditor to avoid payment the following year's interest. The City offers assessment deferments for residential homestead property owners meeting hardship requirements.

The total project cost is \$538,686.85. The total assessed cost is \$499,740.85 and the total city cost is \$38,946.00.

The project contractor will be Tri-City Paving, Inc. of Little Falls. The council will consider a resolution adopting the assessment rolls on August 15, 2017. The council will also consider awarding the construction contract on August 15, 2017. A public informational meeting is scheduled for 6 p.m. on August 22, 2017. Construction will begin in August and will be completed in October.

Mayor Olson opened the public hearing at 6:18 p.m.

Beverly Tretter, 4879 Oak Street, inquired if the manhole covers will be adjusted for dips. Public Works Director Walter explained the contractor would do the best they can to set the manholes.

Katie Fennena, 4854 Oak Street, inquired if the stormwater drainage problem will be improved at the intersection of Memorywood Drive and Oak Street. Public Works Director Walter explained the storm water issue would be addressed when Memorywood Drive is improved in 2019.

Lori Thrumer, Marohn Road, inquired when the 30-day period starts to pay assessments without paying interest. Public Works Director Walter explained the council would consider adopting the assessment roll on August 15, 2017. The 30-day period starts when the assessment rolls are adopted.

Mayor Olson closed the public hearing at 6:26 p.m.

Public Works Director Walter explained the next steps would be for the council to consider adopting a resolution on Tuesday, August 15, 2017 at 7:00 p.m. to consider adopting the 2017 Excelsior Road Residential Area Assessments and awarding the construction contract to Tri-City Paving. If property owners would be interested in having Tri-City pave their driveway or parking lot, they should contact the contractor.

**MOTION** by Council Member Barrows, seconded by Council Member Cross to adjourn at 6:26 p.m. to the 7:30 p.m. Excelsior Road Residential Area Assessment Hearing. Motion carries unanimously.

Approved by:

Respectfully submitted,

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Darrel Olson  
Mayor

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Kelly Steele  
Assistant City Administrator