

**MINUTES OF THE SPECIAL ASSESSMENT BOARD
PUBLIC HEARING**

January 28, 2021, 10:00 AM, via Webex and February 2, 2021, 12:00 PM, via Webex

MEMBERS PRESENT: Noah Schuchman, Chief Administrative Officer; Chris Fleege, Director of Planning & Economic Development; Jen Carlson, Finance Director; Cari Pedersen, for Director of Public Works & Utilities; Cindy Voigt, City Engineer.

ALSO PRESENT: Bob Asleson, Assistant City Attorney; Leah Blevins, City Auditor's Office.

PERSONS PRESENT FOR AGENDA ITEMS: William Burns, Hanft Fride Law Firm; Brad Johnson, Spirit Valley Land Company (February 2).

Noah Schuchman called the hearing to order at 10:00 AM.

TABLED ITEMS:

None.

OLD BUSINESS:

None.

NEW BUSINESS

Following the introduction of board members, project engineer Duncan Schwensohn gave summaries of the two projects. Riverwest Drive will be a new bituminous road with curb and gutter, ranging in width from 40 feet to 28 feet. Included will be an 8-inch sanitary sewer main, an 8-inch water main, and a 2-inch natural gas main. The project to lower the existing gas main was completed in 2020.

Bill Burns, attorney for the Spirit Valley Land Company, said the developers have been working with the city for three or four years to extend the road. He said that earlier that day he had received the proposed assessment spread, and that it is closer to what was expected. He also said that the developers will look at extending the road to parcels G and I. He added that the gas main lowering project assessment, which Eric Shaffer had estimated would be around \$60,000, came in at closer to \$100,000, and that he would like some clarification on that. He also requested that the SAB consider backing out the cost of designing a portion of road that will not be constructed due to DNR specifications, and that \$113,000 for the cost of the roadway entrance, \$200,000 for grading and clearing the site, and \$12,000 to \$13,000 in wetland credits be credited to the city's required 20% deposit.

Noah Schuchman said this will be a complex discussion. Bill said the developers already have one tenant, and that they are talking to two hotel developers with high

interest in the project. One is looking at the possibility of a vacation condo/hotel project, although this will be somewhat delayed due to the current pandemic.

Noah Schuchman said he was inclined to recess the hearing, to give the board members time to analyze all of the information. Cindy added that she would like to see the spreadsheet modified so that assessment values were listed individually by parcel, with no combinations. Bill said he would be able to provide those shortly. Cindy added that extending the road means extending the utilities, and Bill said they had not talked about utilities. Bob Asleson said that it would be up to the board to approve the proposal. Cindy moved to recess and reconvene at noon on Tuesday, February 2. Jen Carlson seconded and the motion was approved.

When the hearing reconvened, Cindy said that board members had met internally and had numerous discussions regarding this project. Her question was whether the developers were willing to upgrade the private drive to Parcel G to a public access road. Bill Burns asked what the specifications would be, and Bob Asleson replied that the current design is a 7-ton rural road, which the city would not approve as a public street. Bill said he did not know if his clients were in a position to make that commitment now; but are optimistic about next summer. Brad Johnson added that parcels G and D need a few more steps.

Noah Schuchman closed the hearing at 12:12 and the board proceeded with deliberation. Cindy said the task today is to vote in or not to proceed with the two projects; she did not think they would be voting on dollar amounts today. Chris Fleege added that if the road is built, the assessments could also be allocated to parcels G and I. Bob explained that the board is required to send to council which lots should be assessed, and that the assessment agreement will have to address contingent amounts. Cari Pedersen said that Jim Benning's concern is that some parcels will end up with no access or utilities.

Jen Carlson asked about the 20% down payment, and Bob replied that it's a standard city requirement.

Cindy moved to assess 48% of the gas main lowering cost to Lot 1, Block 2 and Lot 2, Block 1, with a total of 140 front feet. Cari seconded, and the motion passed unanimously.

Cari stated that Cindy has a draft of allocations to parcels A through E. Bob said the assessments don't have to be allocated, that the board can recommend that the council approve the project assessing parcels A through E if no road, and to include parcels G and I if a road is built to city standards. Cindy said that it would be difficult to provide access to parcel I, and that utilities would have to be extended to the end of the public road for parcel G.

Brad Johnson said that parcel I is served by Grand Avenue. Cindy said that MnDOT may not give access from Grand Avenue. Brad said that access is already, and Bob

stated that the developers will need to resolve this issue by the time the assessment roll is approved.

Cindy moved to order in the project per platted parcels and blocks, and if a public road to parcels G and I is constructed they would also be assessed. The motion was seconded and approved. The meeting adjourned at 12:31.

INFORMATION ONLY:

None.

Next regular meeting: Tuesday, March 9, 2021 via Webex at 2:00 PM.

Respectfully submitted,

Noah Schuchman
Chair, Special Assessment Board

Jeanne Horn
SAB Secretary