



## Legislation Text

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**File #:** 17-0414R, **Version:** 1

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RESOLUTION AUTHORIZING ASSESSMENT AGREEMENT WITH ROBERT J. AND RUTH I. MCCAULEY AND ACCEPTING NOTE AND MORTGAGE RELATING TO THE RECONSTRUCTION OF THEIR SIDEWALK AT 1123 E. 11<sup>TH</sup> STREET.

**CITY PROPOSAL:**

RESOLVED, that the proper city officials are hereby authorized to enter into an assessment agreement, a copy of which is attached hereto as Exhibit 1, with Robert J. McCauley and Ruth I. McCauley pursuant to which they agree to the assessment against the following-described property in St. Louis County, Minnesota of the cost of improving the sidewalk on said property as described as City Project No. 1531 and accepting a note attached hereto as Exhibit A from them and a mortgage against said property attached as Exhibit B:

Lot 6, block 33, LAKEVIEW DIVISION OF DULUTH.

**STATEMENT OF PURPOSE:** The purpose of this resolution is to authorize the city to enter into an Assessment Agreement with Robert and Ruth McCauley to pay for the agreed-upon cost of reconstructing the sidewalk from their residence to the public sidewalk and accepting a note and mortgage against the property to provide additional security.

In 2014, in conjunction with a city contract to repair or replace public sidewalks, the city engineer had agreed to have the McCauleys' sidewalk replaced at their cost as an incidental repair or replacement, as authorized by Section 45-82.5 of the City Code. The McCauleys received an estimate of \$3,280 and agreed to have the cost of the work assessed against their property.

For reasons beyond the city's control, the contractor holding the city's sidewalk contract for 2014 did not do the work in that year. So the city planned to do the work itself in 2015 and even provided a lower estimate to the McCauleys; but again the work did not get done.

In 2016 the work was included in the city's 2016 sidewalk contract, but by the time the work was completed, it proved to be a great deal more complicated and difficult and therefore more expensive than had originally been thought. The city's actual cost for the work ended up being approximately \$6,780.

When the work had been completed and the total cost determined, the McCauleys protested, based on both the inordinate time it took to complete the work and the fact that the final cost was over 3 times higher than the lowest estimate that they had received. After carefully considering the merits of their objections, the administration determined to recommend that the city agree to accept \$4,334.80 as fair compensation.

However, the City could not proceed under Section 45-82.5 because that section did not allow accepting less than full reimbursement of the city's costs. Therefore, the parties agreed to the structure approved by this resolution: that is to say, an assessment agreement and a note and mortgage for the agreed-upon amount.