CALL TO ORDER AND DETERMINATION OF A QUORUM
The special meeting and Public Hearing of the New York Mills City Council was called to order at 7:00 p.m. in the Council Chambers of the City Hall Building at 28 Centennial 84 Dr., New York Mills, Minnesota, all members of the Council having been notified of the meeting and the business to be transacted.

Members Present: Gerber, Maki, Roder, Hetland, Hoaby (Hoaby arrived at 7:10)
Members Absent: None
Staff Present: J. Roberts, C. Kopveiler, K. Mattson,
Guests Present: Jon Pratt and Mike Weber

Call to Order
The meeting was called to order 7:00 p.m. A quorum was present.

PUBLIC HEARING MINUTES – 2017 Miller Street Surface and Drainage Improvement Project

Residents/Interested Parties in attendance: Jim Mann, Dean Simpson, Dale Jokela

Mayor Gerber opened the public hearing for the 2017 Miller Street Surface and Drainage Improvements. Mayor Gerber introduced Jon Pratt and Michael Weber of Apex Engineers. Pratt displayed a power point presentation covering the scope of the project and the project costs. The project encompassed Miller Street from Walker Avenue to Broadway Avenue/CSAH 67. The purpose of the project is to address drainage issues, flooding, and street deterioration on Miller Street. He provided a history of the dates from the initial project proposal up to this hearing. Improvements were made to the include sanitary sewer, sanitary lift station rehab, watermain, reconstruction of street, installation of gravity storm sewer system in street, storm water lift station, T.H 10 ditch improvements, and street lighting. Pratt noted the methodology used for determining the assessment amounts. For this project, 75% of standard street costs would be assessed to property owners and the City would assume the remaining 25% and oversizing. 100% of service laterals will be assessed to property owners. City will assume cost of watermain installation and hydrant replacement. City will assume cost of sanitary lift station rehab. Storm sewer, sidewalk, lighting and ditch improvement will be 100% assessed to property owners.

The total projects costs came in below the original as bid projections at $1,441,799 versus $1,561,726 as bid, for a savings of about $19,927. The City funded the project expenses with a general obligation improvement bond, it will be repaid with special assessments and City-wide taxes.

Jon went thru his presentation explaining how assessments are determined per the City’s assessment policy. He covered the rates applied for interior lots; corner lots; and irregular shaped lots. He explained how assessment frontage is determined in each case. In his presentation he went through typical 50’ and 100’ lot assessments and compared those to the initial estimates. Wrapping up his comments, Jon explained that the City would be spreading the roll A assessments on the tax rolls at 4% for 20 years. Roll B consisting of undeveloped lots will be deferred for five years or until sold or developed. Roll B will be then be assessment on the tax roll at 4% for 20 years starting in 2023. Developed is defined as a building permit being issued on the lot.

Mayor Gerber thanked Jon for his presentation and invited the audience to ask any questions. She asked that they give their name and address first.
Dale Jokela: Mr. Jokela stated that he did not feel that ditch has enough of a slope to it because water is sitting in the ditch.

Jon Pratt: Pratt explained that the ditch does have a consistent grade to it. It is the steepest amount of grade that they could do to allow it to tie in with the existing grade at both ends of the project. The water is flowing along the grade.

Jim Mann: Mr. Mann asked why his assessment is on roll A vs roll B. He did not feel his lot was developed. He has not sewer, water or electric.

Jon Pratt: Pratt explained that because there is a structure on the lot, it is considered developed and that is why it falls onto Roll A.

Dean Simpson: He feels the project is a 150% improvement. When we look at the overall cost of the project and the amount that the City is picking up of the tab. We as property owners are getting a heck of a deal. He expressed that the felt the City did a great job on this project with the improvements that were made. He felt it is a great value to the businesses along Miller Street.

Josh Hoaby: He asked if he understood that by slitting the assessments on the undeveloped properties in half. On half would go on the tax roll right away and interest would start to be calculated on that amount over twenty years. Then in five years, the second half of the assessment would then go onto the tax roll and the interest on that half would start at that point and be spread over twenty years starting at that point.

Jon Pratt: Jon answered that yes, that is how the deferral of half of the assessment would work. If the property was sold or developed, the assessment would go on the tax roll at the time of that event.

Jon then addressed the Council, noting that if there were no more comments that it should close the Public Hearing. It was pointed out that should anyone have an objection, it must be filed with the clerk before the closing of the public hearing, it must be in writing.

The Public Hearing was closed at 7:23 p.m.

The Council then opened its special council meeting.

After discussing this, the following resolution was presented for consideration:

CITY OF NEW YORK MILLS, MINNESOTA

RESOLUTION NO. 12-5-2017b

Resolution Adopting Assessment for the Miller Street – 2017 Street and Drainage Improvements

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessments for the street and drainage improvements to Miller Street from Walker Avenue to North Broadway Avenue (CSAH 67).

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA:
1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. **For Assessment Roll A (Non-Deferred):**

   Such assessment is proposed to be payable in equal annual installments extending over a period of twenty (20) years, the first of the installments to be payable on or before the first Monday in January 2018, and will bear interest at the rate of four percent (4%) per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2018. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City of New York Mills. No interest shall be charged if the entire assessment is paid within 15 days from the adoption of this resolution. The owner may, at any time thereafter, pay to the City of New York Mills any portion of or the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

3. **For Assessment Roll B (Deferred 5 Years Unless Sold or Developed):**

   Unless a particular lot, piece, or parcel of land is sold or developed prior to November 15, 2022, such assessment is proposed to be payable in equal annual installments extending over a period of twenty (20) years, the first of the installments to be payable on or before the first Monday in January 2023, and will bear interest at the rate of four (4%) percent per annum from January 1, 2023. To the first installment shall be added interest on the entire assessment from January 1, 2023 until December 31, 2023. To each subsequent installment when due shall be added interest for one year on all unpaid installments. Development shall be defined by any type of construction or improvement which would require a building permit.

   If a particular lot, piece, or parcel of land is sold or developed prior to November 15, 2022, such assessment is proposed to be payable in equal annual installments extending over a period of twenty (20) years, the first of the installments to be payable on or before the first Monday in January of the year succeeding the sale or development, and will bear interest at the rate of four (4%) percent per annum from January 1 of the year succeeding the sale or development. To the first installment shall be added interest on the entire assessment from January 1 of the year succeeding the sale or development until December 31, of the same year. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

   The owner of any property so assessed may, at any time prior December 15, 2022, pay the entire or a portion of the assessment on such property to the City of New York Mills. No interest shall be charged if the entire assessment is paid by December 15, 2022. The owner may, at any time thereafter, pay to the City of New York Mills any portion of or the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

4. The Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Council this 5th day of December 2017.
A motion was made by Roder and seconded by Maki to adopt Resolution No. 12-05-2018b as presented. The motion carried without a dissenting vote.

Adjournment

A motion was made by Maki and seconded by Hoaby to adjourn. The motion carried without a dissenting vote.

The meeting was adjourned at 7:28 p.m.

Respectfully submitted by,

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Julie Roberts
City Clerk