

**Barnesville City Council
Special Meeting
October 18, 2011**

Mayor Dahnke called this special meeting to order at 7:00 p.m at the Barnesville Elementary School. Members present were Mayor Dahnke and Council members Darin Allmaras, Del Ellefson, Jeremy Krause, Merlin Strom, Larry Davis, Jr. and Jason Rick. Others in attendance were , City Administrator Mike Rietz, City Attorney John Shockley, City Clerk Jeri Reep, EDA Director Karen Lauer, Police Chief Dean Ernst, Jon Olson with Ulteig Engineers, and Pam Aakre with the Record Review.

Mayor Dahnke called the meeting to order at 7:00 p.m.

Mayor Dahnke asked City Administrator Mike Rietz to take roll call.

The next item on the agenda was the pledge of allegiance. All rose to recite the pledge of allegiance.

Mayor Dahnke welcomed all in attendance to the Public Hearing for the Front Street project. Mayor Dahnke next explained the procedure that would be followed for the public hearing. Mr. Dahnke stated that each speaker will be asked to give their name, address, and amount of their proposed assessment. Each speaker will be given five minutes to make their comments. Once everyone has been given an opportunity to speak a first time that he would recognize a speaker the second time if the speaker has comments to make that are not already a repeat of statements that have previously been made. This will complete the public hearing portion of the meeting. The City Council will then deliberate the comments and answer questions that came from the public comment.

10-18-01-01 Motion by Mr. Ellefson and second by Mr. Rick to open the public hearing for the Front Street project at 7:05 p.m. Motion carried.

City Administrator Mike Rietz next discussed the three funding sources. Clay County, general city funds, and property assessments.

Mr. Jon Olson with Ulteig Engineers next discussed the assessments for the Front Street project. Mr. Olson discussed the general overview of the project.

In 2004 the County identified driving service needs. The City notified the County of aged underground utility needs in 2004. The preliminary engineering report was done in April, 2010. The memo of understanding between Clay County and the City was in April, 2010. The final agreement resulting in a 50/50 cost share for the street, sidewalk and storm sewer between 5th Avenue and Main Avenue. The city elected to incorporate lighting improvements, sidewalk improvements between Main Avenue and 2nd Avenue

NE, and decorative sidewalk elements. The project area from County line to 2nd Avenue NE. The City portion from 5th Avenue SE to 2nd Avenue NE consisted of:

- water main replacement
- Sanitary sewer replacement
- Service lateral replacement
- Storm sewer replacement
- Sidewalk reconstruction
- Street reconstruction
- Street lighting
- Decorative concrete

Mr. Olson next discussed the project costs. The preliminary estimate cost from 5th Avenue to 2nd Avenue NE was \$2,577,500 and the final amount was \$2,575,024. The total project cost was: preliminary cost-\$3,990,000 and final amount was \$3,806,852.

The street and storm sewer costs south of 5th Avenue are the County share. 50% of the street, sidewalk, and storm sewer between 5th and Main is local share. 100% water main, sanitary sewer, services, lighting and streetscapes are local share. The sidewalk improvements north of Main Avenue are 100% local share.

The cost share from 5th Avenue to 2nd Avenue NE is as follows:

Clay County	\$621,157
City of Barnesville (local share)	\$1,953,867
Total	\$2,575,024

The breakdowns of the local share are as follows:

Street	\$622,905.36
Sidewalk	\$198,903.04
Water Main	\$139,286.37
Sanitary Sewer Main	\$174,658.46
Storm Sewer	\$53,452.55
Water Service	\$91,012.22
Sewer Service	\$130,357.60
Trees, decorative concrete and decorative lighting	\$246,712.23
Regular lighting, water/sewer crossing south of 5 th	\$296,579.97

Total: \$1,953,867.80

The project financing for local share:

- General Funds
- Special assessments to abutting properties
- Water main and sanitary sewer mains are assessed at 100% for standard sizing
- Water and sewer services are assessed 100%
- Streets are assessed at 50% a standard residential street rate

- Sidewalks are assessed 100% for standard 5' of walk
- Storm sewers assessed 50%
- Corner lots:
 - Water and sewer – short side only
 - Street and sidewalk-short side+ 50% long side up to 150' and everything beyond 150'
- Area wide assessment district established for street over sizing

The assessment preparation:

Prepared in accordance with the City's Assessment Policy:

- Over sizing costs were removed to determine the standard size costs so the assessment policy percentages can be applied to.
- Determination of abutting property assessment amount
- Then the total number of assessable units for each work item is determined
- The final assessment rate for each work item is calculated by dividing the assessable total by the total number of assessable units

The area wide assessment calculation:

Street over sizing	\$436,033.75
General City Fund Contribution	-51,033.75
Total area wide assessment	385,000.00
Total number of parcels	389
Total area wide assessment rate	\$989.72

Mayor Dahnke next asked if there were any citizens present to be heard.

Mr. Mitch Landphere, 319 3RD Ave SE, questioned council, for the 2012 budget that they have been working on, who is going to pay for the maintenance and upkeep of the Front Street.

Mr. Mike Holm, 422 2nd Street SE. questioned that people that live closest to Front Street, that the comment has been made that they drive on the street more than others. Mr. Holm stated that there is a steady stream of cars going out of town, a lot of people use Front Street.

Mrs. Cathy Enstad, 305 8th Ave SE, questioned what is defined as a major road and Type 2 or Type 3, what the criteria is. Questioned if we could put this on the ballot for the November 8, 2011 election. Questioned if we could over rule what the statutes are, and why no mention of a grant for this project, wondered if it is still possible to obtain a grant.

Ms. Barbara Carlisle, 102 3rd Street SE, stated that she rents her home from her son. Ms. Carlisle said she received the information from the City, but only had 3 days to look at the information. Ms. Carlisle discussed the water, sewer, and storm sewer funds for 2010.

Mr. Richard Sylvester, 702 3rd Ave SE, stated that he would like to see a tax for the entire city in a fair and equitable way. The money in the sewer fund is restricted, that is to pay for water and sewer mains. Only \$100,000 is being used to pay for this project. Mr. Sylvester discussed other alternatives to pay for this project.

Mrs. Tammy Ziegler, 110 Front Street, questioned how is going to pay for the electricity for the Holiday lights. Questioned who is paying for the assessment for the vacant buildings, now and in the past. Mrs. Ziegler stated that the Front Street project has not benefited all businesses, has not benefited her at all. No parking for customers.

Mr. Ron Baebler, 203 9th Ave SE, stated that the Front Street looks nice. Questioned if a person sales their home does the current homeowner pay for the assessment or the new owner.

Ms. Darcy Hanneman questioned why everyone in town is not paying for the Front Street project. Need to build the City, why not the whole community pay for this.

Mr. Steve Ambrose, 624 2nd Street SE, stated that his property value went down \$1,000. This is a small town, everybody uses the Main Street. The city has already harassed him for some home repairs. Mr. Ambrose suggested setting up a toll fee for others to use Main Street.

Mr. Mike Stetz, 410 12th Street SE, stated that he is not in the assessed area. He will pay more than those in the assessed area.

Mr. Gene Prim, 602 9th Street SE questioned the Type of the project, why a Type 2 and not a Type 3. This project could be spread thru out the City. This assessment policy is jibberish.

Mr. Mike Detloff, 1012 5th Street SE, stated that with the current assessment policy, there is an area that will never be assessed. 13th Street SE. Asked what road project in the future would ever be the same size as the Front Street project. Pay before Nov. 15th, or you will pay interest for the entire year. Only have 30 days to appeal.

Mr. Dave Renecker, 902 4th Street SE, questioned the amount of money, why \$100,000 given just to business and not everybody. Nice article from Gene Prim in the paper. Everyone should pay, not just a select few.

Theresa Renecker, 902 4th Street SE, questioned where she is going to benefit. Suggested to look at the project again, not who's right or wrong. Remember who is paying you.

Mayor Dahnke next asked if there were any other citizens that wanted to speak.
Mayor Dahnke asked 3 times.

Mr. Mitch Landphere stated that on his block, 5 of them were on Social Security. Mr. Landphere stated that he doesn't use Front Street daily. Why pick on just a chosen few.

Tammy Ziegler stated that she is not only getting assessed for the project, but taxed also. Businesses are being charge more for their utilities. Check with cities around the area, people need to tighten their belts, city should also.

Mr. Dick Sylvester stated that people outside the assessment district still will pay, why so few people here tonight. People outside district did not receive letter.

Mr. Brandon Carlisle presented Mayor Dahnke with a hardship on family letter.

10-18-11-02 Motion by Mr. Strom and second by Mr. Davis to close the public hearing at 8:19 p.m. Motion carried.

City Administrator Mike Rietz stated that council and staff would go thru the comments presented.

Mayor Dahnke stated that he had received three written statements.

Cathy Enstad had a list of questions for Council members.

Tammy and Bruce Ziegler stated that the Front Street project will cause a hardship over the next 20 years.

Brandon Carlisle stated that the area wide assessments for the Front Street project area unreasonable and unjust.

10-18-11-03 Motion by Mr. Ellefson and second by Mr. Davis to acknowledge receipt of letters from Cathy Enstad, Tammy and Bruce Ziegler, and Brandon Carlisle regarding the Front Street assessments. Motion carried.

Council member Jason Rick stated that some hardships will affect some people.

Council member Jeremy Krause stated that this is the first time the council has met as a full council since the actual numbers were available.

City Administrator Mike Rietz stated that the numbers are reliable numbers. It is up to the council to adopt the resolution.

10-18-11-04 Motion by Mr. Ellefson and second by Mr. Allmaras to approve the following resolution. Upon a roll call vote, the following voted aye-Council members Allmaras, Ellefson, Davis, Strom and Krause. The following voted nay: Council member Rick. The following were absent. None. Motion carried.

**CITY OF BARNESVILLE
COUNTY OF CLAY
STATE OF MINNESOTA
RESOLUTION ADOPTING THE ASSESSMENT ROLL
RESOLUTION NO. 10-18-11-04**

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 assessment for Front Street Improvement District No. 1, which involves the improvement located one block north of the centerline of Main Ave. (Minnesota highway No. 9) to the southern City Limits and consisting of street reconstruction, water main and sanitary sewer replacement, sidewalk reconstruction, streetscape improvements and street lights, and

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
BARNESVILLE, 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. Such assessment shall be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2012, and shall bear interest at the rate of 3.5 percent per annum from this 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, 2011. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. 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 treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the city treasurer 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 next 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 18th day of October, 2011.

Fred Dahnke
Mayor

Attest:

Jeri Reep
City Clerk

10-18-11-05 Motion by Mr. Davis and second by Mr. Rick to adjourn the meeting at 10:30 p.m. Motion carried.

Submitted by:

Attest:

Jeri Reep
City Clerk

Fred Dahnke
Mayor