

**CITY OF EYOTA
CITY COUNCIL PUBLIC HEARING MINUTES
APRIL 11, 2016**

Members Present: Tyrel Clark, Tony Nelson, Ray Schuchard, Kurt Holst and Bryan Cornell

Members Absent: none

Staff Present: City Engineers Bill Angerman and Daren Sikkink, WHKS & Co., and Marlis Knowlton, Clerk/Treasurer

Guests: See list "Exhibit A"

Location: Eyota Volunteer Fire Department, 14 South Front Street SE, Eyota

Call to Order: Mayor Clark called the meeting and public hearing to order at 7:00 p.m.

Agenda: Mayor Clark announced the purpose of this public hearing is to hear public comment regarding the final assessments, project area, costs, and appeal process for the 2016 Street and Utility Improvement project.

Bill Angerman explained tonight the Council just listens to public comments; the official action will not be taken until the Council meeting on April 14. Tonight you have the right to file a written objection to the assessment and it must include the reason why you are objecting.

Angerman explained the project and process. This project's improvements include assessments for: entire street reconstruction with concrete curb and gutter on all project streets, replace or install new watermain on all project streets, construct new storm sewer system to handle runoff from the new curb and gutter, and replace all block sanitary sewer manholes.

The total project cost is \$1,245,000. The assessments to property owners is twenty five percent of the total project cost, and is based on per parcel/lot, the assessment totals \$8,645.83. The Council based the assessments per parcel as they did in the 2015 project. Lots are all very similar in size and there are no double lots in this year's project. There is an option for Senior Citizens to defer the assessment, contact City Hall for details. Assessments can be prepaid by December 15 or they will appear on the 2017 taxes with a proposed interest rate of 4.6%. The City is paying seventy five percent of the project costs. Construction bids were received, A-1 Excavating was the lowest bidder, that contract has not been awarded yet. The City legally has sixty days after opening the bids to award the contract.

The proposed schedule is: April 11 final assessment hearing, April 14 award the construction contract, June begin construction, fall of 2016 complete construction. The 2015 project is not completed, the second lift of asphalt is scheduled in June; and yes we are aware that there were problems with the sodding and they will be addressed.

Appeal Process. Written objections must be submitted tonight. Any party contesting the assessment must submit evidence that the property market value (not property value for tax purposes) is not increasing. Courts decide the levy amount. Within thirty days after adoption of the assessment an owner may appeal to the district court by serving a notice upon the mayor or clerk. Clerk shall furnish appellant a certified copy of objections filed in the assessment proceedings, assessment roll and all papers necessary to present the appeal. The court shall either affirm the assessment or set it aside and order a reassessment. If appellant does not prevail upon the appeal, the costs incurred shall be taxed by the court. All objections to the assessment shall be deemed waived unless presented on such appeal.

The meeting was opened to public comments.

Cherie Perzynski 223 3 ST SW questioned how their mains were proved to be poor in their neighborhood. Angerman explained the existing water mains are only four inches and by the State of Minnesota that size is substandard; acceptable size is a minimum of six inches. There is a history of breaks and fire flows are less than optimal. Sanitary sewer lines were previously lined and now only the original manholes will be replaced. Storm sewers will be improving drainage throughout the area because ditches have been filled in over the years. Perzynski said their \$20,000 lot will not go up to \$29,000 per a realtor; they do not have a basement, only a cellar. She talked to neighbors and some said they were assessed a different amount; although she did not see the actual notices. She questioned why Oronoco and Rochester assessments were only \$7,000 and \$6,000. Clark explained it all depends on the project and parcels. Perzynski questioned why the city did the assessments different, why not assess per linear foot. It was noted that Eyota's assessment policy allows for a fifty percent assessment of the total project cost, this 2016 assessment is based on only twenty five percent of the total project cost being assessed. Angerman said the cost based on footage and the corner lots were looked at. Some would argue that a water service is not determined by the linear foot. Corner lots in the 2015 project were considered, including a corner lot versus Graham's parcel which has fifteen feet of frontage but is probably four acres. Angerman noted the vast majority of average per parcel assessments would be the same if calculated by linear foot.

Perzynski noted some towns save money for street projects. Clark explained Eyota does; for example to do overlays which are not assessed to the property owners. Angerman also noted that the City is paying for seventy five percent of this project.

Perzynski asked if we (the city) are not worried about bringing people in to town and the higher taxes and the school taxes and now assessments. Schuchard commented about our taxes versus the cost to live in Rochester. Clark said taxes in Olmsted County can be researched and compared online and Eyota's are lower.

Greg Beckman 222 3 ST SW questioned; the city pumps the sanitary sewer to St. Charles, in the last flood it backed up, what guarantees that will not happen again. Schuchard explained that no pump was shut off (the 2007 flood) it was just ground water over taxing the mains. Angerman also explained that after the 2007 flood the city no longer allows sump pumps to be discharged in to the sanitary sewers, via a new ordinance. Beckman had concerns regarding all the storm water that is coming in to town from the farm fields west of town.

Perzynski questioned the 429 assessment regulations and should there be appraisals done before and after the project. Angerman stated the City has not authorized any appraisals to be done; and most cities do not do appraisals. Clark explained that is because of the cost. Perzynski – but that is my proof of value.

Clark asked if there were any other appeals going to be submitted. No comments.

Beckman stated one of his neighbors on Madison Avenue always have their sump pump running since their street project. Schuchard said it has always run. Angerman explained that curb and gutters improves drainage issues by removing the water from the neighborhood. We have not had another major rain event like the one in 2007.

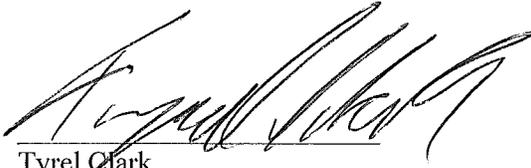
Tony Nelson questioned why the map shows forty two parcels and the project cost is only being divided by thirty six parcels. Angerman explained some parcels will not be charged the full assessment because there is no water service to those, so those were added together to calculate the amount correctly.

No more comments or questions were brought forward. Mayor Clark declared the hearing closed at 7:36 p.m.

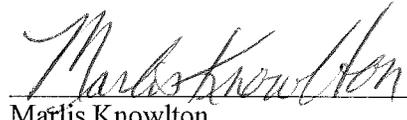
The construction bids for the project have been received and the lowest bidder will be awarded the contract. It has been verified that contractor will use their own crews to do the landscaping and sodding. Construction will be stopped before the alley to keep them partially open to traffic; and to include one hundred percent of the corner lots in one year's construction.

The City will be bonding to pay for the project which requires a minimum percentage of assessment revenue to be included. The projects were spread out over four years for financial reasons; in order to try to keep property taxes somewhat level and budgeting benefits.

Adjourn: Motion was made by Holst and seconded by Cornell to adjourn the meeting. Ayes (5), Nays (0). The motion was declared carried. The meeting adjourned at 7:40 p.m.



Tyrel Clark
Mayor



Marlis Knowlton
Clerk/Treasurer

NOTE: The three assessment objections received are attached as exhibits:
Exhibit B: Faith United Methodist Church 27 4 ST SW
Exhibit C: Steve Wilkinson 219 Lafayette AVE SW
Exhibit D: Ted and Cherie Perzynski 223 3 ST SW