

CSAH 66 IMPROVEMENT HEARING

City of Crosslake

Crosslake City Hall
December 13, 2019

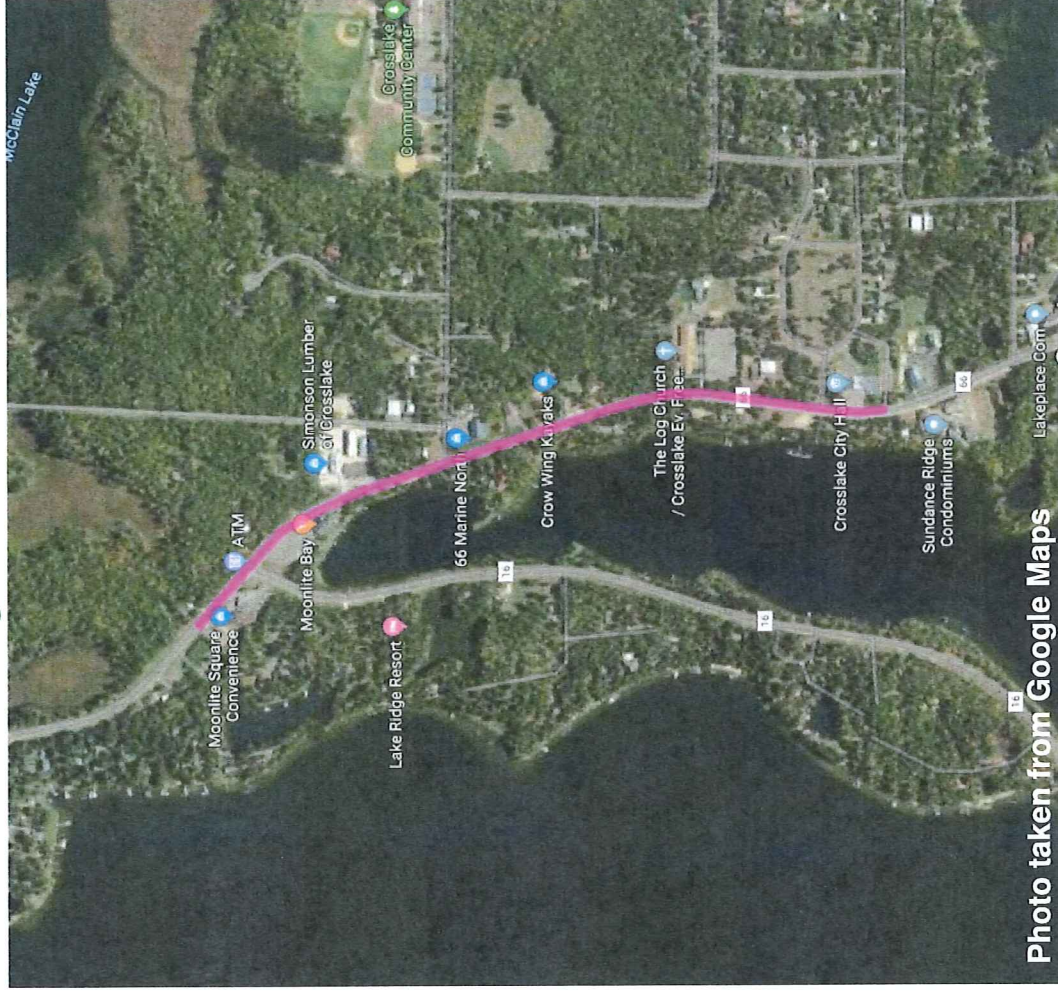


Presentation

- ☐ Project Scope
- ☐ Improvements, Purpose, Cost, and Timing
- ☐ Improvements Assessment
- ☐ Market Value Benefit
- ☐ Current Zoning
- ☐ Assessment Determination
- ☐ Single Family Homesite Cost Scenario
- ☐ Non-Residential Cost Scenario
- ☐ Public Input



Project Scope



Improvements

- ✓ Sanitary Sewer Extension (City)
 - ☐ City Hall to Car Wash
- ☐ Storm Water Quality (City/County)
 - ☐ Reconfigure existing direct discharge pipes (5 locations) to route through new stormwater treatment cells
- ☐ CSAH 66 Improvement (City/County)
 - ☐ Reconstruction



Improvements Purpose

✓ Water Quality Protection

❑ Septic System Performance Concerns

- Moonlite Bay Issues 2018
- Septic System Age*
 - 44 parcels (25 with known install dates)
 - In 2020, 10 > 25 yr; 3 > 20 yr

* On average, septic system useful life is 25 years

❑ Stormwater Discharge to Cross Lake (5 locations)

- Sediment, Nutrient, Salt discharge



Improvement Cost Information

- ☐ Est. Project Sanitary Sewer Cost \$1,381,300
 - ☐ City Portion \$1,125,600
 - ☐ County Portion \$255,700

- ☐ Est. Project Stormwater Quality Cost = \$315,000
 - ☐ City / County portion To Be Determined
 - ☐ Applied for Clean Water Fund Grant



Improvement Timing

- ☐ Initial Evaluation Started in 2018
- ☐ Assessment Policy Adopted July 2019
- ☐ Feasibility Report Received November 2019
- ☒ Improvement Hearing December 13, 2019
- ☐ Prepare Construction Plans – TBD
- ☐ Bid and Award Contract – TBD
- ☐ Construction – TBD



Improvement Assessment

- ☐ Procedure: Mn Statute 429
- ☒ Improvement Hearing
- ☐ Final Assessment Hearing (2020 or later)
- ☐ City Ordinance No. 358: Assessment to each parcel at a rate that does not exceed the “market value benefit”
- ☐ Considers appraisal opinion
- ☐ Considers property zoning
- ☐ Assessment Payment
- ☐ After Final Assessment Adopted – in full or over time



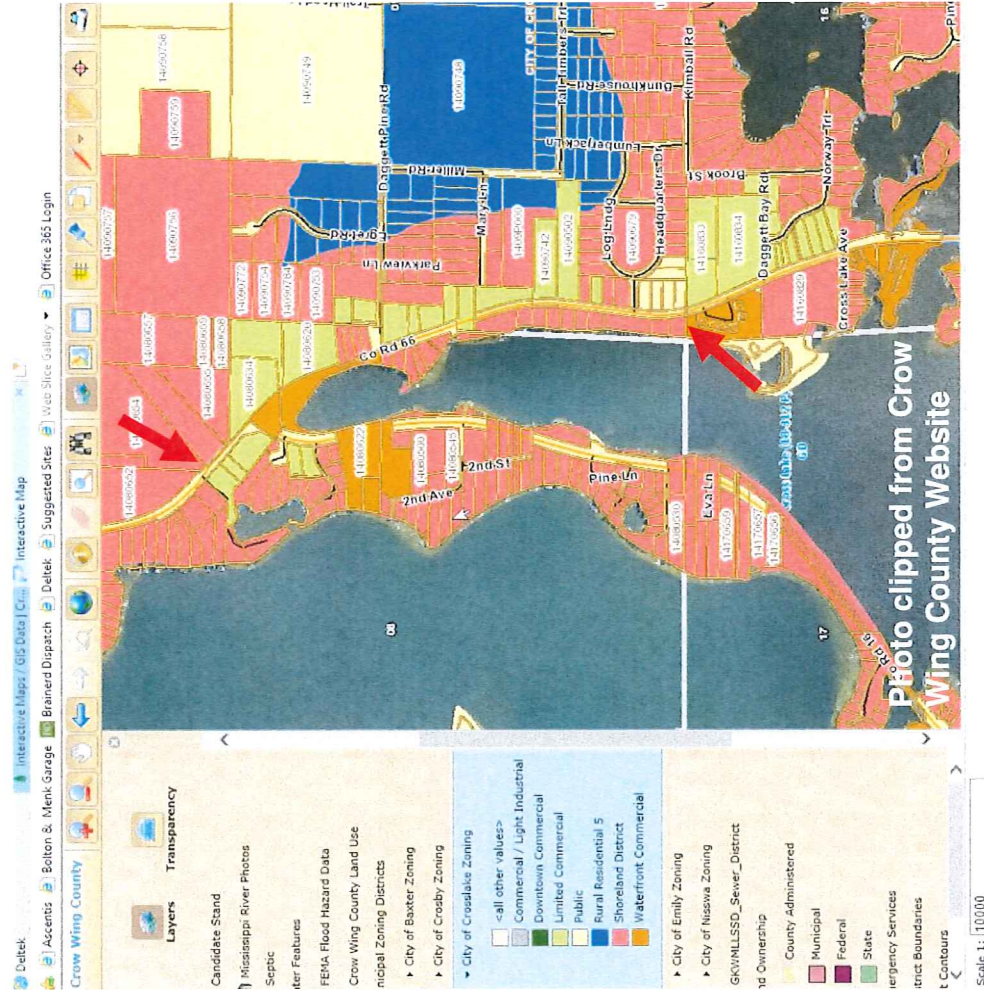
Market Value Benefit

□ Opinion of market benefit range (Sanitary) by Nagell Appraisal Incorporated in April 2019

- **Single family (lake homesite, new sanitary sewer)** \$5,000 to \$10,000 per homesite
(larger lots on the upper end of range)
- **Single family (non-lake, new sanitary sewer)** \$4,000 to \$9,000 per homesite
(larger lots on the upper end of range)
- **Non-Residential Commercial/Industrial (sanitary sewer)** \$0.20 to \$0.50 per SF of site area
(larger lots on lower end of range,
higher water users on upper end of
range)
- **Non-Residential Public Use (sanitary sewer)** \$0.05 to \$0.20 per SF of site area
(larger lots on lower end of range,
higher water users on upper end of
range)



Current Zoning



Market Value Benefit – Procedure

- ☐ Identify Current Zoning / Apply Benefit Range
- ☐ Mock Assessment Basis
 - ☐ Single Family Lake Homesite Benefit
 - \$7,500 per homesite
 - ☐ Single Family Non-Lake Homesite Benefit
 - \$6,500 per homesite
 - ☐ Non-Residential Commercial Benefit
 - \$0.20 per sq ft of site area (> 2 acres)
 - \$0.35 per sq ft of site area (< 2 acres)
 - \$0.50 per sq ft of site area (high water user)



Single Family Homesite Cost Scenario

- ☐ Mock Assessment Cost = \$6,500 or \$7,500 per
 - ☐ Annual Payment (\$7,500, 4%, 10 yr) = \$924.68
 - ☐ Pays for sewer main and service to property line
- ☐ City Connection Cost = \$4,000 (2019)
 - ☐ Pays for treatment space within the WWTF
- ☐ Private Property Pipe Cost – site specific
- ☐ Sewer User Charge = \$50 per month
 - ☐ Base cost charged regardless of occupancy



Non-Residential Cost Scenario

- ☐ Mock Assessment Cost = \$0.20 - \$0.50 per sq ft
- ☐ Pays for sewer main and service to property line
 - < 2 acre (\$0.35/sq ft) = \$15,246 per acre
 - > 2 acre (\$0.20/sq ft) = \$8,712 per acre
 - high water (\$0.50/sq ft) = \$21,780 per acre
- ☐ Annual Payment (\$50,000, 4%, 10 yr) = \$6,164.55
- ☐ City Connection Cost = \$6,500 per ERC (2019)
- ☐ Pays for treatment space within WWTF
 - ERC – Equivalent Residential Connection
 - ERCs determined based on Chapter 50, City Code



Non-Residential Cost Scenario (cont.)

- ☐ Private Property Pipe Cost – site specific
- ☐ Sewer User Charge = \$50 per 8,000 gallons
 - ☐ Base cost paid regardless of occupancy
 - ☐ City provides meter for well to determine usage
 - ☐ City reads well meter remotely



Public Input

*Please state your name and address for the record before
providing your input.*

Thank you for attending.





CSAH 66 Sanitary Sewer Improvement "Frequently Asked Questions"

Improvement Hearing: December 13, 2019 – Crosslake City Hall 2:00 pm

Why is this improvement being considered?

- To address identified septic system performance and direct stormwater discharge issues so we protect the water quality of Cross Lake.
 - Issues have been identified with the performance of existing septic systems on some properties and the current storm sewer system discharges stormwater from CSAH 66 directly into Cross Lake.

What is being considered?

- The installation of a 10-inch diameter gravity sewer pipe from the existing pipe located near City Hall to the Car Wash.
 - A sanitary sewer service pipe will be installed to the edge of the County right-of-way/private property line for connection with the project or at a later date.
- Installation of stormwater treatment best management practices to treat stormwater from CSAH 66 before it is discharged to Cross Lake.
- Reconstruction of the street and trail impacted by construction activity.

How would traffic access the area during construction?

- It is anticipated that the official traffic detour will be to route traffic around the west side of Cross Lake.
 - It is anticipated that some local traffic will use streets through neighborhoods during stages of construction.
- The construction would start near City Hall and end at the Car Wash north of the CSAH 66/16 intersection. We anticipate 4 to 6 weeks to install the sanitary sewer pipe and return CSAH 66 to a gravel surface. Property access will be restored in some form by the end of each day.

What is the estimated cost of the improvements?

- The preliminary opinion of total project cost for the sanitary sewer improvement is \$1,381,300.

- The estimated Crow Wing County portion is \$255,700
 - The estimated City of Crosslake portion is \$1,125,600.
- The stormwater quality improvements are estimated to be \$315,000
 - The City of Crosslake is working with the Soil & Water Conservation District to pursue grant funding.

Would there be an assessment for this project?

- The City of Crosslake is considering assessment based on City Ordinance No. 358. The ordinance utilizes Minnesota Statutes, Chapter 429 process.
 - An Opinion of General Market Benefit range was provided by Nagell Appraisal Inc.

What would my costs be to connect to the new sewer?

- If the improvement is assessed, the costs would be comprised of the following:
 - Assessment Cost, Period, Interest Rate = To Be Determined
 - Sewer Connection Charge at time of connection – Currently \$4,000 residential per homesite and \$6,500 Commercial per Equivalent Residential Connection
 - Base sewer user charge is \$50 per month.
 - Private property installation cost from drainfield to sewer main service pipe at the CSAH 66 right-of-way line.

What about my mail delivery service during construction?

- We would coordinate with the Post Office to maintain some form of service.
 - Typically, temporary mailboxes are installed at one or more locations based on Post Office input.

What about my garbage collection service during construction?

- We would coordinate with the Garbage Collection providers to maintain some form of service.
 - Typically, temporary garbage service may be set up at one or more locations based on input from the garbage collection providers.

What are the next steps?

- If the City of Crosslake proceeds with the improvement, we anticipate the following schedule
 - Complete design, prepare plans and specifications – December 2019 thru March 2020
 - Public Bidding and Award – To Be Determined (TBD)
 - Construction – TBD...Construction Season typically May to September

What if I have further questions?

- Questions regarding this improvement can be directed to the following:
 - Ted Strand, Public Works Director – 218-692-2688
 - Mike Lyonais, Administrator/Treasurer – 218-692-2688
 - Phil Martin, City Engineer – 218-821-7265

The remainder of the page has been left for your notes:

12/13/2019

Residential x 25 connections

2003-2006 (Phase 1) = \$4000

2020 (Phase 2) \$4000 x 1.75 (adjusted cost of construction) = \$7000

\$7000 x 25 = \$175,000

Commercial x19 connections

2003-2006 Phase 1 = \$5500

2020 Phase 2 \$5500 x1.75 = \$9625

\$9625 x 19 = \$182,875

Contribution of Direct Benefactors **\$357,875**

Contribution from Crosslake general fund **\$357,875**

Proposed city sales tax (aprox 1 1/2years) **\$384,250**

Total Sewer project cost \$1,100,000

Justin Patten
37179 County Road 66
Crosslake, MN 56442

December 9, 2019

Crosslake City Council
City Hall at 37028 County Road 66
Crosslake, MN 56442

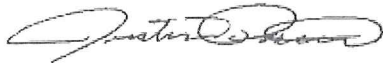
Honorable Members of the City Council,

I am writing in reference to the CSAH 66 Sanitary Sewer Extension improvement project proposal. I am hereby requesting that you cancel or delay the project.

As a private property owner along this route I am aware that the project started with good intentions, but at this time the benefits received do not justify the proposed assessment to property owners along the route. I speak with integrity when saying the septic system on my property is maintained to high standards which meet or exceed recommended guidelines. It is my understanding that each of the neighboring properties take similar pride to maintain their property and our environment so that we may continue to enjoy the benefits of our lake community indefinitely. At this time, we will not receive immediate benefit from city sewer service, nor would it significantly impact property value.

I believe the core justification for this project is to bring city sewer to the commercial properties located near the junction of 66 and 16; Moonlite Square and Moonlite Bay. These are excellent establishments that benefit the entire community, and which attract countless visitors from outside our immediate neighborhood. In my opinion the beneficiary of this project is the entire Crosslake community, and if pursued, I believe the project cost should be distributed amongst all those who benefit.

Sincerely,

A handwritten signature in dark ink, appearing to read "Justin Patten", with a stylized, flowing script.

Justin Patten

To: Council Member John Andrews
To: Council Member Dave Schrupp
To: Council Member Gary Heacox
To: Council Member Aaron Herzog
CC: Mayor David Nevin

Kenneth and Suzan Hollerich
37449 Cty. Rd. 66
Crosslake, Mn. 56442

City Of Crosslake Council Members:

As Suzan and I may not be attending the Dec. 13 meeting on the sanitary sewer extension plan, we would like to give written testimony concerning the project.

Most importantly we feel the extension of the sewer does the whole region a service if the goal is to keep the Whitefish chain free from current supposedly incompilant septic systems, there fore assessments should be community wide. This could be accomplished by bonding for the costs, and using future long term revenues (ie. add on sales tax plan, or property tax increases region wide) to cover the long term goals of reduced lake pollution.

At the Nov. 12 Council meeting which I attended, it was brought to the councils attention, that the precedent had been set in previous sewer extensions that only a connection fee was charged to those who benefited from the project.

We feel that to assess what is currently proposed to each property owner is a violation of precedent and also an undue burden to a few to keep a region wide chain of lakes pollution free.

The question also arises as to what study was done as to pollution sources, and benefit gains from this project.

The current project engineer seemed to have few answers at the Nov. meeting except to guess as to compliant septic systems on the route, seeming to promote keeping the project moving regardless.

Shouldn't we know how many systems are out of compliance to justify a project to keep our lakes clean. If only a few are out of compliance, does this justify sewer expansion for everyone who spent the money to follow the rules. Many of the time these rules and regulations are a moving target .

Finally we wonder if the sewer expansion is a state mandate, or a perceived fear that we are polluting the lake. There certainly needs to be more time and more justification to spend our money on a project where currently no one can point out a direct source of pollution.

Respectfully: Ken and Suzan Hollerich

A handwritten signature in cursive script, appearing to read "Ken, Suzan", written in dark ink.