

Glyndon City Council - 4/26/2023
Public Hearing – 6:00 P.M.
Street and Utility Improvements for Charleswood Addition
City Hall Council Chambers

1. Open Public Hearing: Mayor Tracy Tollefson called the meeting to order at 6:00 p.m.

2. Roll Call: Council Members Present: Justin Schreiber, Bryant DeVries, Steven Ring; City Engineer Kris Carlson; City Clerk Wendy Affield.

Absent: None

Virtual Attendees: Council Member Patrick McCoy; John Hagan (Eide Bailly); Heather Kunza.

As Per Sign in Sheet: Renae Goltz; Kelly Richards; Jacob Cuchna; Shaun & Barbara Erickson; Tom Bjornstad and Nick Bjornstad.

3. Copy of the Notice to Property Owners – Mayor Tollefson said this is the official notice of today’s Public Hearing to discuss making improvements to the Charleswood Addition. She read aloud, “The area proposed to be assessed for such improvement will include all abutting property. The estimated cost of the improvement is two million, one hundred eighty-nine thousand, five hundred dollars (\$2,189,500.00). A reasonable estimate of the impact of the assessment will be available at the hearing. Such persons as desire to be heard with reference to the proposed improvement will be heard at this meeting.”

4. Explanation of Project by City Engineer Kris Carlson – Carlson said for those who are present today he will go through and answer questions as per the sign-in sheet, and noted there is a handout for subject reference. He further discussed and explained each portion of the Meeting Agenda as follows:

a. Purpose of Hearing – This is to inform surrounding property owners of this proposed project, and is also part of MN State statute 429 – a “procedure for assessing improvements.” Carlson said the first step has already been completed, which was the Preliminary Engineering Report hearing. The second step is the Public Hearing, followed by design and construction bidding, the assessment hearing, and finally the beginning of project construction. This hearing is also intended to gain public comments and input.

b. Project Development – Carlson detailed the red highlighted area on the map showing the actual portion where surface improvements and underground utilities will be installed.

c. Proposed Improvements – Carlson said the proposed improvements are the water main and sanitary sewer systems detailed on the map provided. He said these will essentially be extensions of the same system installed in the Southview Addition. Water will flow in from the west from Southview through Charleswood, and then tie back in with the water system installed in the Centennial Addition. Carlson said the storm sewer and streets portion of the improvements will include curb and gutter for the highlighted areas on the map. He also noted on the map is a “future phase” which intends to reconstruct a separate area near Parke Avenue and 12th St S, but that will be discussed further at a different hearing. Carlson said the storm sewer system will be set up just like in the Southview Addition, as well as similar basins.

d. Estimated Project Costs and Financing – Carlson said the proposed project will be financed through a combination of City funding and special assessments. He said the City’s portion was previously outlined during the feasibility study. He referred to the packet showing the estimated project costs, and are broken down here to show the different construction portions and phases. All told, he said

the estimated project cost will be two million, one hundred eighty-nine thousand, five hundred dollars (\$2,189,500.00).

e. Assessment Summary – Carlson said this project, in terms of special assessments per lot, equates to thirty-eight thousand, five hundred forty-three dollars and ninety-eight cents (\$38,543.98). He said if the project moves forward the estimated project schedule as of today shows a final completion date of sometime in June 2024. The actual beginning of construction and digging would start after the 4th of July.

f. Questions/Comments – Carlson finished the report and opened up for any comments or questions. DeVries asked if this hearing was intended to inform Council and the public of the next steps more or less? Carlson said yes, and noted the project cannot move forward until Council approves it. Schreiber asked about the plat changes? Carlson said he just signed it today, and City Attorney Ken Norman will now need to sign it. Affield said Norman will sign it tomorrow or Friday.

5. Open Forum – *In order of sign-in sheet:* Resident Renae Goltz said she is here today because her lot is one of the lots affected by this, and her first question is when the special assessments will begin? Carlson said if everything goes according to schedule, the specials will be certified at the end of this year, and payable next year. Goltz asked if the entire project will be complete before she has to start paying for those specials, as this is her biggest concern? Carlson said yes, and the only portion of the project which would occur after specials become payable would be the last inch of asphalt to be laid on the roads. Goltz then asked for clarification on whether any residents along 14th Street will be assessed for something? Carlson explained there may be a section of Parke Avenue from 12th Street to 14th Street that may have improvements made to it. Affield explained since Parke Avenue was completed with curb and gutter and this development would have curb and gutter the section left to hook everything together would be from 12th Street to 14th Street in front of Johnson Park. Carlson said this portion will connect the walking paths through town. Goltz asked if the specials are divided over a set number of years? Carlson said it is twenty (20) years. She then asked how the City's portion of the costs are decided? Carlson said those costs are based on the size of the side lot portion between Charleswood and 14th Street. Goltz asked about the difference in special amounts as was previously estimated years back? Carlson said these new estimates are based on materials and costs for similar projects going on in Moorhead right now.

Southview Developer Kelly Richards said he has a couple of questions, the first one being whether these specials are for just the project alone, or do they include the existing specials on those lots? Carlson said these specials are just for the project. Affield explained the other assessments were deferred for those three lot owners whose properties abut Charleswood until the project was completed. Richards then asked what is covered by the City's portion of the project? Carlson said this will be for the road improvements connecting Charleswood through to 14th Street, which is about a half-block extension.

Resident Jacob Cuchna asked about the extra wear-and-tear on the roads with the extra construction traffic coming through 14th Street? Carlson said those heavy trucks will only be allowed to drive along Parke Avenue, and that portion of Parke Avenue south from 12th Street to 14th Street will see improvements added in as future reconstruction. Cuchna asked where the dump site for fill will be located? Carlson said the pile currently in Charleswood will be used as part of the construction and will be leveled out on site. He said the floodplain will require those lots to be higher, so all of the material will be used for the project. Goltz asked if some of this fill is intended to level out her lot? Carlson and Schreiber both said the eastern-most lots are in the floodplain, so Goltz' lot will definitely want to use some of the fill for her lot. Affield asked if the three (3) lot owners that are technically in the Centennial Addition would need to sign something for that? Carlson said he would issue "right of entry" orders at that time for those owners to sign.

Resident Shaun Erickson noted his lot has already been assessed in the past for the pond and lift station, and now these assessments will be in addition to the previous ones? Carlson said yes. Erickson

then asked what the interest rate will come to? Carlson said it would be up to two percent (2%) of the borrower rate and the current bonds are still right around four percent (4%).

Tom Bjornstad asked if the “future phase” portion along Parke Avenue from 14th Street is included in this estimate? Carlson said that portion will be added eventually as a separate project, but it does not pertain to this hearing. Bjornstad asked who will be assessed for that section? Carlson said any properties which abut this section of the street as well as the City, and anytime there is reconstruction involved the methodology for assessing is a bit different. Bjornstad asked if Carlson had an estimate for those assessments for the homeowners? Carlson said he does not have those numbers yet, but they will be discussing it at a future meeting.

Nick Bjornstad asked if there is a Developer’s Agreement yet? Affield confirmed yes, there is an agreement ready. Bjornstad asked if all parties have signed it? Affield said no, the agreement was just approved by Council at the most recent meeting. Bjornstad then asked several questions regarding property taxes and if all lot owners are up to date on them or is Sullivan picking up the tab. Carlson said the City is not involved regarding tax payments. Bjornstad asked who has to sign the agreement. Affield informed him there are seven owners of the lots in Charleswood and they all would have to sign. Bjornstad asked who is responsible for the large pile they have been looking at for many years. Carlson said the fill has been left there in order to raise the lots above floodplain levels. Bjornstad continued by asking if Sullivan is being fined for leaving the pile as it is? Carlson stated the pile is on private property, that is one reason it would be nice to get this project completed, the pile will need to be leveled out to get lots out of the floodplain. Carlson explained the pile situation was between Sullivan and Richards, it would have been better for everyone if it would have been spread right away but sometimes things happen. Goltz asked if Sullivan would be responsible for any weed-prevention costs on their property due to the dirt pile? Carlson said that is not a matter for this hearing. Affield explained that would be a civil issue, not a City issue. Mayor Tollefson said having Charleswood Addition go forward will result in the destruction of the dirt pile, making everyone happy. Bjornstad asked if the development does not go through, what happens to the dirt pile? Carlson again restated that it is private property, and not the City’s responsibility. Bjornstad then moved on and asked if the estimated assessments come in higher than what is listed here, what happens then? Carlson said if that happens, then the Council will reconvene and discuss it. Bjornstad said “salability” is important as a realtor, and he would hate to see these lots come back to the City if the assessments are too high. Carlson said special assessments are higher in Dilworth.

Richards then asked if the current lot owners have a letter of credit? Affield said that is in the works, and the lot owners need to have them in place prior to awarding the bid. Goltz added she is also concerned if she will be able to continue to afford living here, and if the specials are too high will she even be able to sell her property? Erickson said he is wondering if the bond rate is at four percent (4%), why does that not get passed on to the lot owners? Carlson said this is due to covering the administrative costs and other costs associated with the City having to borrow money. Erickson asked if they will get to see a detailed breakdown of these? Affield said that the bonding portion of the project has not been started yet, and Carlson said when it gets to that point it will be discussed at a Council meeting, fully open to the public. Erickson asked to clarify why he and the other lot owners are considered a part of “Centennial” and not “Charleswood”? Carlson explained as far as the Developer’s Agreement aspect you are not but because these three lots will benefit from the project; they are included in being special assessed but will not have to get a letter of credit. Affield explained Centennial was already platted years ago to someday have a road in front of the property they purchased, that is why specials will need be added at this time. Carlson stated since the three (3) owners of the lots in Centennial did not petition for the improvements they will not need to have a letter of credit in place.

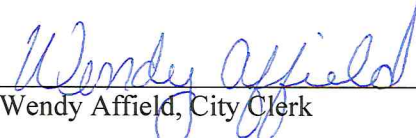
Mayor Tollefson asked if there were any other questions? Goltz asked if someone could clarify the next steps in the project, and when things will be approved? Carlson said the next step will be to have Council approve the final specs, then another Council meeting to approve and award the winning bid. He said these two steps need to be done before the contracts are signed and ready to go. Bjornstad asked if

everyone on the Council is in agreement about this development going forward? Carlson said they will be discussing the resolution at the Council meeting after this hearing. Bjornstad again asked if Council members want this to go through? Mayor Tollefson said she feels having this development move forward is best for the City's growth, not everyone can afford four to five hundred-thousand-dollar homes, so we have to have different price levels available for people to move in. She feels this development has been in the works prior to her being on Council and she would say this is our next opportunity to expand and get more families into our community. Affield also added the more homes being built helps the property taxes go down for all residents. Bjornstad once again said he wants the dirt pile to be taken care of due to its unsightliness, and hopes the Council will institute some sort of contingency to require its removal if the development does not go through. Goltz does understand the city needs to grow, she just hopes the specials aren't too high otherwise newcomers will not be able to afford them. Mayor Tollefson agreed, but restated the importance of the City moving forward to try and bring more families to town. She then asked if there were any additional questions from those present today? Carlson said he is available to answer any questions and has left some business cards for anyone who is interested. DeVries questioned if the lots were larger the cost of specials would be higher.

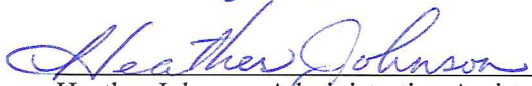
6. Adjourn the Public Hearing – A motion to adjourn the Public Hearing at 6:34 p.m. was made by Justin Schreiber, seconded by Bryant DeVries. All in favor.
Motion Carried.



Tracy Tollefson, Mayor



Wendy Affield, City Clerk



Heather Johnson, Administrative Assist.

April 26, 2023 Public Hearing Minutes – Charleswood Street & Utility Improvements