



November 12, 2024

Jon Pratt, PE
City Engineer

Assessment Hearing for:
Trunk Highway 10 East
Sanitary Sewer & Watermain Extension
City of Detroit Lakes, MN



Apex
Engineering Group

Purpose & Overview

- Purpose
 - Requirement of State Statue 429
 - Overview of assessment policy, calculations, and procedures
- Presentation
 - Project background
 - Review of Improvements
 - Summary of Costs
 - Financing, Assessments, and Cost Distribution
- Questions & Comments

Project Background

- Developer petitioned project – Quality Equipment
 - Proposed equipment dealership requires extension of city infrastructure to proposed site
- Extend sanitary sewer and water infrastructure from East Shore Drive & TH 10 intersection to the proposed site
 - Dealership site is +/-1,000' southeast of East Shore Drive and TH 10 intersection
- PER adopted by City Council in May 2024

Project Location

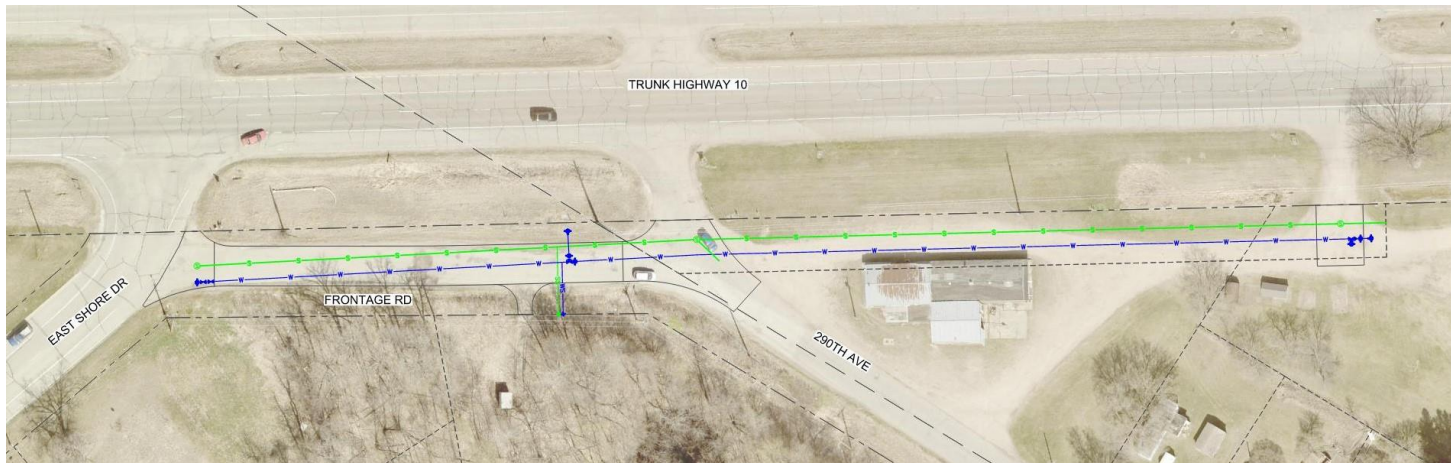


Overview of Improvements



Utility Improvements

- Watermain
 - 8" PVC watermain, hydrants, and isolation valves
- Sanitary Sewer
 - 8" PVC Sanitary Sewer, precast concrete manholes
- Service Laterals to two adjacent properties
- Restored frontage road and 290th



Financing, Assessments, & Cost Distribution

Final Project Costs

Item	Cost
Street (City Share)	33,158.99
Sanitary Sewer (City Share)	44,962.00
Watermain (City Share)	42,713.50
Sewer Services (City Share)	5,817.52
Water Services (City Share)	3,259.40
Street (Private Share)	39,673.99
Sanitary Sewer (Private Share)	63,579.23
Watermain (Private Share)	67,173.05
Sewer Services (Private Share)	2,932.57
Water Services (Private Share)	-
	-
TOTAL PROJECT COST:	303,270.26

Funding Sources

- **Funded/Financed by:**
 - City Utility Funds
 - Developer (by agreement)
 - Special Assessments to adjacent property owners
- **Assessable costs are determined in accordance with the City's special assessment policy and development agreement**

Cost Distribution

- East Shore Dr. to 290th
 - Assessed 100% of the sanitary sewer and watermain cost to adjacent/benefiting properties.
 - Assessable rate is calculated on a front footage basis, including footage that is assessable (i.e. TH 10 frontage and previously served properties).
 - City assumes 100% of the assessable cost sewer/water and street restoration costs.
- Developer assumed 100% of sanitary sewer and watermain cost from 290th Avenue to their site/facility

Cost Distribution

City Share		Special Assessments		Quality Equipment	
General Fund - Street (Unassessed Street Footage)	33,158.99	City Assessments	28,560.36	Street	39,673.99
Sewer Utility (Unassessed Sewer Footage)	34,970.45			Sanitary Sewer	63,579.23
Water Utility (Unassessed Water Footage)	33,221.61			Watermain	67,173.05
				Sewer Services	2,932.57
				Water Services	0.00
	Total: \$101,351.05		Total: \$28,560.36	Total:	\$173,358.85

Assessment Rates

Item	Assessment Rate/Unit	Assessment Unit
Sanitary Sewer	\$71.37	Front Footage
Watermain	\$67.80	Front Footage
Sewer Service	\$5,817.52	Each
Water Service	\$3,259.40	Each
Assessment Summary		
	NW Bell Telephone:	\$28,561
	Quality Equipment:	\$173,359

Assessment Terms & Conditions

- Roll A (Developer)
 - 10-year assessment term
- Roll B (Northwestern Bell Property)
 - 20-year assessment term
- Assessments will be levied against benefitting properties starting in 2025
- Assessments are applied to property taxes at 5.50% interest rate
- Prepayment of all/portion of assessment eliminates/reduces interest charges



Questions?

Questions

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