

Public Hearing

-For-

Southwood Shore Estates – Phase 1 Utility Improvements

City of Detroit Lakes



May 9, 2023

Apex
Engineering Group



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Purpose and Overview

- **Provide Information and gain input on proposed improvements**
 - Requirement of State Statue 429
- **Presentation**
 - Review of existing conditions and proposed improvements
 - Estimated Project Costs
 - Financing and Assessments
 - Questions and Comments

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Background and Existing Conditions



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Project Purpose & Background

- **Developer (Gehrig Properties) petitioned the City for utility improvements**
 - First phase of a 67–acre subdivision
 - 7 lots in first phase, abutting South Shore Drive
- **Completed/adopted PER in April 2023**

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Existing Infrastructure

- **Lots abut South Shore Drive**
 - Existing street, sanitary sewer and watermain.
 - No sewer/water service laterals to the proposed lots.

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Proposed Improvements

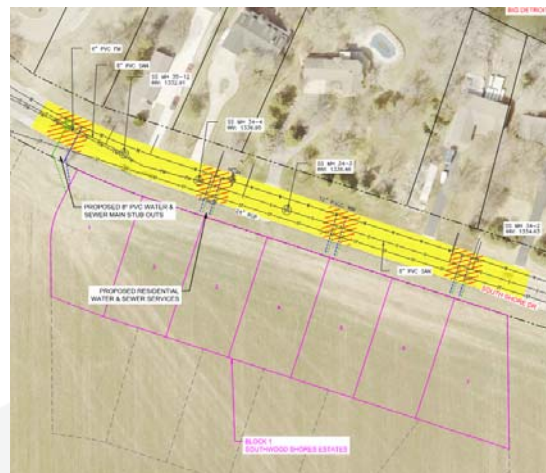
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Proposed Improvements – Sewer/Water

- **Extend sanitary sewer and water services from existing mains in S. Shore Drive**
 - Sewer - 4-inch service laterals
 - Watermain - 1-inch HPDE service laterals
- **Extend sewer and watermain from S. Shore Drive into future street**
 - Provide service to future phases of subdivision
 - Avoid future work in S. Shore Drive

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Improvement Overview



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Proposed Improvements – Streets

- **Restore streets with patches**
 - Will employ stringent backfilling, compaction, and patching requirements to attempt to mitigate settlement concerns

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Project Costs and Assessments

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Estimated Project Costs

Item	Estimated Cost
Street Restoration	\$79,000
Sewer Services	\$36,000
Water Services	\$46,000
Watermain & Sanitary Sewer Main Extension	\$32,000
Total Project Cost:	\$193,000

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Proposed Financing

- **Funded by Special Assessments**
 - Costs will be allocated in accordance with the City Special Assessment Policy & Development Agreement

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Cost Distribution

- **Sanitary sewer, watermain service laterals, and street costs**
 - 100% assessable

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Cost Distribution

Item	City Share	Assessable Share	Total Project
Street Restoration	\$0.00	\$79,000	\$79,000
Sewer Services	\$0.00	\$36,000	\$36,000
Water Services	\$0.00	\$46,000	\$46,000
Watermain & Sanitary Sewer Main Extension	\$0.00	\$32,000	\$32,000
Total Project Cost:	\$0.00	\$193,000	\$193,000

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Assessments



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Allocation of Assessable costs

- **Distributed to adjacent properties in accordance with Special Assessment Policy**
Per lot allocation
- **Costs are divided by assessable units to determine a rate**
 - Per lot allocation of costs is recommended in this situation.

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Summary of Assessment Rates

Item	Assessable Amount	Units	No. of Units	Assessment Rate Per Unit
Block 1: 7-Lot Subdivision				
Street Restoration	\$79,000	Lot	7	\$11,286
Sewer Services	\$36,000	Lot	7	\$5,143
Water Services	\$46,000	Lot	7	\$6,871
Block 1 - Total Assessments Per Lot:				\$23,300
Other Assessments to Future Subdivision				
Watermain & Sanitary Sewer Main Extension Street Restoration	\$32,000	Lump Sum	1	\$32,000
Other Assessments Total:				\$32,000

- *Does not include deferred special assessments from 1993 project that are levied on the property*

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Assessment Terms

- **Developer must prepay 25% of assessable cost prior to design.**
- **Balance is assessed for a maximum of 20 years following substantial completion**
 - Developer can request a 5-year deferral followed by a 15-year term.

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Proposed Schedule

Activity	Date
Approve PER	April 2023
Public Hearing	May 2023
Design	May 2023
Bidding/Award Contract	June 2023
Construction	Summer 2023
Assessment Hearing	Fall 2023

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Questions

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