



**Request for City Council Committee Action
From the Department of Public Works**

Date: October 17, 2002

To: Transportation and Public Works Committee

Subject: Water and Sewer Service Line Repairs or Replacements, Properties on Lists Dated October 4, 2002: Assessment Public Hearing

Recommendation: Passage of a Resolution adopting the assessments in the total amount of \$563,277 for water service lines and \$112,172.95 for sewer service lines, levying the assessments, adopting the assessment rolls and directing the City Clerk to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

Previous Directives: n/a

Prepared or Submitted by: Suzette R. Hjernstad, Real Estate Investigator II, 673-2401

Approved: Brian J. Lokkesmoe, P.E. Interim City Engineer, Director of Public Works

By: Richard Smith _____

Presenters in Committee: Suzette R. Hjernstad

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain): Special assessments to benefited properties

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached

Section 509.465 of the Minneapolis Code of Ordinances provides a procedure whereby a property owner in need of repair or replacement of a private water or sewer service line may request and authorize the City of Minneapolis to do the necessary work with the property owner having the option of either paying directly through a bill or paying through a special assessment being added to the real estate taxes.

Section 509.465 of the Minneapolis Code of Ordinances further provides a procedure whereby the City may correct a faulty water service line upon the failure of the owner to do so or agree to do so. If the bill for the corrective work is not paid, the cost may be recovered through the special assessment procedure of Section 509.465 of the Minneapolis Code of Ordinances.

The properties on the lists dated October 4, 2002 to be assessed had the water or sewer service line work done by either the City or the City's contractors, have not paid the full amount owing through the billing process and have been notified that a special assessment which includes interest, would be added to the real estate taxes.

The amount to be assessed as special assessment principal is the cost of the work plus 10%. The total principal amount of the proposed assessments on the lists is \$563,277 for water service lines and \$112,172.95 for sewer service lines. The assessments would be collected over 5 years beginning on the 2003 real estate tax statements with interest charged at 8%, being the rate provided for in Section 509.465 of the Minneapolis Code of Ordinances. Information has been provided in the Notices as to how persons may prepay the assessments in full without interest charges if they so choose.

The Minneapolis City Council has passed Resolutions whereby a deferment of special assessment may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

T&PW – Your Committee recommends passage of the accompanying Resolution adopting the assessments, levying the assessments and adopting the assessment rolls for water and sewer service line repairs or replacements on the lists of properties set forth in Petn No _____.

Your Committee further recommends summary publication of the above-described Resolution.

Mead

Adopting the assessments, levying the assessments and adopting the assessment rolls for water and sewer service line repairs or replacements on the lists of properties set forth in Petn No _____.

Whereas, a public hearing was held on October 17, 2002 in accordance with Section 509.465 of the Minneapolis Code of Ordinances to consider the proposed assessments as shown on the proposed assessment rolls on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding this matter;

Now, Therefore, Be It Resolved by the City Council of The City of Minneapolis:

That the proposed assessments against the affected properties on the Water Service Line Repair List, dated October 4, 2002 set forth in Petn No _____ in the total amount of \$563,277 as shown on the proposed assessment roll on file in the Office of the City Clerk be and hereby are adopted and levied;

That the proposed assessments against the affected properties on the Sewer Service Line Repair List, dated October 4, 2002 set forth in Petn No _____ in the total amount of \$112,172.95 as shown on the proposed assessment roll on file in the Office of the City Clerk be and hereby are adopted and levied.

Be It Further Resolved that the assessments be collected in five (5) successive equal annual principal installments beginning on the 2003 real estate tax statements with interest charged at the rate of 8%.

Be It Further Resolved that the assessment rolls as prepared by the City Engineer be and hereby are adopted and that the City Clerk is hereby directed to transmit certified copies of said assessment rolls to the Hennepin County Auditor.