

**MINUTES OF THE SPECIAL MEETING  
CITY COUNCIL  
LITTLE CANADA, MINNESOTA**

**OCTOBER 10, 2022**

Pursuant to due call and notice thereof a special meeting of the City Council of Little Canada, Minnesota was convened on the 10<sup>th</sup> day of October, 2022 in the Council Chambers of the City Center located at 515 Little Canada Road in said City.

Mayor John Keis called the meeting to order at 5:00 p.m. and the following members of the City Council were present at roll call:

**CITY COUNCIL:** Keis, Miller, McGraw, Fischer and Torkelson. Absent: None.

**ALSO PRESENT:** City Administrator Chris Heineman, Public Works Director Bill Dircks and City Engineer Eric Seaburg.

**IMPROVEMENT NO. 2022-02 YORKTON RIDGE (from Condit Street to end of cul-de-sac)  
AND IMPROVEMENT NO. 2022-03 MAPLE LANE & JACKSON STREET (from cul-de-sac to Labore Avenue)**

Mayor Keis opened the Assessment Hearing to consider the adoption of special assessments for Improvement No. 2022-02, Yorkton Ridge (from Condit Street to end of cul-de-sac), consisting of full depth reclamation with new asphalt paving, minor curb repairs, and minor/spot improvements to the underground utility systems, and Improvement No. 2022-03, Maple Lane and part of Jackson Street, consisting of full depth reclamation with new asphalt paving, minor curb repairs, and minor/spot improvements to the underground utility systems.

The City Engineer reviewed the overall project improvements for Yorkton Ridge, Maple Lane and Jackson Street, and showed photos of the streets before and after the projects, and the utility work that was done. He reported the final project and assessable costs, and explained how the assessment amounts for each property were determined. He noted that the final assessment amounts for both project areas were less than the initial estimates. He then reviewed assessment payment methods which provide for payment (either in full or part) with no interest within the first 30 days after the assessment is adopted, or allowing the assessment to be certified against property taxes for collection over a 10-year period with interest. The City Engineer noted that after certification, assessments can be paid off to the County at any time, but suggested that payments be made prior to November 15<sup>th</sup> in the given year or the County will add the next year's interest to the balance.

The City Engineer reported that anyone wishing to object to the proposed assessment must do so in writing at this time. Submitting a written objection will preserve the property owners right to contest the assessment in District Court. There were no written objections received.

David Nydegger, 180 Yorkton Ridge, asked how the 5% interest rate was determined. The City Administrator explained that the interest rate is based on the borrowing rate the city would get if the project was financed by bonds, plus one or two percent to cover the City's administrative costs. Mr.

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Nydegger stated he thought interest rates would be about 3.0% or 2.8%. The City Administrator stated that if the city were to sell bonds today, the rate for the City would be almost 4%.

Leng Yang, 170 Yorkton Ridge, stated he previously lived in California, and asked where the property tax money goes to, and asked why the property owner is paying for the street project when the roads are owned by the public. The City Administrator explained that 50% of the street costs are paid by property taxes, but the other 50% is paid by the adjacent property owners that are directly benefitting. He stated that is the most common way to pay for street improvements.

There were two attendees. There were no further comments from the general public.

Upon motion by Fischer, seconded by McGraw, the assessment hearing was closed.

Fischer introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2022-10-109 – APPROVE ADOPTING THE ASSESSMENT ROLL FOR IMPROVEMENT NO. 2022-02, YORKTON RIDGE (FROM CONDIT STREET TO END OF CUL-DE-SAC) AS RECOMMENDED BY CITY ENGINEER, AND SETTING THE INTEREST RATE AT 5.0%***

The foregoing resolution was duly seconded by McGraw.

Ayes (5). Nays (0). Resolution declared adopted.

Fischer introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2022-10-110 – APPROVE ADOPTING THE ASSESSMENT ROLL FOR IMPROVEMENT NO. 2022-03, MAPLE LANE & JACKSON STREET (FROM END OF THE CUL-DE-SAC TO LABORE AVENUE) AS RECOMMENDED BY CITY ENGINEER, AND SETTING THE INTEREST RATE AT 5.0%***

The foregoing resolution was duly seconded by Keis.

Ayes (5). Nays (0). Resolution declared adopted.

**There being no further business, the meeting was adjourned at 6:33 p.m.**

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John T. Keis, Mayor

Attest:

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Christopher Heineman, City Administrator

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Pursuant to due call and notice thereof a special meeting of the City Council of Little Canada, Minnesota was convened on the 10<sup>th</sup> day of October, 2022 in the Council Chambers of the City Center located at 515 Little Canada Road in said City.

Mayor John Keis called the meeting to order at 6:00 p.m. and the following members of the City Council were present at roll call:

**CITY COUNCIL:** Keis, Miller, McGraw, Fischer and Torkelson. Absent: None.

**ALSO PRESENT:** City Administrator Chris Heineman, Public Works Director Bill Dircks, City Clerk/HR Manager Heidi Heller and City Engineer Eric Seaburg.

**IMPROVEMENT NO. 2022-04 RYAN DRIVE (from Spruce Street to Country Drive) AND  
IMPROVEMENT NO. 2022-05 WOODLYNN AVENUE (from Rice Street to east terminus)**

Mayor Keis opened the Assessment Hearing to consider the adoption of special assessments for Improvement No. 2022-04 and No. 2022-05. Improvement No. 2022-04, Ryan Drive (from Spruce Street to Country Drive), consists of by full depth reclamation with new asphalt paving, minor curb repairs, minor/spot improvements to the underground utility systems, and also including extension of sanitary sewer along Ryan Drive. Improvement No. 2022-05, Woodlynn Avenue (from Rice Street to east terminus) consists of a combination of full depth reclamation and reconstruction with new concrete curb and gutter, and minor/spot improvements to the underground utility systems.

The City Engineer reviewed the overall project improvements for Ryan Drive and Woodlynn Avenue and showed photos of the street before and after the project, and the utility work and sanitary sewer installation that was done in order for three remaining properties to have the ability to connect to city sewer. He stated that there is a high water table in the Ryan Industrial Park and there was a lot of water pumping done in order to be able to install the underground utilities.

The City Engineer reviewed project costs: the final estimated cost for Ryan Drive is \$426,934, noting that \$319,176 are assessable costs; the final cost for Woodlynn Avenue was \$707,614, noting that \$348,740 are assessable costs. He explained how the assessment amounts for each property were determined, noting that there was a special agreement for the Ryan Industrial Park area. He stated that during the improvement hearing, the City Council agreed to allow the Ryan Drive area property owners to defer the start of this assessment until 2028 (with interest) since many of them are still paying for the assessments on the 2017 improvement project. He stated that the Council agreed to cap the three sanitary sewer connection assessments at \$9,500 and allow these assessments to be deferred until the private connection is made or the property is sold or ownership is transferred.

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The City Engineer then reviewed assessment payment methods which provide for payment (either in full or part) with no interest within the first 30 days after the assessment is adopted, or allowing the assessment to be certified against property taxes for collection over a 10-year period with interest. The City Engineer noted that after certification, assessments can be paid off early to the County at any time. He suggested, however, that payments should be made prior to November 15<sup>th</sup> in the given year or the County will add the next year's interest to the balance.

The City Engineer reported that anyone wishing to object to the proposed assessment must do so in writing at this time. Submitting a written objection will preserve the property owners right to contest the assessment in District Court. There were no written objections received.

The City Administrator reported that a pre-project appraisal was done to recognize the benefit received from the improvements.

There were two property owners from the Ryan Drive area in attendance: Lee Rossow and Roger Stanke.

Roger Stanke, 209 Ryan Drive, stated that he feels there are some issues that need to be addressed. His main concern is that the road was raised by three feet and now stormwater coming down Ryan Drive will run onto his property. He stated the Watershed District had the contractor to connect into his private eight-inch storm sewer pipe. He stated that he asked for a curb along his property so the water would not run into his property, but it was not done. He noted there are sinkholes in the grass areas adjacent to the structures. He stated that he has no problem with the assessment amount for his property, but requested that the water runoff be dealt with before any more payments are made.

The City Engineer stated that city staff has been working with Mr. Stanke throughout the project and came to an agreement that the stormwater will be monitored over the next year to determine if any changes need to be made. Fischer asked if the steepness of the driveways meets code. The City Engineer stated they meet designs, but are definitely on the steep side. Fischer asked about the sinkholes that Mr. Stanke mentioned. The City Engineer stated they are likely the result of poor soil compaction and will be addressed.

Upon motion by Fischer, seconded by Miller, the assessment hearing was closed.

Torkelson introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2022-10-111 – APPROVE ADOPTING THE ASSESSMENT ROLL FOR STREET IMPROVEMENTS AND SANITARY SEWER FORCEMAIN INSTALLATION, IMPROVEMENT NO. 2022-04, RYAN DRIVE (FROM SPRUCE STREET TO COUNTRY DRIVE) AS RECOMMENDED BY CITY ENGINEER, AND SETTING THE INTEREST RATE AT 5.0%***

The foregoing resolution was duly seconded by Miller.  
Ayes (5). Nays (0). Resolution declared adopted.

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Torkelson introduced the following resolution and moved its adoption:

**RESOLUTION NO. 2022-10-112 – APPROVE ALLOWING PROPERTY OWNERS IN THE 2022 RYAN DRIVE PROJECT AREA TO DEFER THE 2022 IMPROVEMENT ASSESSMENT UNTIL 2028 DUE TO THE OVERLAP OF ASSESSMENT PAYMENTS FROM THE 2017 RYAN DRIVE PROJECT, UNDER THE FOLLOWING CONDITIONS:**

- 1. ALL ASSESSMENTS WILL BE DEFERRED UNTIL 2028 UNLESS THE PROPERTY OWNER NOTIFIES THE CITY CLERK BY NOVEMBER 7, 2022 TO PUT THE ASSESSMENT ON THEIR 2023 PROPERTY TAXES**
- 2. INTEREST WILL ACCRUE FROM THE DATE OF THE ASSESSMENT HEARING AT THE RATE OF 5.0%**
- 3. ASSESSMENT WILL BECOME PAYABLE FOR 10 YEARS AT 5.0% INTEREST BEGINNING IN 2028**
- 4. THE 2022 DEFERRED ASSESSMENT WILL BECOME PAYABLE IF THE FOLLOWING OCCURS:**
  - a. DEATH OF PROPERTY OWNER**
  - b. SALE, TRANSFER OR SUBDIVISION OF PROPERTY**

The foregoing resolution was duly seconded by Miller.  
Ayes (5). Nays (0). Resolution declared adopted.

Torkelson introduced the following resolution and moved its adoption:

**RESOLUTION NO. 2022-10-113 – APPROVE A \$9,500 SANITARY SEWER CONNECTION DEFERRED ASSESSMENT FOR THESE THREE PROPERTIES:**

- 209 RYAN DRIVE (PID 313022340011) – Owner: Roger D. Stanke**  
**221 RYAN DRIVE (PID 313022430004) – Owner: Mikrot Properties, Inc.**  
**3151 COUNTRY DRIVE (313022430005) – Owner: Meyer Companies, Inc.**

**WITH THE CONDITIONS THAT INTEREST WILL ACCRUE FROM THE DATE OF THE ASSESSMENT HEARING AT THE RATE OF 5.0%, AND THE ASSESSMENT WILL BECOME PAYABLE IF THE FOLLOWING OCCURS:**

- 1. THE PRIVATE CONNECTION TO THE CITY SANITARY SEWER IS MADE**
- 2. DEATH OF THE PROPERTY OWNER**
- 3. SALE, TRANSFER OR SUBDIVISION OF THE PROPERTY**

The foregoing resolution was duly seconded by Miller.  
Ayes (5). Nays (0). Resolution declared adopted.

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Torkelson introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2022-10-114 – APPROVE ADOPTING THE ASSESSMENT ROLL FOR IMPROVEMENT NO. 2022-05, WOODLYNN AVENUE (FROM RICE STREET TO EAST TERMINUS) AS RECOMMENDED BY CITY ENGINEER, AND SETTING THE INTEREST RATE AT 5.0%***

The foregoing resolution was duly seconded by Miller.  
Ayes (5). Nays (0). Resolution declared adopted.

**There being no further business, the meeting was adjourned at 6:46 p.m.**

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John T. Keis, Mayor

Attest:

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Christopher Heineman, City Administrator