

Presentation for

2026 Clearwater Road, North Lynndale Area, & Brentwood Circle Street & Utility Improvements Baxter, Minnesota

**Improvement Hearing
July 17, 2025**



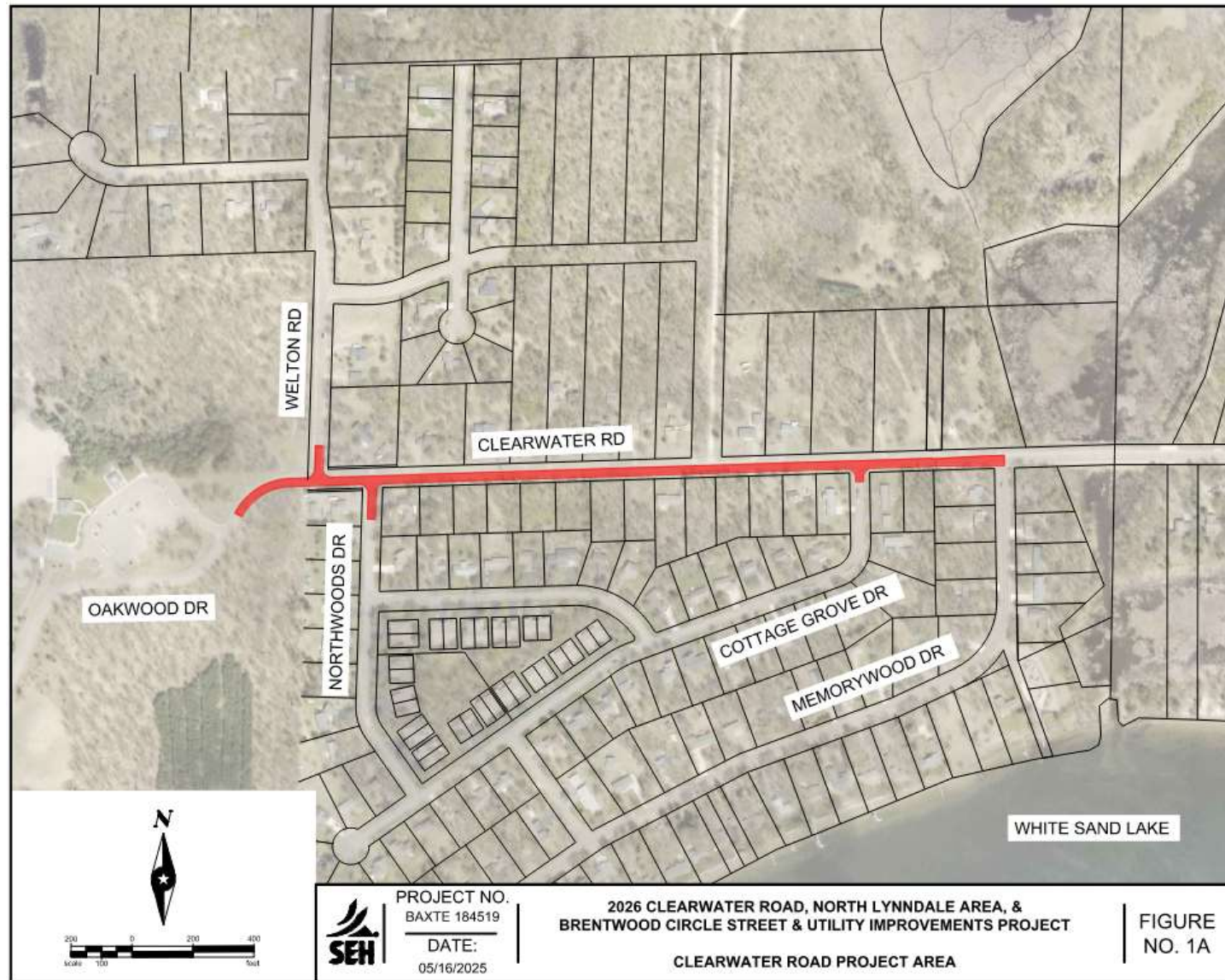
Building a Better World for All of Us®



Project Location



Project Location



Project Location



Project Location



Project Street Segments

Street Improvements:

- **Clearwater Road**
 - Oakwood Drive, from Welton Road to 400' southwest of Welton Road
 - Clearwater Road, from Welton Road to Memorywood Drive
 - Welton Road, from Clearwater Road to 200' north of Clearwater Road
 - Northwoods Drive, from Clearwater Road to 200' south of Clearwater Road
- **North Lynndale Area**
 - Lynndale Drive
 - Lynndale Lane
 - Lynndale Court
- **Brentwood Circle**
 - Brentwood Circle

Project History

- Previous Reports/Studies
 - MPCA Study and Report
 - Reports related to septic system inventory and site assessments to review groundwater contamination near existing septic sites.
- Comprehensive Plan
 - These areas are 3 of 5 remaining neighborhoods identified to have city utilities added.

Project History

- **Statement from City's Previous Capital Improvement Plans:**

The Capital Improvement Plan has been developed by a collaborative effort between the Baxter City Council, Baxter Utilities Commission, and City Staff. The project areas were prioritized based on criteria that were felt to be the most important to the development of a healthy community. Recommendations were made based on, but not limited to, the following criteria:

- Protect and improve the environment (Lakes, Rivers, Groundwater, etc.)
- Servicing older developments with potential for failing septic systems
- Maintaining current roadway systems
- Developing long-range transportation routes
- Implementing the Comprehensive Plan
- Securing long-range funding sources
- Minimize non-serviced development in R-1 zoning districts

Public Improvement Process

- Neighborhood Informational Meeting – June 24, 2025
- **Improvement Hearing (1st Public Hearing) – July 17, 2025**
 - Project overview discussed.
 - Review estimated project costs and preliminary assessments.
 - Seek additional input from residents.
- Council Orders Project – tentative August 6, 2025
- Project is Bid – Winter 2026
- Assessment Hearing (2nd Public Hearing) – Winter/Spring 2026
- Council Awards Construction Contract – Spring 2026
- Construction – Spring/Summer/Fall 2026

Purpose & Need

- Provide Municipal Sewer and Water service to a neighborhood currently using wells and septic systems
- Improve deteriorated street surfaces

Existing Conditions - Street

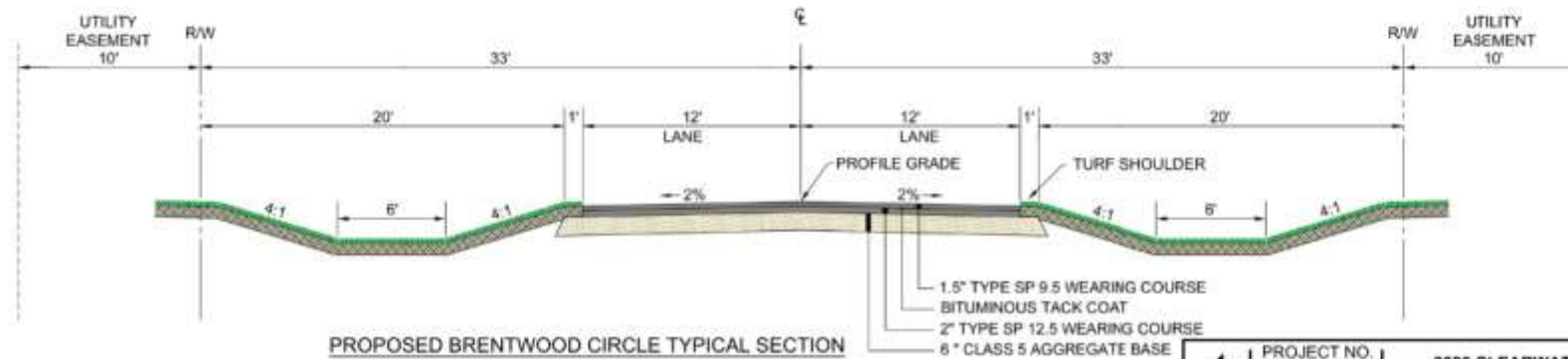
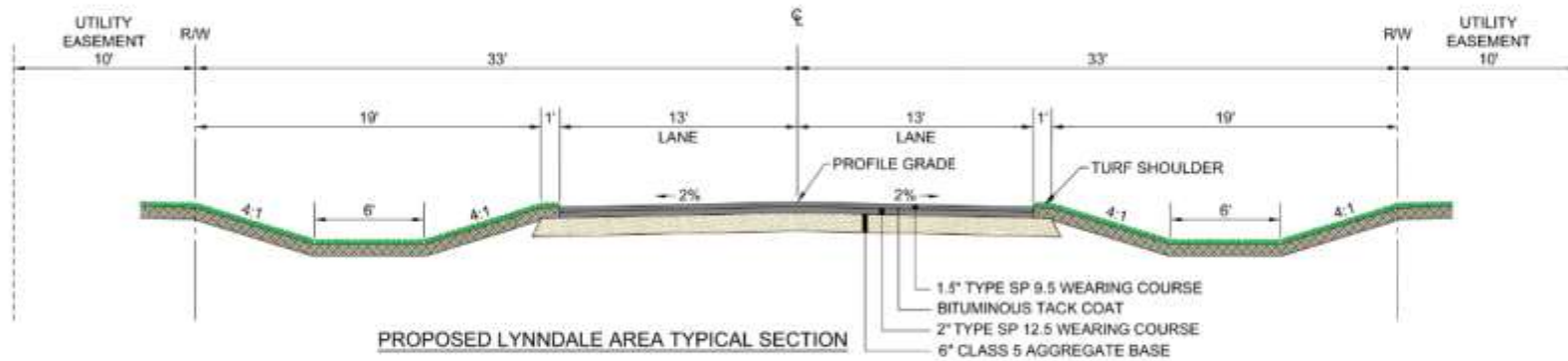
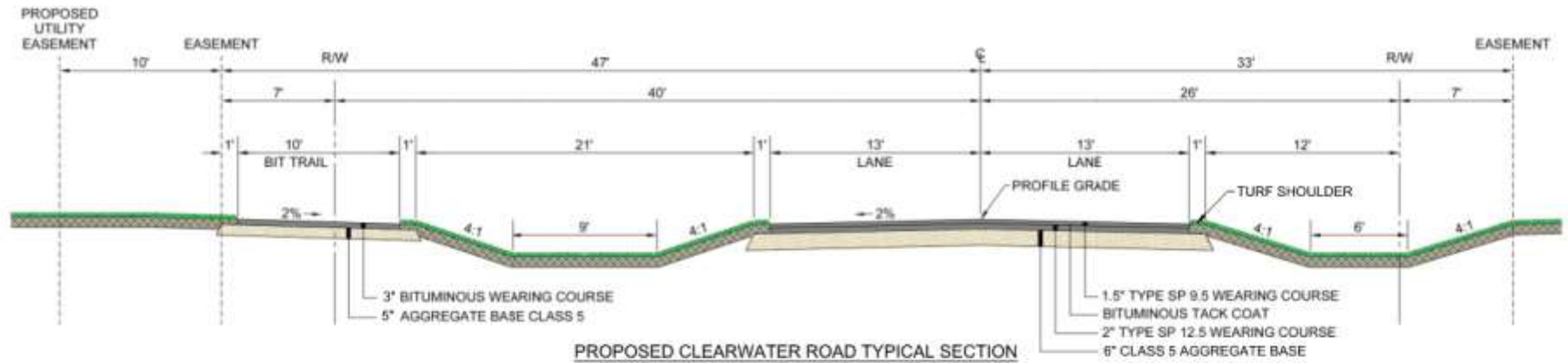
Existing Conditions

- Streets are 24-foot wide rural sections.
- Stormwater collected and infiltrated in ditches along the roadways.
- Pavements deteriorated, poor condition.

Proposed Improvements - Street

Proposed Improvements

- Street to be built to City Standard width.
- Preliminary street typical section 3.5" bituminous, 6" Aggregate Base Class 5.
- Maintain existing drainage characteristics.



PROJECT NO.
BAXTE 184519
DATE:
05/21/2025

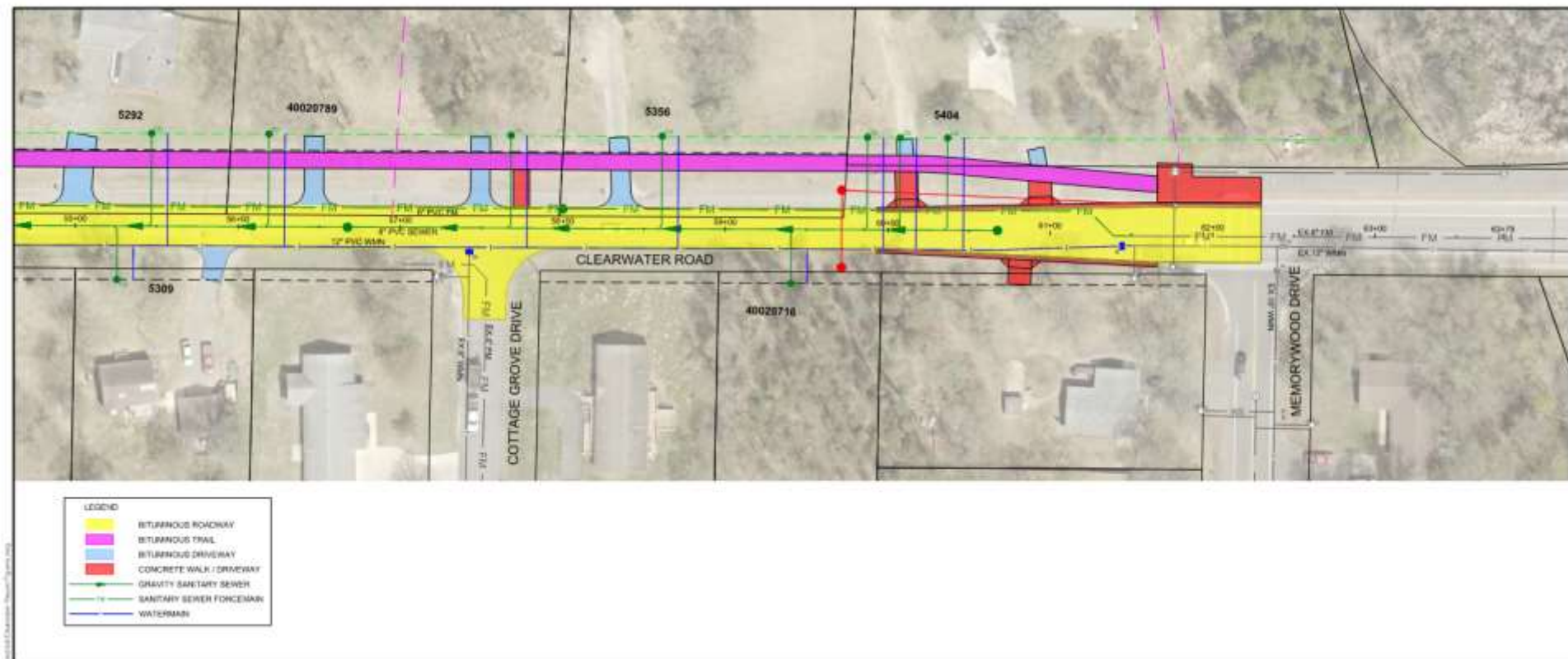
2026 CLEARWATER ROAD, NORTH
LYNNDALE AREA & BRENTWOOD CIRCLE
STREET & UTILITY IMPROVEMENTS PROJECT

FIGURE
NO. 2

Proposed Improvements - Trails

- Trail reconstruction along Clearwater Road.





Existing Conditions– Sanitary Sewer and Water Main

- No sanitary sewer collection system or water distribution system currently exists in the neighborhood (exception- watermain is in-place on Brentwood Circle).
- Residences are served by private wells and septic systems (no wells on Brentwood Circle).
- Condition of existing wells and septic systems are unknown.
- Municipal sewer and water systems are in-place on Clearwater Road.
- Municipal watermain exists on Brentwood Circle.

Proposed Improvements– Sanitary Sewer and Water Main

- Sanitary sewer mains (8" PVC) and water mains (8" PVC) will be extended throughout the neighborhood.
- Sewer and water services will be provided to every parcel at the right of way line.
 - 1" water services and 4" sewer services.
- Hydrants will be installed throughout the project for fire protection and flushing.
- Due to topography a sanitary sewer lift station will be required to service the Clearwater Road project area.
- Forcemain to pump to east along Clearwater Road.





Opinion of Probable Cost - 2026

Table 4-1 – Summary of Costs

| Item | Total Project |
|--------------------|--------------------|
| Sanitary Sewer | \$2,815,309 |
| Water Distribution | \$1,863,041 |
| Storm Sewer | \$142,816 |
| Roadway | \$2,265,408 |
| Trail | \$273,899 |
| Total | \$7,360,473 |

Topics from Neighborhood Meeting

Hookup timeframe: current City Policy is to require the utilities to be connected within 5 years of the project completion.

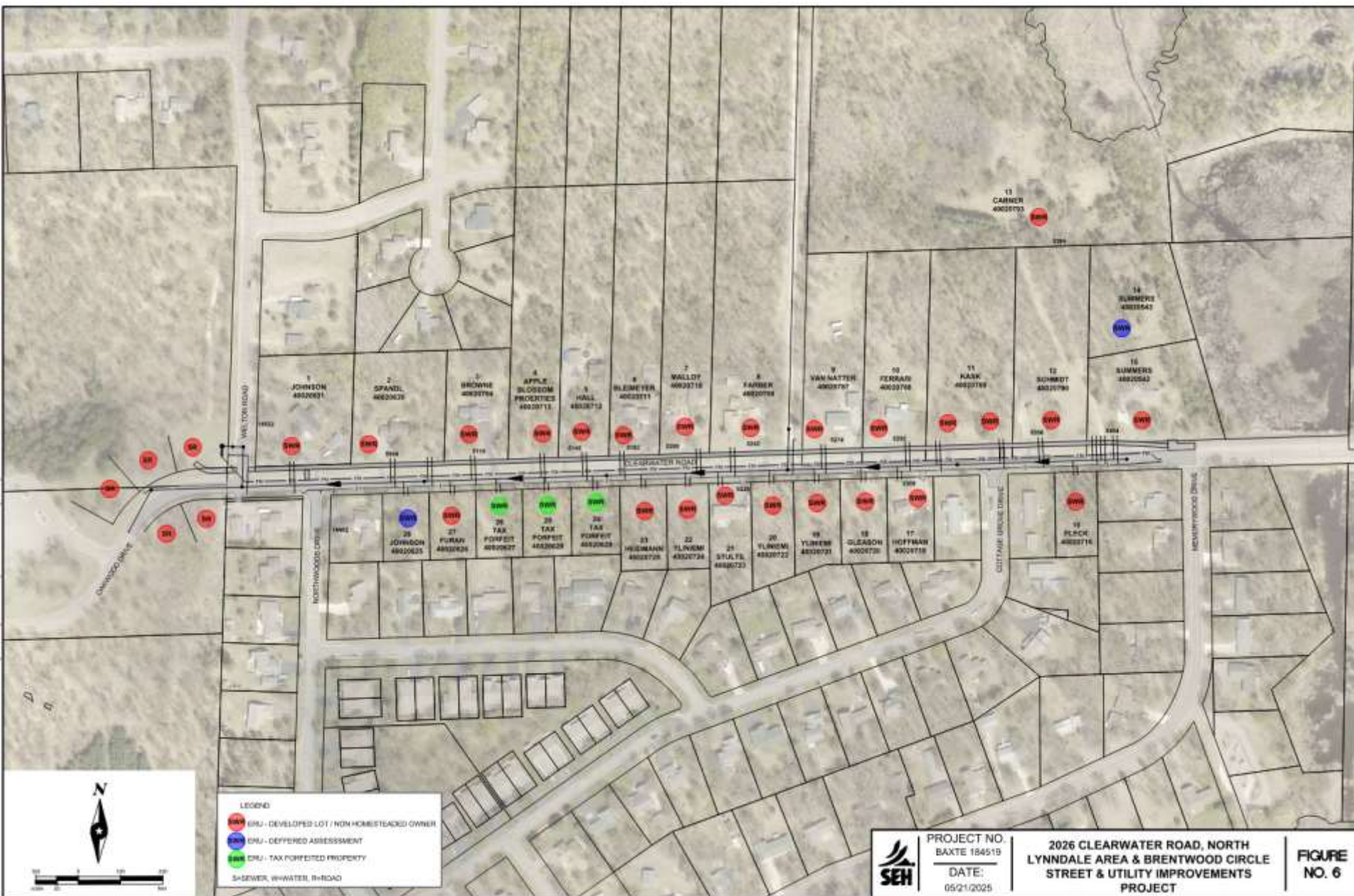
List of Registered Contractors (provided on website)

Consumer Confidence Report (provided on website)

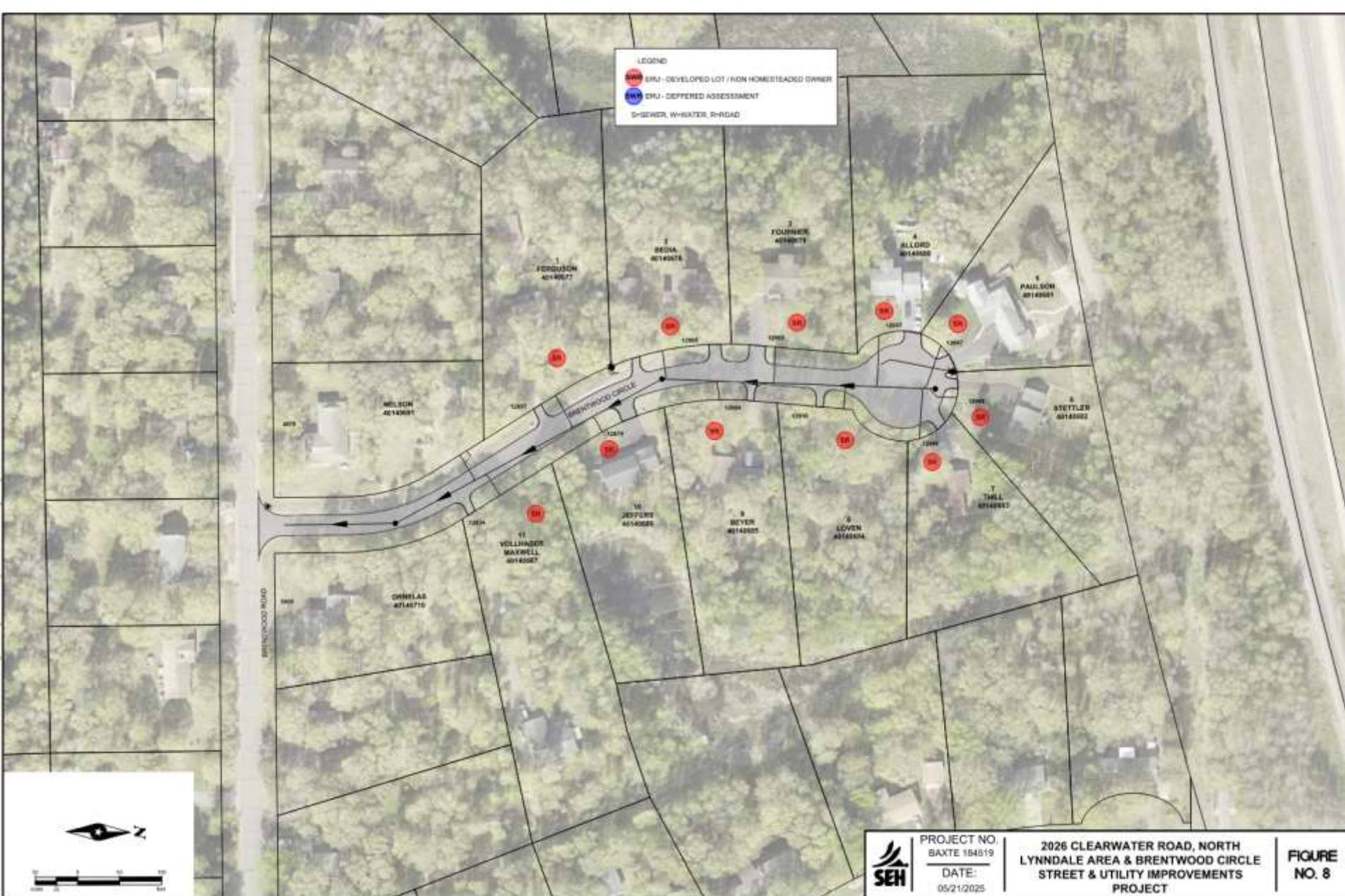
Preliminary Special Assessments

Assumptions

- All properties will be assessed on a per Equivalent Residential Unit (ERU) basis.
- City policy for assessments in sewer and water extension areas is a fixed rate tied to inflation.
- Each property is also charged a Sewer Access Charge (SAC) and Water Access Charge (WAC).
- City pays for Trails.
- City pays for Lighting.







Preliminary Special Assessments

Assessment Payment Terms

- Payments collected annually with property taxes beginning in 2027.
- 15-year term.
- Interest Rate
 - To be determined prior to Assessment Hearing.
 - The interest rate charged on assessments for all projects financed by debt issuance shall be one and one-half (1.5%) greater than the True Interest Cost (TIC) rate of the bond issue.
 - Interest free prepayments and partial payments may be made up to 30-days following the assessment hearing (estimated to be held in Spring 2026).
 - Assessment balances will be certified to the County with payments to begin on the following year's county tax statements.
 - Assessment balances will be amortized over the assessment term. The assessment interest rate will be determined when the project is ordered.
 - Future payoff requirements after certification:
 - Interest accrues through the end of the calendar year.
 - Future payments in full may be made by November 15 of any year to either the City of Baxter or the Crow Wing County Auditor to avoid paying the following year's interest.

Deferred Assessments

Applies To:

- Underdeveloped single currently improved parcels which are large enough to be further subdivided in the future and are therefore provided multiple service connections.
- Undeveloped parcels immediately adjacent to improved parcels with the same ownership
- Must be zoned R-1 or R-S
- Assessment on the unimproved parcel / portion of the parcel will be deferred with \$1 annual interest for the duration of the original assessment (15 years)
- After 15 years, payments will begin for the same duration and at the same interest rate as the original assessment on the adjacent improved parcel / portion of parcel.

Preliminary Special Assessments

Assessment Deferments for Residential Homestead Parcels

- Hardship (Senior Citizen, Disability or Military Active Duty):
 - Individuals meeting age, disability and military active duty requirements based upon qualifying income may be eligible to request a deferment of their special assessment.
 - Deferment criteria, application and documentation requirement and procedures are specified in the City of Baxter Assessment Policy for Public Initiated Improvements & Specials Assessments of the City of Baxter Code.
 - The annual deadline to apply is August 31 of each year with the deadline for first payment in 2027 being August 31, 2026.

Preliminary Special Assessments – Rates Clearwater Area and North Lynnndale Area

- Street
 - ➔ \$7,860.00 per ERU
- Sanitary Sewer
 - ➔ \$5,895.00 per ERU
 - ➔ \$600 Sewer Access Charge (SAC)
- Water
 - ➔ \$5,895.00 per ERU
 - ➔ \$600 Water Access Charge (WAC)
- Total for Single Parcel : \$20,850.00

Preliminary Special Assessments – Rates Clearwater Area and North Lynnndale Area

- **Double Lot**

- Street

- \$7,860.00 per ERU

- Sanitary Sewer

- \$5,895.00 per ERU

- \$600 Sewer Access Charge (SAC)

- Water

- \$5,895.00 per ERU

- \$600 Water Access Charge (WAC)

- **Deferred Assessment** (no SAC/WAC)

- **Street: \$7,860.00 / \$5,895 / \$5,895 = \$19,650**

- Total for Two Parcels (one home/one empty lot): \$20,850.00 (0-15 years) + \$19,650 (16-30 years) = \$40,500

- * for each additional parcel: \$19,650

Preliminary Special Assessments – Rates Brentwood Circle

- Street
 - ➔ \$ 7,860.00 per ERU
- Sanitary Sewer
 - ➔ \$ 5,895.00 per ERU
 - ➔ \$600 Sewer Access Charge (SAC)
- Total for Single Parcel : \$14,355.00

Preliminary Special Assessments – Recent Street (FDR) Projects

Assessments calculated on project cost were this considered a street improvement project (assessable cost divided by number of ERUs)

2024 Street Project (Street only)

\$ 11,800.00 per ERU calculated for assessments

Financial Summary

Table 7-1 – Financial Summary with Parcel 99360556 Annexed and Assessed

| Item | Total Project |
|--|--------------------|
| Benefitted Immediate Property Assessments | \$1,625,055 |
| Deferred Assessments | \$157,200 |
| Forfeited Property Assessments | \$58,950 |
| Total Assessable Project Costs* | \$1,841,205 |
| Estimated SAC/WAC Charges | \$79,800 |
| Total Assessable Project Costs (w/ SAC/WAC) | \$1,921,005 |
| Sanitary Sewer | \$2,243,494 |
| Water | \$1,356,071 |
| Storm Sewer | \$142,816 |
| Roadway | \$1,502,988 |
| Trail | \$273,899 |
| Total Estimated Initial City Costs* | \$5,519,268 |
| Total Estimated Project Cost | \$7,360,473 |

- The total estimated assessable portion of the project cost is \$1,841,205, representing 25.0% of the overall project cost. The remaining share, estimated at \$5,519,268 or 75.0% of the total, is the responsibility of the City.

Preliminary Schedule

- CC & UC Draft Feasibility Report Presentations June 3 & 4, 2025
- Neighborhood Info. Meeting: June 24, 2025
- City Council Approves Report & Orders Improvement Hearing: July 1, 2025
- **Improvement Hearing: July 17, 2025**
- City Council Orders Improvements: tentatively August 6, 2025
- City Council Plan Approval: January 17, 2026
- Bidding: February 2026
- Assessment Hearing: Spring 2026
- Council Bid Award Consideration: April 2026
- Construction: Spring/Summer/Fall 2026

Note: Schedule subject to change

Additional Project Information

- Project is feasible from an engineering standpoint.
- During construction:
 - Expect delays, dust, detours & inconveniences.
 - Portions of the project will be closed to through traffic.
 - Portions of the project will be constructed under traffic.
 - Property owner/patron access will be maintained.
 - Work will be staged.

PROJECT WEBSITE:

<https://www.sehinc.com/baxter2026streetproject>

Questions?

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City of Baxter
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Thank You!