



CITY COUNCIL SPECIAL MEETING MINUTES

Thursday, July 17, 2025 at 6:00 PM

Baxter City Hall, 13190 Memorywood Drive, Baxter, MN

CALL TO ORDER

Mayor Olson called the meeting to order at 6:00 p.m.

ROLL CALL

Mayor Darrel Olson and Council Members Connie Lyscio, Patrick Sundberg, and Mark Cross were present. Council Member Zach Tabatt was absent.

City Administrator Brad Chapulis, Assistant City Administrator Kelly Steele, and Public Works Director Trevor Walter were present.

PRESENTATIONS

1. Improvement Hearing for the 2026 Clearwater Road, North Lynndale Area & Brentwood Circle Street & Utility Project

Neil Heinonen, with SEH, presented the improvement hearing presentation. The project locations include Clearwater Road, the north Lynndale area, and Brentwood Circle.

The existing street conditions are a 24 foot wide rural section with the pavement in a deteriorated, poor condition. The stormwater is collected and infiltrated in ditches along the roadways.

The proposed improvements include the streets being constructed to the city standard width. The typical section will include 3.5" of bituminous and 6" of aggregate base class 5. The existing drainage will be maintained.

The trail segment located along Clearwater Road will be reconstructed.

Municipal water and sewer service will be provided to the Clearwater Road and north Lynndale area properties. Brentwood Circle properties will only receive city sewer as the properties are already served by city water.

The total estimated project cost is \$7,360,473.

The city's policy is for property owners to connect to the city's system within five years of the project being completed.

All properties will be assessed on a per equivalent residential unit (ERU) basis. The city's policy for assessments in sewer and water extension areas is a fixed rate tied to inflation. Each property will be charged a sewer assess charge and a water access charge. The city will cover the expense of the trail and street lighting. Special assessments will be collected with property taxes over a 15 year term. There are deferred assessment options for qualified property owners. The estimated assessment per ERU is \$20,850 for both city water and sewer. The estimated assessment per ERU for properties only receiving city sewer is \$14,355.

The council is tentatively scheduled to order the improvement on August 6, 2025. An assessment hearing would be held in the spring of 2026 with construction to occur the summer of 2026.

OPEN PUBLIC HEARING

Mayor Olson opened the public hearing at 6:20 p.m.

Sherri Bedia, 12895 Brentwood Circle, asked why Brentwood Circle wasn't improved when Brentwood was just improved. Ms. Bedia explained she is opposed to the project. Property owners were previously told both water and sewer service need to be provided at the same time and that this isn't true as their street is already served by city water.

Public Works Director Water explained the street was not included in the Brentwood mill and overlay project because sewer needed to be added.

Hope Paulson, 12947 Brentwood Circle, explained she is in favor of receiving city sewer. When Southdale was provided with sewer in the mid 1990's, the Brentwood Circle neighborhood opted out due to the new road and new septic systems.

Shawn Cheesman, 14385 Lyndale Lane, explained his biggest concern with the project is the cost. Mr. Cheesman agrees city water and sewer are better for the environment, but the assessment is \$21,000 and a plumber estimated it will cost an additional \$15-20,000 to connect to the city's service. If property owners have to do their own dewatering, it will cost them another \$10,000. When a new development comes in these costs are amortized into the property owners mortgage, but now the costs have to go onto our property taxes. Mr. Cheesman inquired if the city can provide low interest loans to help with the cost.

Public Works Director Walter explained the dewatering process and explained some properties on the North Forestview project completed the service connection to their property while the city was dewatering but did not connect to city service.

Dale St. Arnold, 14774 Lynndale Lane, stated he is opposed to the project. Mr. St. Arnold sent an emailed to all council members and thanked them for responding. The project will double his property taxes, and he owns a double lot. It will be difficult to continue to afford his home.

Mitch Vollhaber, 12834 Brentwood Circle, stated he is opposed to the project. Mr. Vollhaber explained he understands Ms. Paulson's comments but there are a lot of young families in the neighborhood and the expense will be hard.

Matt Lugo, 14659 Lynndale, stated the proposed assessment amount is crazy and asked if the city can get some grants to help pay for the project. Mr. Lugo inquired about the assessments increasing property values.

Public Works Director Walter explained the project cost and that the city is providing a subsidy for the project. The city's subsidy is now higher than in past projects because project costs are higher.

Council Member Cross explained the median income of residents has been too high for the city to be eligible for grants.

City Administrator Chapulis explained the city can put the last bond sale interest rate on the city's website.

Randy Gilson, 14816 Lynndale Lane, explained he is a disabled veteran, and everyone is on newer septic systems and wells. The road is very low and close to the lake and tearing up the road isn't the best idea. Mr. Gilson is concerned about the hook-up cost.

Public Works Director Walter explained when purchasing a home with a septic system, the system must be in compliance at the time of the sale.

Abby Hamilton, 14714 Lynndale, explained she supports the project. She purchased her home 15 years ago and the realtor explained that city water and sewer will be coming. Some property owners have failing septic systems and people should be mad at their realtor not the city.

City Administrator Chapulis explained the state requires septic inspections at the time of the sale. It is not a city requirement.

Audience member that did not provide their name inquired if a property owner sold their home, would the current owner be required to disclose the assessment.

Sherri Bedia, 12895 Brentwood, inquired where the payment comes from.

Ben Anderson, 14984 Lynndale Lane, thanked Baxter city council and explained the city is run well and the police department is fair and respectful, crime is low and neighborhoods are safe. Mr. Anderson purchased his home in 2013 and did his due diligence and was told by the city that no water services would be coming to his home. Mr. Anderson stated various health concerns with the city's water quality. The project is a cash grab for the city and the city can find a better way to spend the money than on this project. Mr. Anderson quoted the US Constitution and that property owners don't own their property unless they connect to city water.

Public Works Director Walter explained between 2009 and 2014 the city used the petition process for improvement projects. Since 2014 the city has been working off a capital improvements plan to identify improvement projects and their schedule.

Audience member that did not provide their name asked how the city treats their water and if fluoride is added. Private wells are 50-80 feet deep.

Council Member Sundberg explained he owns Jack Pine Brewery, and he supports a project like this once because individual systems will impact our water.

Ryan Naylor, 14828 Lynndale Lane, inquired about risk financing and if the city has explored other financing options. Mr. Naylor asked if he can present a financing proposal to the city and if the process would be to go through the city's finance department.

City Administrator Chapulis explained the city's finance director would have to review financing proposals and that he has the project funding sources broken out.

Public Works Director Walter explained the project funding will be added to the project's website.

Matt Anderson, 14668 Lynndale Drive, inquired why the city is spending \$400,000 on a dog park and removing trees for the park. The dog park money could be used for this project and cutting down trees doesn't help support the environment.

City Administrator Chapulis explained park dedication fees are being used to fund the dog park and those funds are required to be used on park uses.

Dillon Stettler, 12949 Brentwood Circle, explained he has pieces of asphalt in his yard every spring from the roadway and that he supports the project. He would rather pay an assessment over 15 years than have to come up with funds for a septic all at once.

Ryan Naylor, 14828 Lynndale Lane, inquired about the financing ratio and if there is an option for a longer term bond to extending the monthly expense over more time.

Council Member Cross explained 20% of the project cost has to be assessed in order for the city to sell tax exempt bonds to pay for the project.

Council Member Sundberg explained the city has capped special assessments in the past.

Mark Johnson, 14522 Welton Road, stated he purchased his home in 2022 and inquired why city water and sewer wasn't installed when it was previously installed on Clearwater Road. Mr. Johnson inquired if he will be assessed twice.

Public Works Director Walter explained he may be able to split his property.

Mayor Olson explained that most the city is covered by parks, except for this area. The city already owned the land where the dog park is being constructed.

Public Works Director Walter explained there have been seven studies since the 1980's and three recent studies can be found on the project's website.

Randy Gilson, 14816 Lynndale Lane, inquired if there could be an option for property owners to upgrade their septic systems.

Audience member that did not provide their name inquired why stormwater was not considered with this project.

CLOSE PUBLIC HEARING

Mayor Olson closed the public hearing at 7:47 p.m.

NEXT STEPS

City Administrator Chapulis summarized the project schedule.

ADJOURN

MOTION by Council Member Sundberg, seconded by Council Member Lyscio to adjourn at 7:49 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Kelly Steele
Assistant City Administrator