



# CITY COUNCIL SPECIAL MEETING MINUTES

Monday, May 04, 2026 at 6:00 PM

Baxter City Hall, 13190 Memorywood Drive, Baxter, MN

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## 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, Zach Tabatt, Patrick Sundberg, and Mark Cross were present.

City Administrator Brad Chapulis, Assistant City Administrator Kelly Steele (arrived at 6:20p.m.), and Public Works Director Trevor Walter were present.

## PRESENTATIONS

1. Assessment Hearing on Proposed Assessment for the 2026 Clearwater Road, North Lynddale Area, and Brentwood Circle Utility & Street Improvements Project, Municipal Project No. 4068

Neil Heinonen, with SEH, presented the assessment hearing. Mr. Heinonen's presentation reviewed the project history, proposed improvements, project financials and assessment information, and project schedule.

The street segments to be improved include Clearwater Road, North Lynddale Area, and Brentwood Circle.

The proposed project will provide municipal sewer and water service to a neighborhood currently using wells and septic systems. The project will also improve deteriorated street surfaces.

On May 5, 2026 the council will consider adopting assessments and awarding the construction bid. If adopted and contract award, a neighborhood meeting will be held on May 14, 2026. Construction will take place during the months of May through November, 2026.

All properties will be assessed on a per Equivalent Residential Unit (ERU) basis. The city will pay for all trail and lighting costs. Each property will also be charged a sewer access charge and water access charge.

Assessments will be payable with property taxes over a 15-year term. The interest rate is estimated at 6.75%, but will be adjusted at the time of the bond sale. There are special assessment deferral options for qualified property owners.

The special assessment for properties in the Clearwater area and North Lynddale Area are \$20,850 per ERU. The special assessment for properties on Brentwood Circle are \$14,355 as these properties are currently served with municipal water.

The total project cost is \$8,545,573.

The council did not have any questions.

### **OPEN PUBLIC HEARING**

Mayor Olson opened the public hearing at 6:18 p.m.

Sherly Bedia, 12895 Brentwood Drive, learned today there was a letter sent from the city about project financing and inquired if she can receive the information.

City Administrator Chapulis explained that an assessment notice and record of assessment was mailed and a copy can be provided.

Sherri Bedia, 12895 Brentwood Drive, inquired about contractors who can complete the private connection work.

City Administrator Chapulis explained property owners can use the contractor of their choice provided they are licensed with the state of Minnesota and registered with the city.

Ryan Naylor, 14828 Lynndale Lane, inquired if the city considered alternative financing options and if property owners can finance their internal improvements.

City Administrator Chapulis explained the city cannot incur costs outside of the public property.

Ryan Naylor, 14828 Lynndale Lane, stated property owners can't opt out of the project and they have to connect to the city's infrastructure in five years.

Stacy Carner, 5394 Clearwater Road, explained they just had the home on the property condemned and inquired about the deferral and if municipal services be run to the property.

Don Booth, 14634 Lynndale Lane, inquired the amount of the average water bill if a property owner does not connect in five years and if after five years the property is not connected to city services, does the city take the house.

City Administrator Chapulis explained the city would go through the court process to get an order to connect the property.

Don Booth, 14634 Lynndale Lane, inquired what will happen if property owners do not hook-up and wait five years.

Public Works Director Walter explained the city will charge property owners a non-user fee and will complete a court action to force the property owner to connect.

Randy Hiedman, owns investment property on Clearwater Road, explained after reviewing project costs compared to assessments and with the water portion being almost \$1 million less why is the assessment the same.

Public Works Director Walter explained if the property was assessed 100%, it would cost each property owner \$60-70,000 per lot. The assessment rate is increased by the CPI and all costs above that amount are paid by the city.

Jim Hartman, 14877 Lynndale Lale, inquired about financing the costs and the interest rate and if the assessment must be paid by June 4<sup>th</sup> to avoid paying interest.

City Administrator Chapulis explained the city's policy is that property owners can avoid paying interest if paid in full within 30 days of the council adopting the assessment roll.

Jim Hartman, 14877 Lynndale Lane, stated there are no project costs yet because the project hasn't started and thought the interest period was after the project was completed.

Public Works Director Walter invited Mr. Hartman or anyone else to schedule a meeting with city staff to review the project financing.

Conner Summers, 5404 Clearwater Road, inquired if his assessment objection letter has been received.

Mayor Olson explained it has been received and will be addressed at tomorrow's council meeting.

Mark Johnson, 14522 Welton Road, explained that based on how his home is situated on the property, there cannot be another home built on the property.

Public Works Director Walter explained the feasibility report shows the lot can be split and that is for a future project. Mr. Johnson will only receive one assessment with the current property.

Ryan Naylor, 14828 Lynndale Lane, inquired if Lynndale Lane roadway width could be reduced to help with reducing vehicle speeds.

Public Works Director explained the reduction of roadway width on Lynndale Lane was not discussed but staff can obtain a cost for striping the roadway.

Ryan Naylor, 14828 Lynndale Lane, inquired if the city has a policy on Minnesota Statute 429.101. The statute states the connection from the stub to the house can be financed under the statute. He is not in favor of forcing property owners to connect but this could be helpful to property owners.

Benjamin Anderson, 14984 Lynndale Lane, explained he wants to be on the record objecting to the project as it doesn't seem fiscally responsible and most property owners do not want the project.

#### **CLOSE PUBLIC HEARING**

City Administrator Chapulis explained if anyone wishes to reserve their right to file an appeal in district court should the special assessment be adopted, they need to do so before the public hearing is closed.

Mayor Olson closed the public hearing at 6:53 p.m.

#### **NEXT STEPS**

Mayor Olson explained the council will consider adopting the special assessments during tomorrow's regular council meeting.

#### **ADJOURN**

**MOTION** by Council Member Tabatt, seconded by Council Member Sundberg to adjourn at 6:54 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

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Darrel Olson

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Kelly Steele