



REQUEST FOR ACTION
CITY COUNCIL

Agenda Date: 10/15/2024
Agenda Section: Consent Agenda

Department Origination: Public Works

Agenda Item: Adopt Resolutions 2024-085 & 2024-086 Approving the Reassessment of PID 40070529 and a Compromise Agreement / Settlement Stipulation between Baxter PS 2016 LLC and the City related to the 2024 Mill & Overlay and Full Depth Reclamation and Reconstruction Improvements Project, Municipal Project Number 4424

Approval Required: Simple Majority Vote

BACKGROUND

On May 7, 2024, the City levied a special assessment against PID 40070529 (“Property”) owned by Baxter PS 2016, LLC for the City’s 2024 Mill & Overlay and Fully Depth Reclamation and Reconstruction Improvements Project, Municipal Project No. 4424. The special assessment amount levied against the Property is \$172,381.63, comprised of an assessed amount of \$164,856.93 plus \$7,524.70 in interest. The Property Owner appealed the May 7, 2024, special assessment by filing a special assessment appeal action as Crow Wing County District Court File No. 18-CV-24-1982.

The Property Owner and the City have reached a resolution on a reassessment of the Property in the amount of \$125,000. The City’s attorney prepared a Compromise Agreement intended to resolve the assessment appeal which has been approved by the Property Owner.

City Council is requested to approve the Compromise Agreement resolving the Property Owner’s special assessment appeal in District Court and approve and adopt a reassessment of the Property in the amount of \$125,000 plus interest.

FINANCIAL IMPLICATIONS

The tentative settlement amount for the assessment is \$125,000. This is a \$39,856.93 reduction in the levied special assessment amount from May 7, 2024. To the extent necessary, other city funding sources, including a higher debt service levy in the future, will be utilized to cover the difference.

STAFF RECOMMENDATIONS

Staff recommends the approval of the Resolution for Reassessment of PID 40070529 and Resolution Approving the Compromise Agreement between the City and Baxter PS 2016, LLC.

COUNCIL ACTION REQUESTED

Adopt Resolutions 2024-085 & 2024-086 approving the reassessment of PID 40070529 and a compromise agreement / settlement stipulation between Baxter PS 2016 LLC and the City related to the 2024 Mill & Overlay and Full Depth Reclamation and Reconstruction Improvements Project, Municipal Project Number 4424.