



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Jason Anderson
Meeting Date:	Tuesday, September 12, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Project ST-032: Lot 2, Block 1, Schwan's Corp I Addition Parking Lot Improvements Project (Ralco) - Consider Resolution Adopting Assessment
Background Information:	<p>This project consisted of: the installation of a new 6" concrete pavement surface over the existing, in-place, aggregate base section. To accommodate the new pavement surface, the existing bituminous pavement surface was removed and the spot-removal of existing curb and gutter was completed as needed to ensure positive drainage. The existing curb and gutter and drainage structures remain in-place to the maximum extent practicable. Additional aggregate was added to the in-place aggregate base section as needed to ensure proper grade on the new parking lot surface. Additional curb and gutter and concrete sidewalk replacement was completed as needed on the southeast side of the parking lot area to provide better definition between the parking and walking areas, and to promote positive drainage.</p> <p>Knochenmus Enterprises had requested the repaving of the parking lot during the 2023 construction season with a six-inch concrete surface. The project is now completed and ready for assessment.</p> <p>Attached is a copy of the Lease Agreement between Knochenmus Enterprises, LLP and the City of Marshall (Office of the Lyon County Recorder Document #226952). At their meeting on May 9, 2023, Council approved the Lease Agreement for a downtown parking lot for public use. At the following meeting on May 23, 2023, Council approved the Petition and Waiver Agreement as Exhibit B to said Lease Agreement. In the Petition and Waiver Agreement, Knochenmus Enterprises, LLP has agreed to a special assessment in an amount not-to-exceed \$300,000 for this parking lot improvement.</p>
Fiscal Impact:	The concrete construction project will be 100% assessed to the owner, Knochenmus Enterprises, LLC. Per Item 6 of said Petition and Waiver Agreement, such proposed assessment in the amount of \$264,261.64 shall be payable in equal annual principal installments extending over a period of eight (8) years and shall bear interest at a rate of 5.27%.
Alternative/ Variations:	No alternative recommended.
Recommendations:	that the Council adopt RESOLUTION NUMBER 23-065, which is the "Resolution Adopting Assessment" for Project ST-032.

RESOLUTION NUMBER 23-065 _____

RESOLUTION ADOPTING ASSESSMENT

WHEREAS, pursuant Lease Agreement dated May 9, 2023 between Knochenmus Enterprises, LLP and the City of Marshall and the Petition and Waiver Agreement dated May 23, 2023 added as Exhibit B to said Lease Agreement, the following assessment is proposed under the following project:

**PROJECT ST-032:
LOT 2, BLOCK 1, SCHWAN'S CORP I ADDITION PARKING LOT IMPROVEMENTS PROJECT**

**Parcel Number: 27-792002-0
Owner: Knochenmus Enterprises LLP
Assessment Amount: \$264,261.64**

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALL, MINNESOTA:

1. Such proposed assessment is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such proposed assessment shall be payable in equal annual principal installments extending over a period of eight (8) years and shall bear interest at a rate of five and twenty-seven one-hundredths percent (5.27%) per year.
3. After the adoption of the assessment, the clerk shall transmit a certified duplicate of the assessment roll with each installment, including interest, set forth separately to the county auditor of the county to be extended on the proper tax lists of the county; but in lieu of such certification, the council may in its discretion direct the clerk to file all assessment rolls in the clerk's office and to certify annually to the county auditor, on or before November 30 in each year, the total amount of installments of and interest on assessments on each parcel of land in the municipality which are to become due in the following year. If any installment and interest has not been so certified prior to the year when it is due, the clerk shall forthwith certify the same to the county auditor for collection in the then succeeding year; and if the municipality has issued improvement warrants to finance the improvement, it shall pay out of its general funds into the fund of the improvement interest on the then unpaid balance of the assessment for the year or years during which the collection of such installment is postponed. All assessments and interest thereon shall be collected and paid over in the same manner as other municipal taxes.
4. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment to the City of Marshall, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. They may at any time thereafter, pay to the City of Marshall, the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before October 15 or interest will be charged through December 31 of the succeeding year.
5. The right to partially prepay the assessment to the City Clerk according to Ordinance No. 364, Second Series, is available.
6. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Passed and adopted by the Council this 12th day of September, 2023.

Mayor

ATTEST:

City Clerk

This Instrument Drafted by: Jason R. Anderson, P.E.; Director of Public Works/City Engineer