

CITY OF MINNETRISTA



CITY COUNCIL WORK SESSION ITEM

Subject: Watermain Extension Discussion

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Meeting Date: October 5, 2026

Background/Discussion:

At the September 9, 2026 meeting City Council accepted the Feasibility Report for the 2027 Street Improvement Project, which included a discussion on Ridgewood Cove. While Ridgewood Cove street improvements are anticipated for 2028, it was included in the feasibility study so that an opinion of probable cost for watermain extension could be calculated. This provides time for discussions with city council about financing options and continued public engagement with the residents regarding watermain extension.

The city's Assessment Policy is to assess 100% of the watermain extension cost to benefitting residents and the preliminary assessment amount is \$15,500 per unit. Additional costs for the residents would be the \$5,400 City Water Access Charge, the cost to extend the water service from the curb stop to the house, and \$65 permit fee for the water connection.

It has been almost 20 years since watermain was extended and assessed to benefitting properties. In 2007 watermain was extended in Maple Crest Drive and based on information found in the project file the assessment was \$8,590 per unit. Applying 3% per year inflation this would be \$15,062.62 in 2026.

Chanhassen has a \$12,161/unit water lateral connection charge (2026) for properties that were not assessed when the watermain was installed.

Eden Prairie charges a connection fee if a property has not participated in the cost of the sewer and water by other methods. The 2026 rate is \$25,963, sewer 60% and water 40%, so the effective water connection fee calculates out at \$10,385.20.

Shakopee Public Utilities fee schedule includes "Equivalent Lateral Water Main Charge" for properties connecting to watermain installed within various streets throughout the city. The 2026 fees range from \$2,268.12 to \$14,199.52 per acre, with the average (excluding the \$2,268.12/acre rate) being \$10,423.42/acre.

Shorewood's \$10,000 water connection fee (2026) is paid when a lot is served by the municipal water system.

Mission Statement:

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Some funding options to consider for discussion are:

1. Obtain a Special Benefit Analysis to determine the benefit range. Patchin Messner, the firm that performed the analyses for the 2023 projects indicated that a report would cost ~\$15,000 and would take four months to complete.
2. Defer the assessment with or without interest.
3. Establish a Water Connection Fee. This is what is done in Chanhassen, Eden Prairie, and Shorewood.
4. Establish a Water Service District for the project area where watermain is extended. This is what Shakopee Public Utilities does.

There are other neighborhoods served by individual wells that are adjacent to watermain. Watermain extension may be considered when these streets deteriorate to a condition where full depth reclamation (FDR), full depth removal and replacement (FDRR), or reconstruction is necessary.

Area	Street Project
Grand View Avenue from CR 19 to Red Oak.	n/a
Bayside Lane	2015 (overlay)
Jennings Cove	2022 (FDRR) ¹
Cardinal Cove Drive (west of Pinnacle and south of the E-W portion of Cardinal Cove Drive) and Manor Drive	FDR proposed in 2029
Williams Lane	2025 ²
Lakeside	2026 (overlay)
Kings Point Road north of Woodland Cove Parkway	2023 ²
Halstead Avenue	n/a ³
Applegarden Road	n/a (gravel)
Clarence Avenue	n/a (gravel)
Woodedge Road	n/a (gravel)
Lotus Drive west of South Bay Drive	n/a (gravel)

¹ Residents indicated that their wells were in good condition and did not want watermain

² Street work considered interim until a reclamation or reconstruction project

³ Watermain extension to is anticipated to occur with the area to the north develops

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