

**City of Minneapolis**  
**Request for Committee Action**

**To:** Transportation & Public Works  
**Date:** 10/11/2016  
**From:** Public Works Department  
**Referral:** N/A  
**Lead Staff:** Suzette Hjermstad, Public Works Special Assessment Office, Transportation Engineering and Design  
**Presented by:** Rock Rogers, Public Works Water Administration, Water Treatment and Distribution  
**File type:** Resolution  
**Subcategory:** Assessment

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**Subject:**

Water and Sewer Service Line Repairs or Replacements: Assessments

**Description:**

Passage of Resolution adopting and levying assessments for water and sewer service line repairs that remain unpaid, adopting the assessment rolls, and directing transmittal of the assessment rolls to the Hennepin County Auditor.

**Previous Actions:**

August 26, 2016 – Administrative Hearings

[16-01094](#) August 8, 2016 -Set a public hearing for October 11, 2016.

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**Ward/Neighborhood/Address:**

Not Applicable

Various

**Background/Analysis:**

Section 509.465 of the Minneapolis Code of Ordinances provides a procedure whereby a property owner in need of repair or replacement of a private water or sewer service line may request and authorize the City of Minneapolis to do the necessary work with the property owner having the option of either paying directly through a bill or paying through a special assessment being added to the real estate taxes.

Section 509.465 of the Minneapolis Code of Ordinances further provides a procedure whereby the City may correct a faulty water service line upon the failure of the owner to do so or agree to do so. If the bill for the corrective work is not paid, the cost may be recovered through the special assessment procedure of Section 509.465 of the Minneapolis Code of Ordinances. The properties on the lists to be assessed had the water or sewer service line work done by either the City or private contractors licensed by the City, have not paid the full amount owing through the billing process and have been notified that a special assessment which includes interest, would be added to the real estate taxes.

Prior to this public hearing, an Administrative Hearing was held for both water and sewer service line repair assessments. This process enables the Public Works Water division to work directly with the property owner to set a hearing date and time with an Administrative Hearing officer. An assessment letter was sent instructing the property owner to contact Public Works Water Permits and Connections in writing if they had an issue with their assessment. The property owners who wished to appeal their assessment were notified by mail of the location and time of

the hearing. One property owner chose to appeal their assessment and the Hearing Officer determined to assess their water service line as is after considering the facts of the case.

The property owner of 4933 Elliot Av S sent a letter prior to the administrative hearing to request the term of her water service line assessment, in the amount of \$4,050.00, be extended to 10 years instead of five. This property owner is a senior and partially disabled but instead of deferring the assessment and accruing interest, would rather pay over an extended period of time. The Water Admin Division supports her request. Her letter is attached as Exhibit 3.

The amount to be assessed as special assessment principal is the cost of the work plus a \$50 administrative fee. The total principal amount of the proposed assessments is \$492,598.95 for water service lines and \$125,621.10 for sewer service lines. These amounts reflect the adjustments, if any, as determined by the Administrative Hearing Officer. The assessments would be collected over five years beginning on the 2017 real estate tax statements with interest charged at 5%, being the rate provided for in Section 509.465 of the Minneapolis Code of Ordinances, as amended by City Council action on August 20, 2010.

Information has been provided in the Notices as to how persons may prepay the assessments in full without interest charges if they so choose.

The Minneapolis City Council has passed Resolutions whereby a deferment of special assessment may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

**Financial Review:**

**No financial impact.**

Special Assessments against benefited properties

**Attachments:**

1. Water Service Line Repair Assessment List.
2. Sewer Service Line Repair Assessment List.
3. 4933 Elliot Av S Letter to Request Extension.