

CITY OF KANDIYOHI
SPECIAL ASSESSMENT PUBLIC HEARING
JULY 16, 2025
7:00 p.m.

The Kandiyohi City Council held a Public Hearing on Wednesday, July 16, 2025, at the City Hall/Civic Center located at 432 Atlantic Avenue Kandiyohi, MN 56251. Present were Mayor Jon Lindstrand; Council Members Toby Giese, Spencer Hunt, and Jeff Clark; City Maintenance, Brandon Huls; and City Clerk/Treasurer, Julie Woltjer. Absent: Council Member Scott McGillivray; and Fire Chief Jamie Swanson.

Public Hearing Guests: Jon Pauna from Moore Engineering, Rod Lanners, Betty Lanners, Gary Bartlett, Jim Nelson, Craig Aurand, Kyle Carlson from Kandi Pub/Zero Tolerance, Rebecca Nistler from Kandi Auction Center, Jan VanEps, Paige Kappes, Sandy McQueen, Paul Harju, Steven Lueders from Home Agency/MN CHARM, Lori Howard, Brad Howard, Maury Erickson and Peder Erickson

The Public Hearing was called to order at 7:00 p.m.

PUBLIC HEARING

This Public Hearing was called to consider the making of Phase I Street and; Utility Improvement Project, the improvement of McDermott Avenue between 4th Street and 7th Street, Pacific Avenue, McLaughlin Avenue from 2nd Street to mid-block of 3rd and 4th Street, 7th Street south of US HWY 12, 6th Street south of US HWY 12, 5th Street south of US HWY 12, 4th Street south of US HWY 12, and 3rd Street between McLaughlin Avenue and Atlantic pursuant to Minn. Stat. §§ 429.011 to 429.111. The area proposed to be assessed for such improvement is abutting properties. The estimated cost of the improvement is \$6,250,000. A reasonable estimate of the impact of the assessment will be available at the hearing.

Project Background

- Preliminary Engineering Report submitted to the USDA Rural Development in 2021
- Proposed Improvements were broken into 3 phases.
 - Phase I – Water Tower and Street & Utility Improvements
 - Phase II – Street and Utility Improvements
 - Phase III – Water Treatment Plant and Street & Utility Improvements

Phase I – Water Tower & Street/Utility Improvements

- 3rd Street N
- 4th Street N
- 5th Street N
- 6th Street N
- McLaughlin Ave (2nd to 3rd St.)
- McDermott Ave (4th to 7th St.)
- Pacific Ave (Frontage Road)

Proposed Improvements

- New Water Tower
 - 75,000 Gallon
- Street Reconstruction
 - Curb & Gutter
 - Bituminous Paving
 - Drainage Improvements
- Utility Replacement
 - Sanitary Sewer
 - Watermains

- Storm

Funding – Estimated Project Cost

- Approximate Total Project Cost: \$7,612,000
 - USDA Rural Development Loan - \$1,079,000
 - Market Loan (Ineligible Items) - \$831,000
 - USDA Grant - \$1,997,000
 - Water Infrastructure Fund (WIF)(Water) Grant - \$2,441,000
 - Water Infrastructure Fund (WIF)(Sanitary Sewer) Grant - \$1,264,000
- Total Estimated Loan - \$1,910,000
- Total Grant - \$5,702,000

Schedule

- Public Open House – November 25, 2024
- Submit Plans and Specifications to USDA – December/January
- Public Improvement Hearing – July 16, 2025
- Advertise for Bids/Open Bids – July/August 2025
- Assessment Hearing – Late August 2025.
- Construction Start – Potential portion in Fall of 2025.
- Substantial Completion – November 2026
- Final Completion – Summer 2027 (Final Lift of Paving).

Assessment Process

- City is proposing to assess 20% of remaining costs after grants are applied.
- Estimated total cost of street project = \$6.218 million
- Estimated assessable portion = \$500,000
- Assessments are broken into street portion, water portion, and sanitary sewer portion.
- Standard Lots – Abutting footage.
- Corner Lots – Assessed at ½ long and ½ short side if project is abutting both sides.
- Water service is installed – Flat rate
- Sanitary sewer service is installed – Flat rate
- Estimated cost per foot for street portion = \$45/LF
- Estimated water service cost = \$2,200 per lot
- Estimated sanitary sewer service cost = \$2,200 per lot
- Option to prepay assessment to avoid interest

Public Comment – Special Assessment Hearing (Phase 1):

During the hearing, members of the public raised questions and concerns related to Phases 2 and 3 of the infrastructure project. It was clarified that this special assessment hearing was convened specifically to address the estimated costs for Phase 1 only, and that Phases 2 and 3 will be discussed at a later date.

Additional topics of discussion included the size of the proposed new water tower, the potential impact on boulevard trees, and drainage considerations for Center Park.

Maps with our current infrastructure and the Proposed Improvements are posted at the Civic Center/City Office to review.

ADJOURNMENT

Council Member Hunt motioned to adjourn at 7:56 p.m., Council Member Giese seconded the motion. No objections were made, and public hearing adjourned.

Respectfully submitted,

Julie Woltjer
City Clerk/Treasurer