

SPUC Shakopee Avenue Electrical Undergrounding

PUBLIC HEARING FOR SPECIAL ASSESSMENTS

City of Shakopee | (952) 233-9300 | www.ShakopeeMN.gov *Shakopee*
Minnesota





SPUC Shakopee Avenue Electrical Undergrounding Project Location

- Shakopee Avenue (Marshall Rd to 11th Ave)



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Project Timeline

- Received Feasibility Report (May 16, 2017 – Resolution 7888)
- Public Hearing & Order Project (June 20, 2017 – Resolution 7900)
- Construction Completion (Spring 2018)
- Public Hearing & Adopt Assessments (Nov 20, 2018 – Resolution R2018-131)



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Project Costs

	Actual	Feasibility
Construction	\$ 152,208.41	\$ 96,480
Eng/Admin/Legal	\$ 12,705.00	\$ 10,720
Total Costs	\$ 164,913.17	\$107,200

Funding Sources

	Actual	Feasibility
Assessments	\$ 18,786.00	\$ 18,786
Shakopee Public Utilities	<u>\$ 146,127.17</u>	<u>\$ 88,414</u>
Total Funding	\$ 164,913.17	\$ 107,200



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Special Assessments

The assessment rate is \$606 per lot.

This is equal to the 2017 Undergrounding Charge that Shakopee Public Utilities charges new residential developments for electric service to an individual lot.

The total assessment amount (\$18,786) represents approximately 11.4% of the total project cost.

	Actual	Feasibility
Proposed Assessment Rate	\$606.00 / Lot	\$606.00 / Lot

The proposed payback period is 5 years.
The proposed interest rate is 5.50%



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Loan Ammortitization

Typical Residential Lot

Initial Principal = \$606

The proposed payback period is 5 years.

The proposed interest rate is 5.50%

Year	Annual Payment	Principle	Interest	Balance
1	\$160.09	\$121.20	\$38.89	\$484.80
2	\$147.86	\$121.20	\$26.66	\$363.60
3	\$141.20	\$121.20	\$20.00	\$242.40
4	\$134.53	\$121.20	\$13.33	\$121.20
5	\$127.87	\$121.20	\$6.67	(\$0.00)
Totals:	\$711.55	\$606.00	\$105.55	



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Payment Options

- Pay in full or partial amount with NO interest by December 20, 2018 to Finance Department at Shakopee City Hall. A notice will be mailed to residents.
- Assessment certified to County property taxes and paid over a 5 year period, subject to interest rate of 5.5% annum from the date the assessments are adopted.
- Pay off remaining special assessment any time during 5 year repayment period to City of Shakopee Finance Department.



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Assessment Appeal Procedure

Property owners wishing to preserve their right to appeal their assessment must file a written objection to the assessment prior to the close of the public hearing.



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Assessment Appeal Procedure

Minnesota Statute Chapter 429

429.061 APPEAL TO CITY COUNCIL

No appeal may be taken as to the amount of any assessment adopted under this section unless written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. All objections to the assessments not received at the assessment hearing in the manner prescribed by this subdivision are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

429.081 APPEAL TO DISTRICT COURT

Within 30 days after the adoption of the assessment, any person aggrieved, who is not precluded by failure to object prior to or at the assessment hearing, or whose failure to so object is due to a reasonable cause, may appeal to the district court by serving a notice upon the mayor or clerk of the municipality. The notice shall be filed with the court administrator of the district court within ten days after its service.



SPUC Shakopee Avenue Electrical Undergrounding Recommendation

Adopt Resolution R2018-131, a resolution adopting assessments for the SPUC Shakopee Avenue Electrical Undergrounding Project 2017-9.

