

VALLEY CITY COUNCIL
PUBLIC HEARING
October 27, 2015

Mayor Smith called the hearing to order at 7 p.m. with the Mayor & City Council sitting as Board of Adjustment & Equalization to consider levy of special assessments connected with Pines HOA Water Extension District 2014-1. Present were mayor Smith, council members, Bevington, Lewis, Stanzel, Ueckert, city attorney Farnham, city engineer Olmsted, clerk Suhr. Also present were Bob Hassebrook, Larry Martz, Dennis Wilson & Nick & Amber Cherny.

Mayor Smith stated the location of the open meetings act & that one copy of all reproducible written material to be discussed is available for examination or copying.

Proof of publication was on the council table. No written objections to the assessments have been received by the City.

Mayor Smith stated the city attorney & city engineer will each give a brief presentation on the project, then the floor will be open to comments.

Mr. Farnham reported the Pines Homeowners Association explored three alternatives when faced with the edict from NDEQ that their well was contaminated. 1. Drill a new well. 2. Drill a new well with treatment facility. 3. Hook into Valley. The most cost efficient route was to hook into Valley.

The City Council sitting as a Board of Equalization determines property has been benefitted, a resolution will be passed, certified & sent to the Douglas County Clerk & Treasurer. The property owners have 50 days to pay the full assessment interest free, otherwise the first installment, (1/10th), will be included on tax bills & will be due 10/27/2016 & each year thereafter ending 10/27/2025 at 3% interest which is the same rate the City is paying on the SRF loan. If the assessment becomes delinquent, the interest rate per State Statute is 14%.

B. Hassebrook – Does the assessment figure include interest? It is principal only.

Jim Olmsted stated the total cost of the project was \$745,880.79 minus 20% loan forgiveness from the State \$186,348.36 minus City of Valley oversizing the main \$38,442.50 leaving amount to be special assessed \$521,089.93 or 69% of the total cost of the project. The State paid for the special gaskets they required be installed on the main to resist TCE infiltration. The special assessments consist of three parts. Part a – units of benefit \$389,849.37. Part b. – Capital Facilities Charges \$69,164.80. Part c – Water meter/Service Line installation \$62,075.76. He shared a copy of the plat showing the 56 properties.

L. Martz- Shut it off & go back to the well. The State installed a filter in his basement & he doesn't drink the water.

J. Olmsted – The State is trying to determine the guilty party. There is no special superfund & neither the EPA or the State have programs to reimburse. The heaviest source of TCE contamination is at Martz's well.

A. Cherny - How hard are they working to find the source and how did you calculate the number of patrons? Mr. Olmsted explained how the assessment was figured.

N. Cherny - Why didn't you wait until meters were in, then use that data? I feel the Outer Limits assessment is way out of line. Business really drops off when golfers are gone. I assume our use is 200 to 400 gallons per day.

L. Lewis - Can we recalculate the entire assessment and change the numbers?

Jeff Farnham restated - The City will pass the assessment resolution & if you disagree, you may consult an attorney & file a complaint.

Review of the assessments and discussion about usage by home owners, daycare and apartments followed.

Council member Stanzel moved to table the assessment resolution. Ueckert seconded. All in favor, motion carried.

Council member Bevington moved to continue the Board of Equalization hearing to a future date with proper notice. Lewis seconded. All in favor, motion carried.

The meeting was adjourned at 7:55 p.m.

Mayor Carroll L. Smith

Clerk Joan Suhr