

Assessment Hearing
Highway 59/108 Reconstruction

City of Pelican Rapids, MN

November 2, 2026

Bob Schlieman, PE
Project Manager

Agenda

- Purpose of Hearing
- Project Background and Areas
- Improvements Constructed
- Assessment Methodologies
- Project Costs
- Cost Sharing
- Assessment Rates
- Assessment Calculations
- Assessment Terms
- Questions

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Purpose of Hearing

- Present Project Information
- Discuss Assessments
- Answer Questions
- Required by Minnesota Chapter 429 Statute
- Not to Discuss Construction Related Items

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Project Background

- Project Name
  - Highway 59 and 108 Reconstruction
- Project Location
  - City of Pelican Rapids
- Project Partners
  - Minnesota Department of Transportation (MnDOT)
  - City of Pelican Rapids
  - Otter Tail County
- Construction
  - 2024 – 2026

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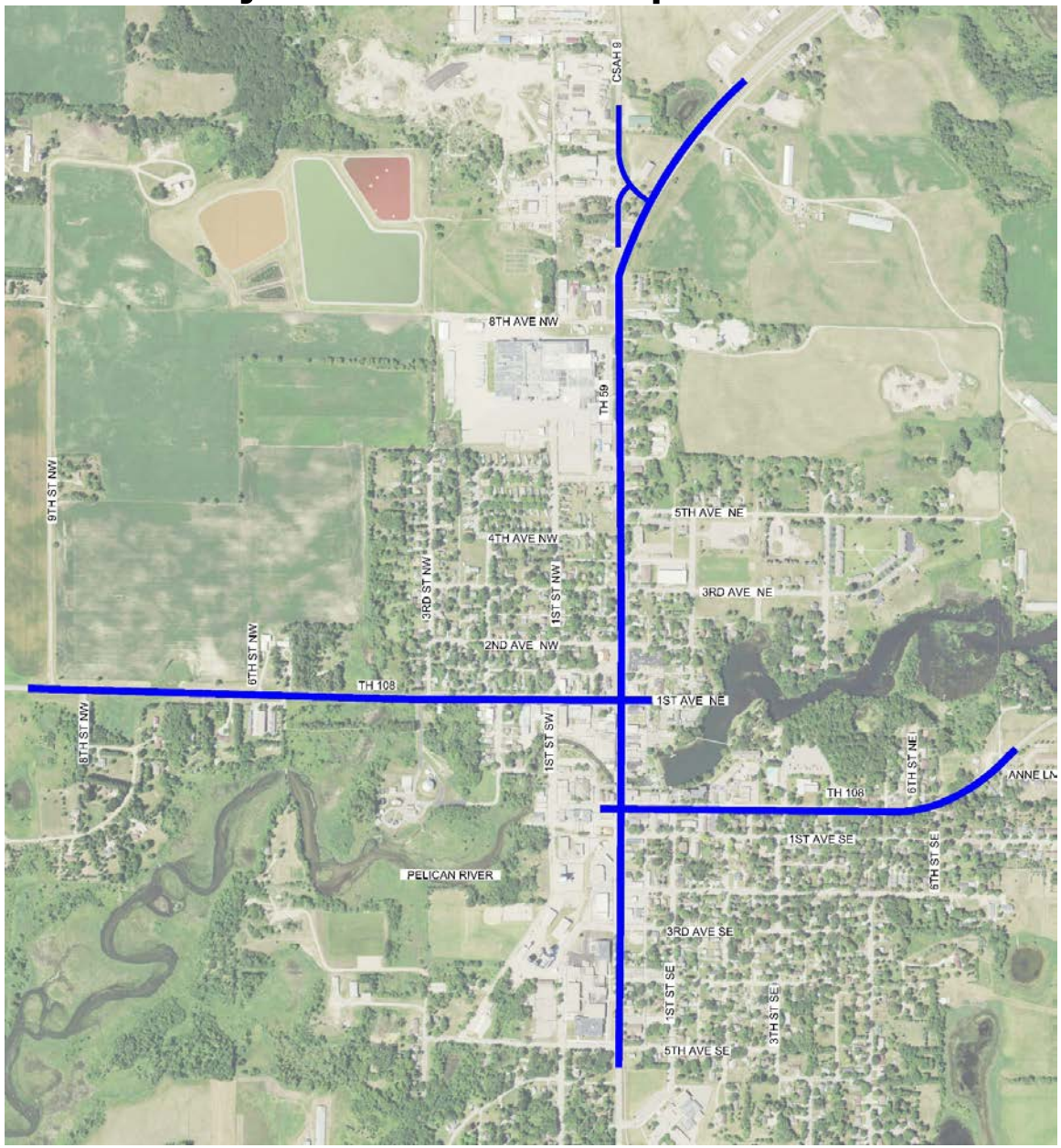
Project Areas

- Highway 59 (Broadway)
  - South of 5th Avenue South to north of County Road 9
- Highway 108 West (1st Avenue NW)
  - 9th Street NW to Highway 59
- 1st Avenue NE
  - Highway 59 to a point 200 feet east of Highway 59
- Highway 108 East (East Mill Avenue)
  - Highway 59 to east of Anne Lane
- West Mill Avenue (County Road 96)
  - A point 200 feet west of Highway 59 to Highway 59
- County Road 9/Pete Lane North of Highway 59

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Project Areas Map



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Surface/Drainage Improvements Constructed

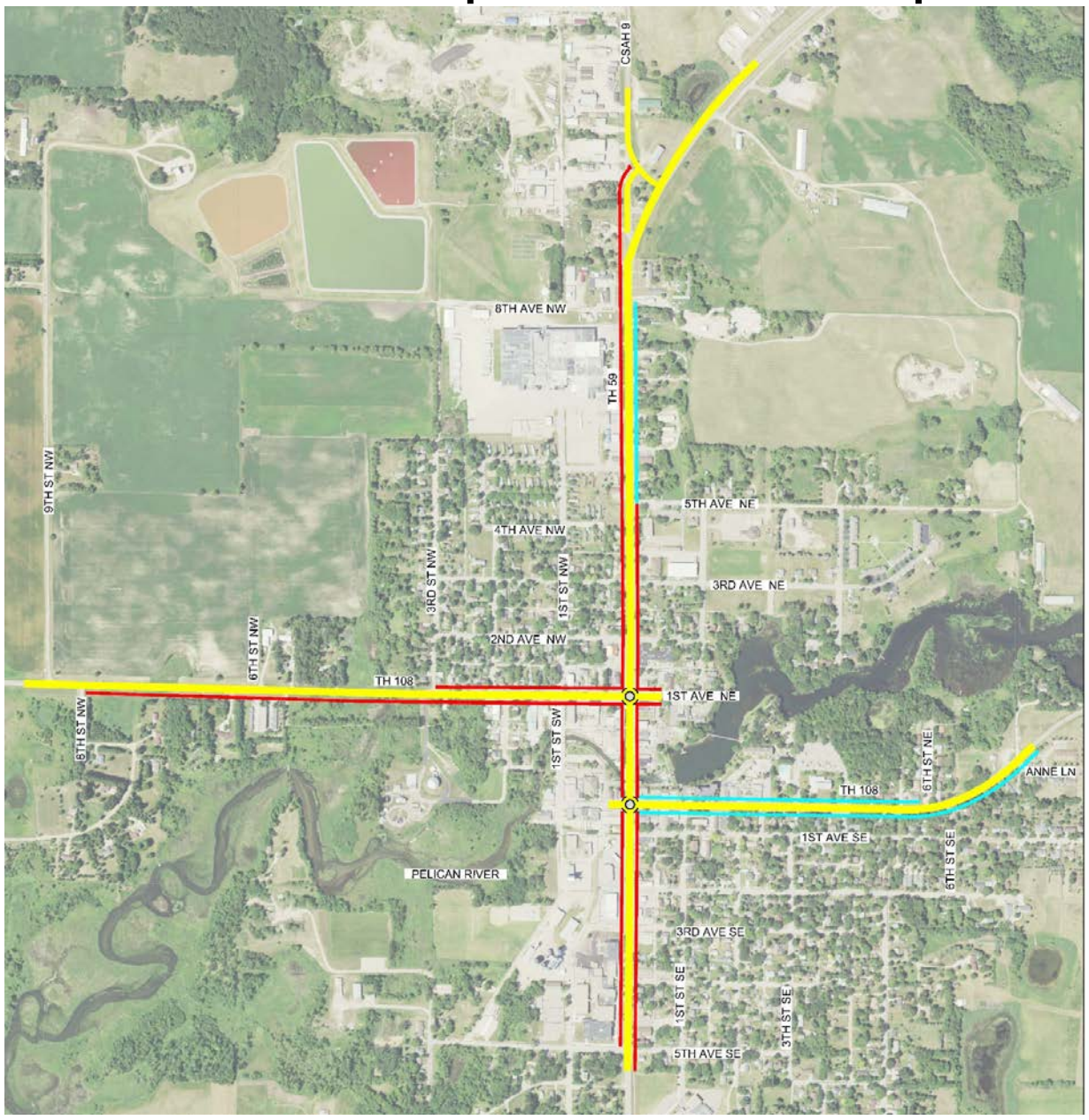
- Surface Improvements
  - New street
  - New curb and gutter
  - New sidewalk/shared use path facilities
  - New street lights
  - Two (2) new roundabouts to replace traffic signals
  - Aesthetics

- Drainage Improvements
  - New storm sewer piping and structures

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Surface Improvements Map



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Utility Improvements Constructed

- Wastewater Collection Infrastructure
  - New polyvinyl chloride (PVC) gasketed mainline pipe
  - New precast concrete manholes
  - New PVC gasketed wyes and service lateral piping from sewer main to point near edge of public right-of-way
  - New cleanouts on service laterals near edge of public right-of-way

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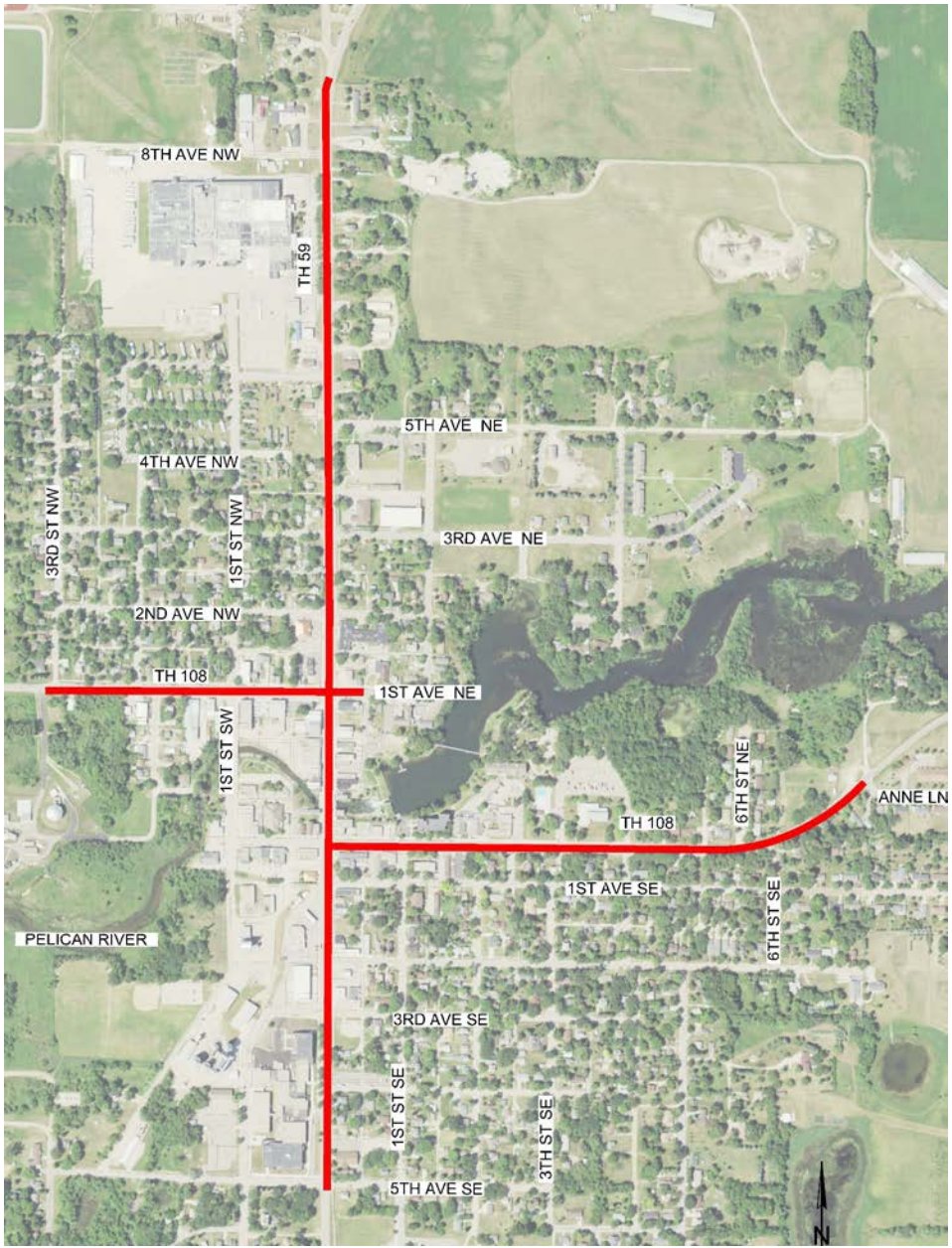
Utility Improvements Constructed

- Water Distribution Infrastructure
  - New gasketed PVC main line pipe
  - New ductile iron fittings, gate valves, hydrants
  - New high-density polyethylene (HDPE) service laterals from main to point near edge of public right-of-way
  - New service lateral curb stops and boxes near edge of public right-of-way

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City Utility Improvement Areas Map



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Assessment Methodology (Reconstruction)

Item	Assessable	City
Sanitary Sewer Main	0%	100%
Sewer Service New/Replacement	100%	0%
Water Main	0%	100%
Water Service New/Replacement	100%	0%
Storm Sewer	20%	80%
Curb and Gutter	20%	80%
Driveway Aprons	100%	0%
Residential Sidewalk/Paths	50%	50%
Nonresidential Sidewalk/Paths	100%	0%
Street	40%	60%

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Assessable Items

- Items Specially Assessed For This Project
  - City portion of street costs (small portion as most of the street costs were funded by MnDOT)
  - City portion of sidewalk and shared use path costs (costs were reduced through MnDOT participation and grants)
  - Water services
  - Sanitary sewer services

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Items Not Assessed

- Items Not to be Assessed
  - Majority of Street Costs (heavily funded by MnDOT)
  - Concrete Driveway Aprons (funded by MnDOT)
  - Sanitary Sewer Main (City is paying 100%)
  - Water Main (City is paying 100%)
  - Storm Sewer (funded by MnDOT)
  - Aesthetics (MnDOT/City are funding)

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Project Cost

- Estimated Project Cost – Around $26 million
  - MnDOT – around $18.4 million
  - City of Pelican Rapids – around $7.6 million

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City Costs (Without Grants)

Item	Cost
Street	$136,210
Aesthetics	$133,910
Sidewalk/Paths	$1,567,900
Watermain	$2,633,660
Water Services	$685,390
Sanitary Sewer Main	$1,801,070
Sewer Services	$644,750
Total	***$7,602,890***

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City Costs (After Grants)

Item	Cost	Grant	Cost After Grant
Street	$136,210	$0	$136,210
Aesthetics	$133,910	$133,910	$0
Sidewalk/Paths	$1,567,900	$920,900	$647,000
Watermain	$2,633,660	$0	$2,633,660
Water Services	$685,390	$0	$685,390
Sanitary Sewer	$1,801,070	$1,440,860	$360,210
Sewer Services	$644,750	$515,800	$128,950
Total	***$7,602,890***	***$3,011,470***	***$4,591,420***
		40%	***60%***

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Cost Sharing

Item	Costs Subject to Special Assessment	Assessable Share	City Share
Street	$136,210	$54,480	$81,730
Aesthetics	$0	NA	NA
Sidewalk/Paths	$647,000	$551,485	$95,515
Watermain	$2,633,660	$0	$2,633,660
Water Services	$685,390	$685,390	$0
Sanitary Sewer	$1,801,070	$0	$1,801,070
Sewer Services	$644,750	$644,750	$0
Total	***$6,548,080***	***$1,936,105***	***$4,611,975***
		30%	**70%**

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Assessment Rates

Item	Assessment Rate	Assessment Unit
Street	$2.49	Linear Foot
Sidewalk/Path (Residential)	$2.80	Square Foot
Sidewalk/Path (Nonresidential)	$5.64	Square Foot
1" Water Service	$5,485.99	Each
2" Water Service	$7,376.64	Each
4" Water Service	$5,897.29	Each
6" Water Service	$7,345.80	Each
4" Sewer Service	$4,667.19	Each
6" Sewer Service	$6,335.75	Each

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Parcels Subject to Special Assessments

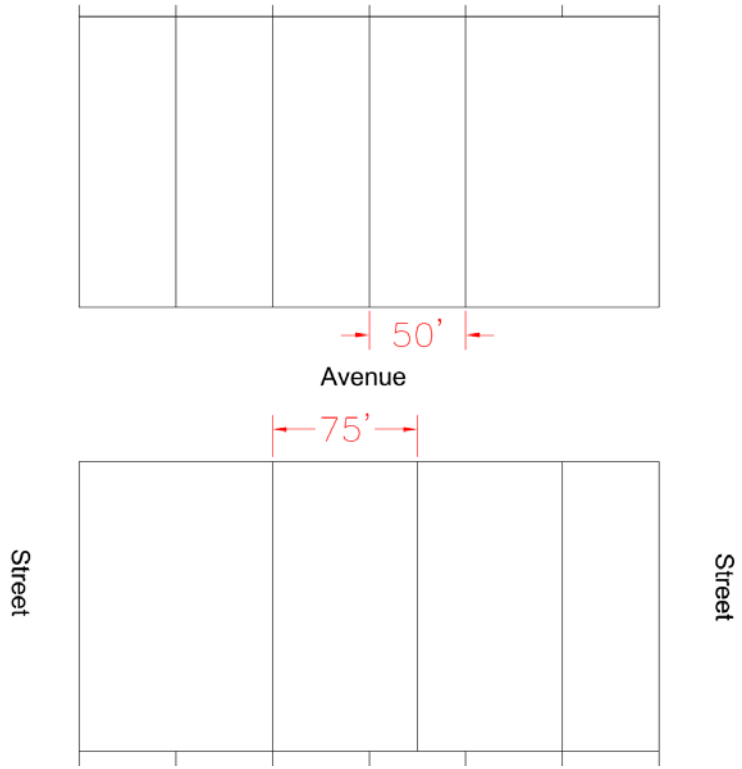
- Street
  - Parcels within City of Pelican Rapids limits that are adjacent to the project areas
- Sidewalk/Path
  - Parcels within City of Pelican Rapids limits that have a sidewalk/path constructed adjacent to them
- Water/Sanitary Sewer Service
  - Costs for water and sanitary sewer services will be assessed to the parcel they are intended to serve

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Assessable Footage (Rectangular Interior Parcel)

- Street
  - Assessable linear footage shall equal the width of the parcel abutting the improvement
- Sidewalk/Path
  - Assessable square footage shall equal the width of the parcel abutting the improvement multiplied by the width of the sidewalk/path



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Assessable Footage (Rectangular Corner Parcel)

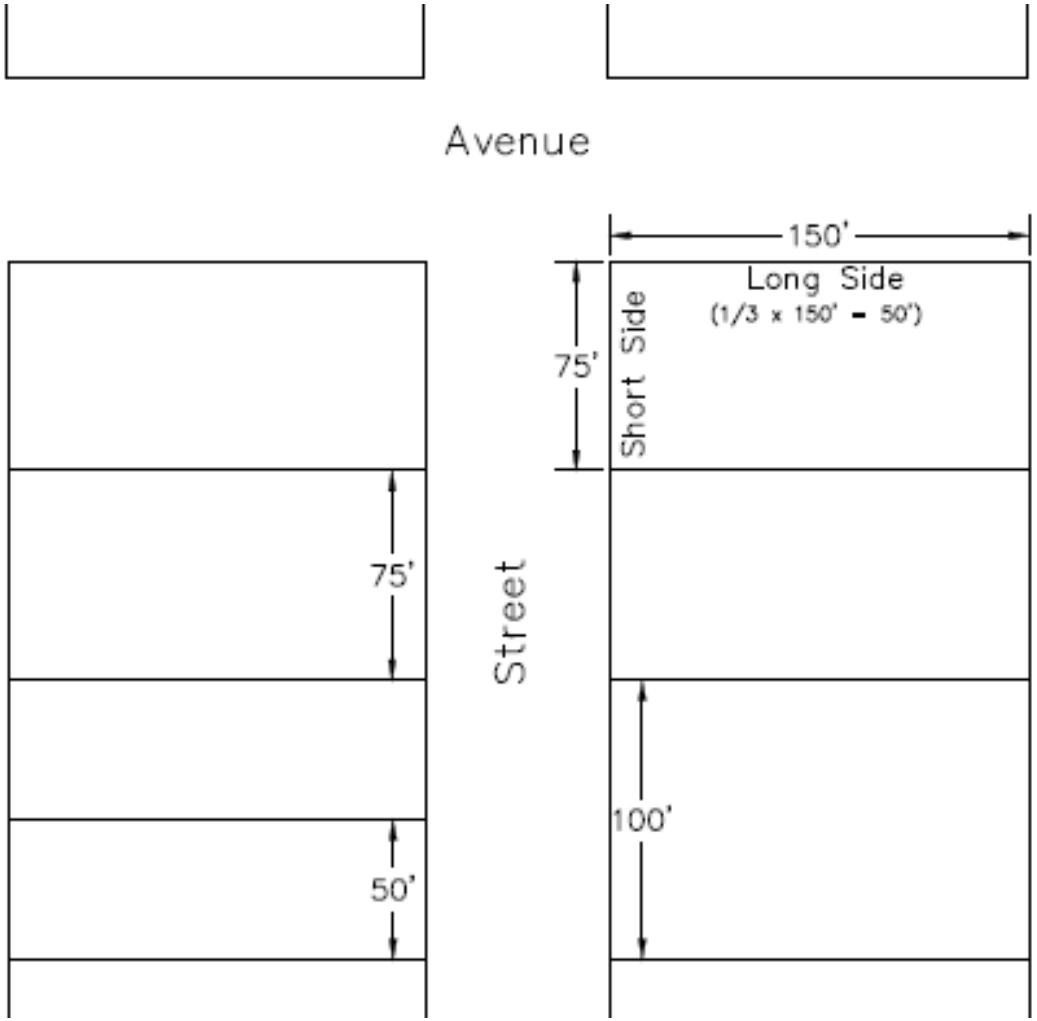
- Street and Sidewalk/Path
  - Assessable footage shall equal the width of the smaller of the two sides (width) and/or one-third of the dimension of the longer of the two sides (length)
  - If the length exceeds 150 feet, the entire excess over 150 feet shall be assessed in full
  - For square corner parcels, the street name in the parcel's address shall be considered the width

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Assessable Footage (Rectangular Corner Parcel)

- Street and Sidewalk/Path



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Assessable Footage (Parcel Abutting Parallel Streets)

- Street and Sidewalk/Path
  - Assessable footage shall be the width of the “front” side and/or one-half of the width of the “back” side
  - The street name in the parcel’s address shall be considered the “front” side

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Assessable Footage (Irregular Shaped Parcels)

- Street and Sidewalk/Path
  - Assessable footage for irregular shaped parcels shall be the average of the width, length, front, or back as applicable

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Assessment Terms

- 20 Year Payment Term
- 5.0% Interest Rate

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Thank You!

Questions?

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