

Neighborhood Meeting #2

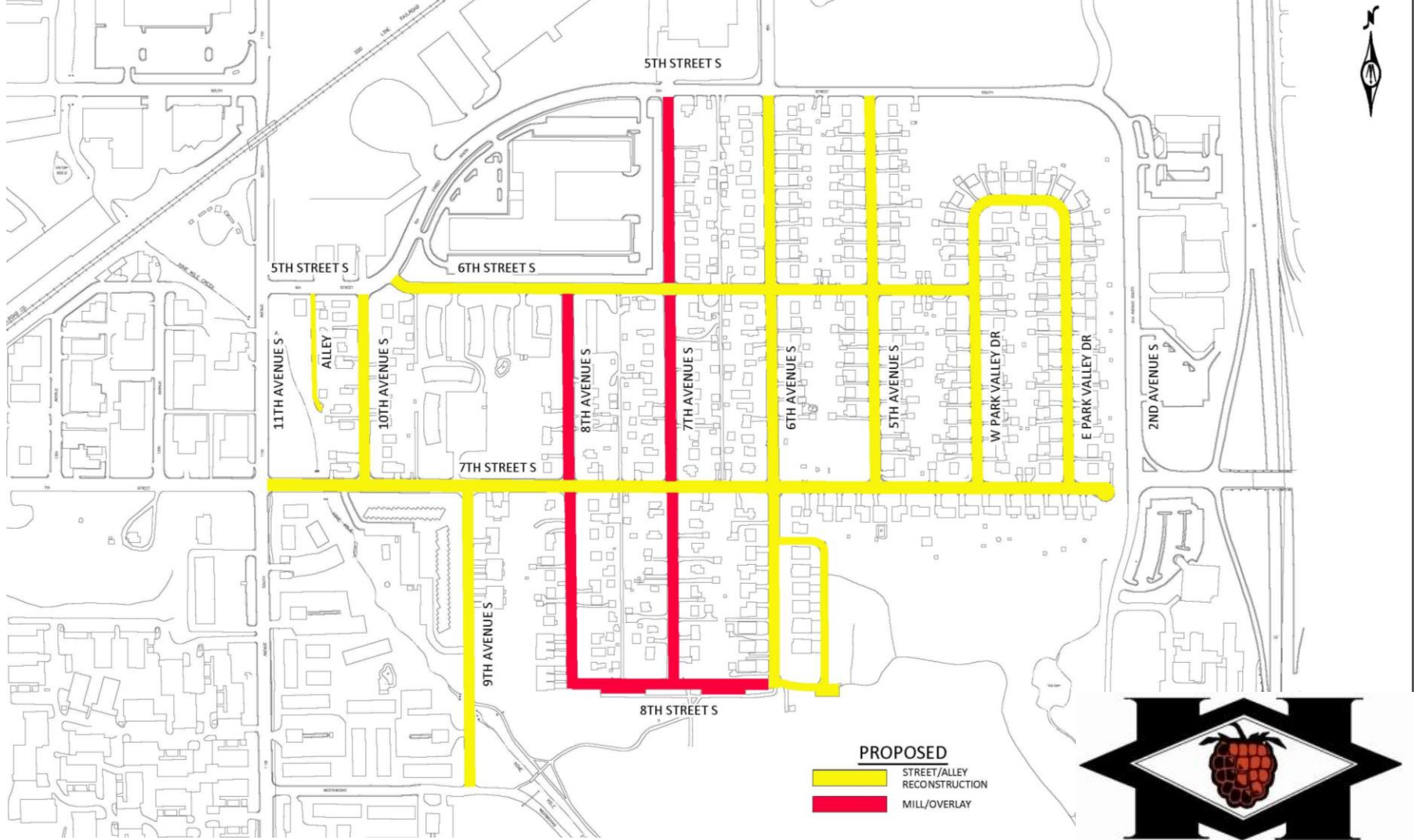
2017 Street & Utility Improvements



February 23, 2017

March 1, 2017





City of Hopkins 2017 Street & Utility Improvements Project





Tonight's Meeting

A. Presentation

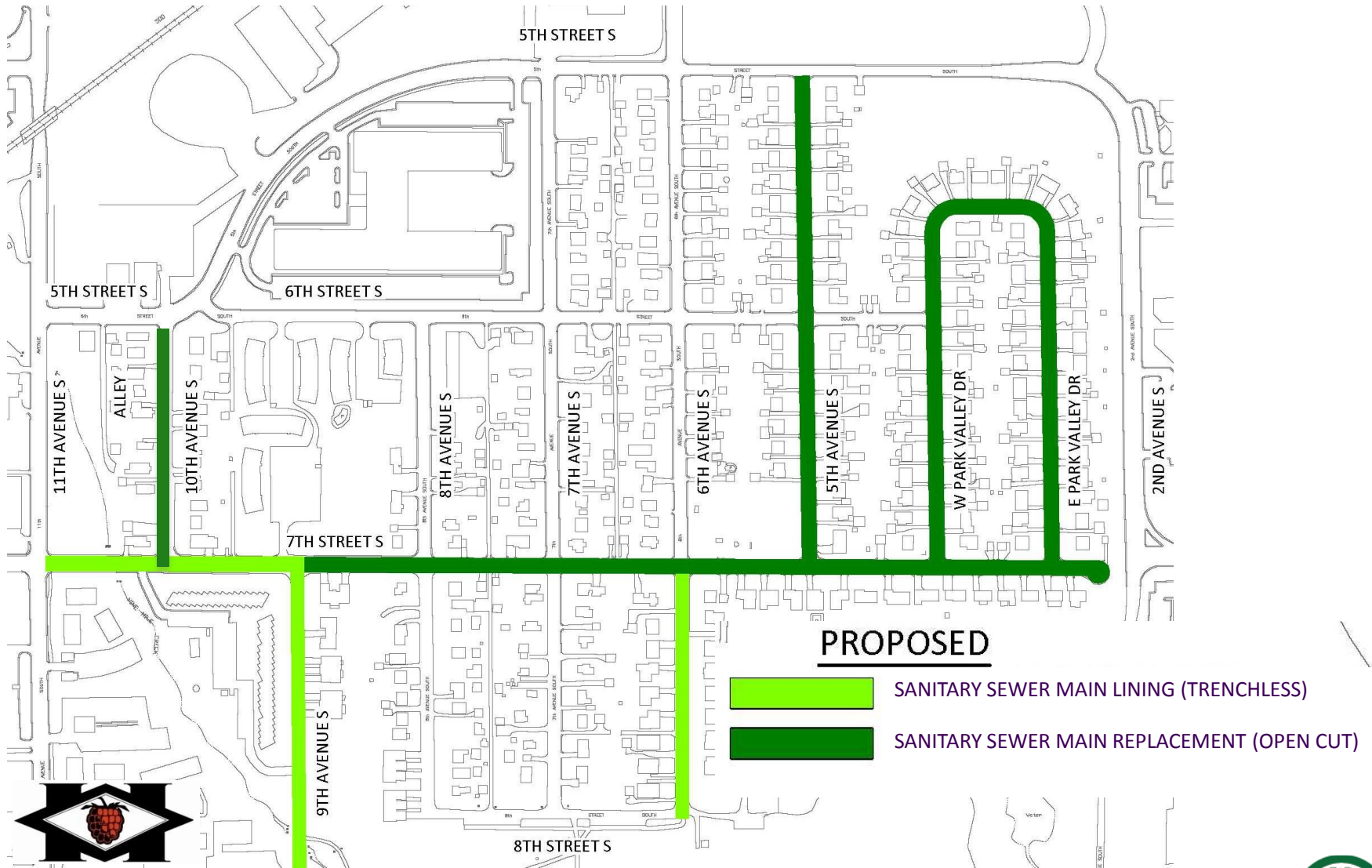
1. Proposed Improvements
2. Special Assessments
 - Calculation, Interest, Payments
 - Deferring Assessments
3. Project Schedule

B. Open House

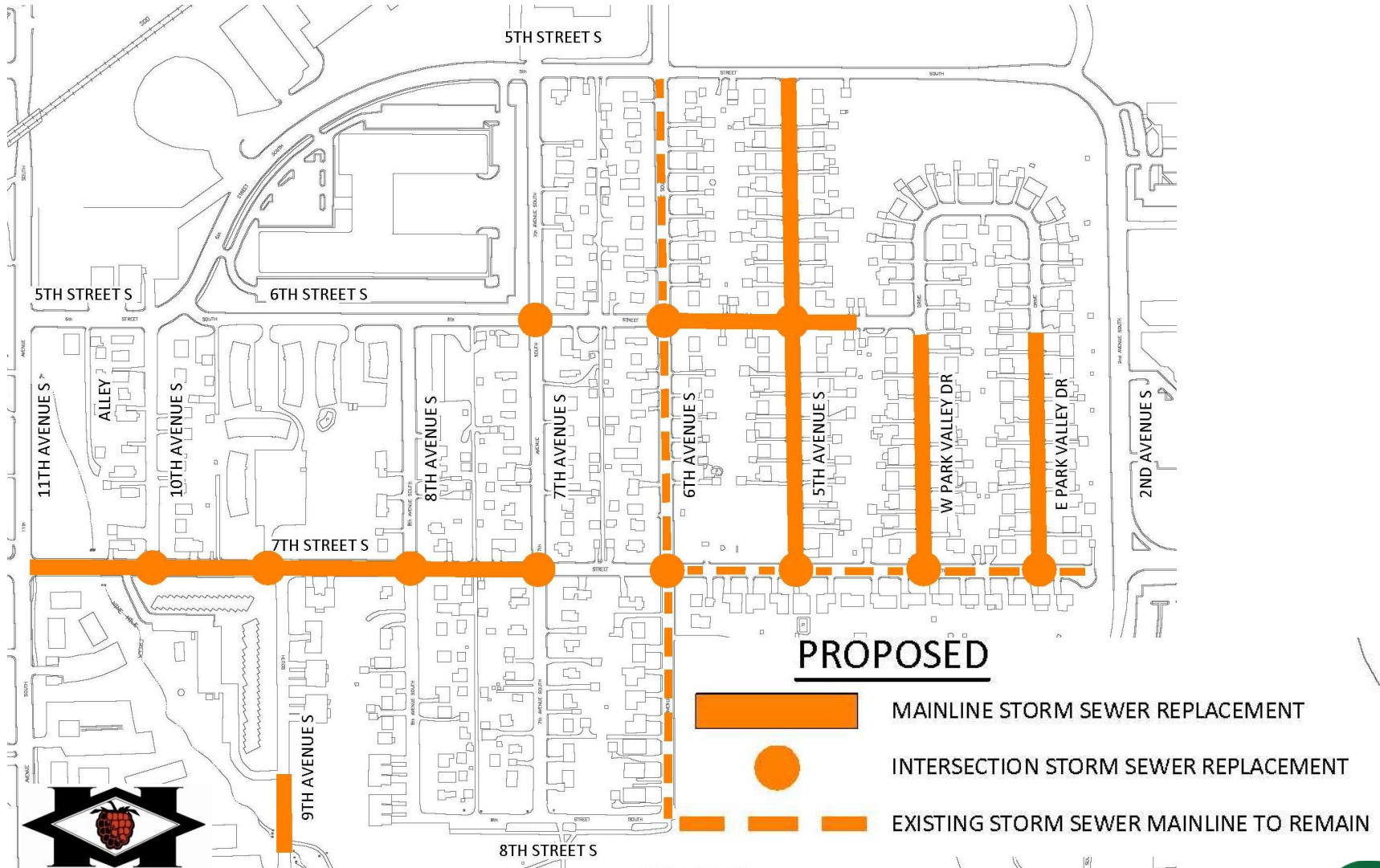
- Staff will be on hand to answer any individual questions and take comments



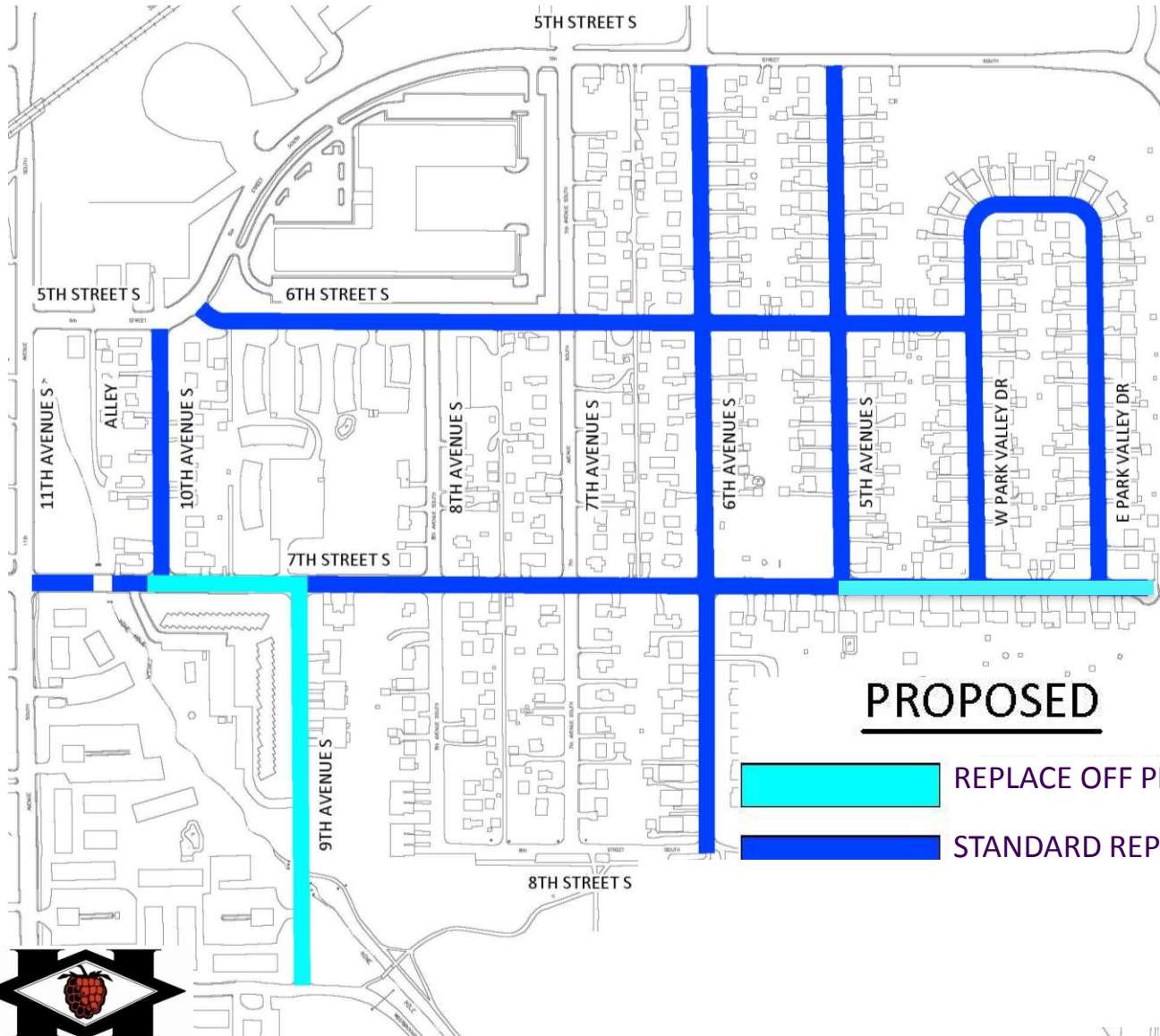
Sanitary Sewer Improvements



Storm Sewer Improvements



Water Improvements



PROPOSED

-  REPLACE OFF PILINGS WITH FUSED OR RJ PVC
-  STANDARD REPLACEMENT WITH DIP



Pavement Improvements

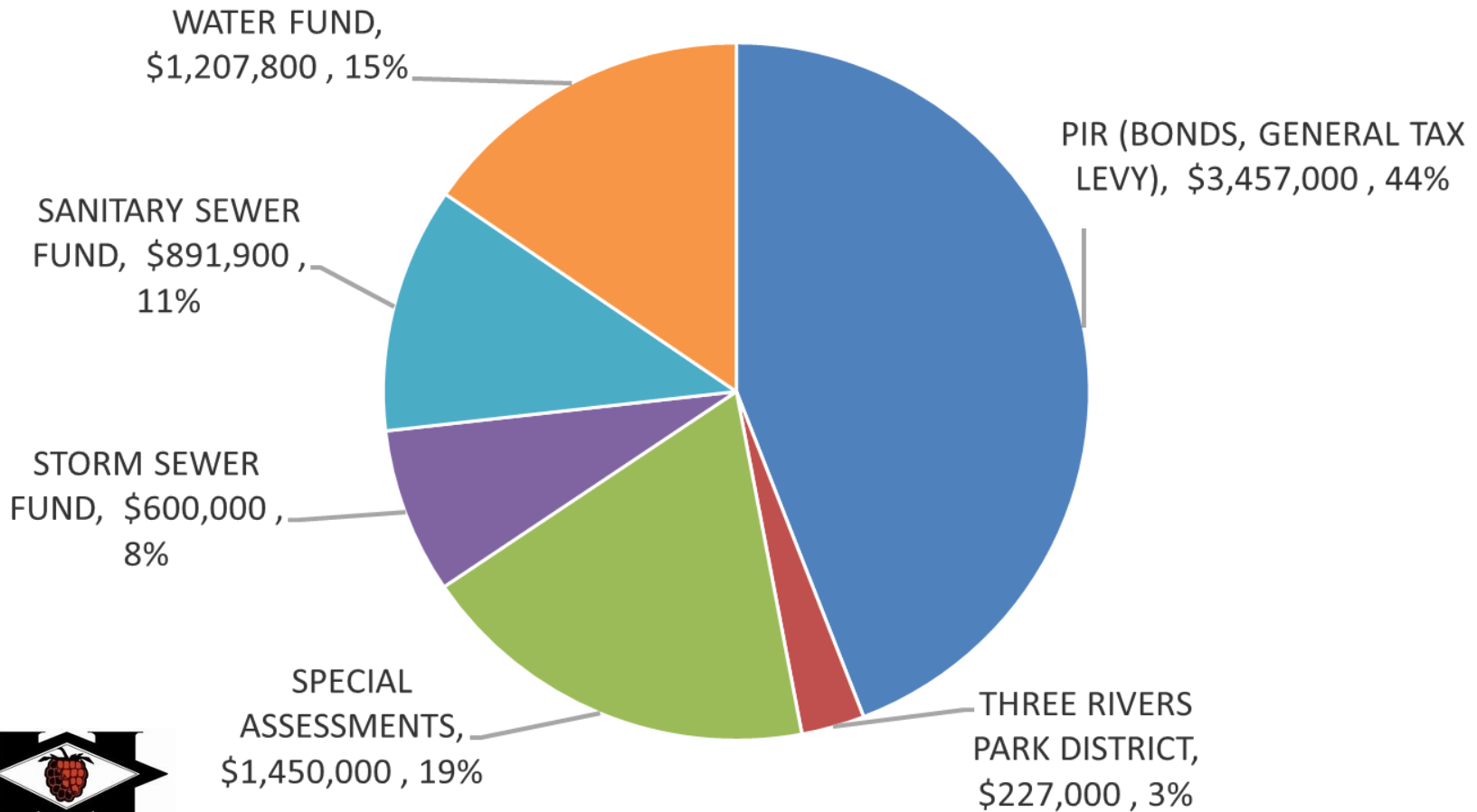
- Reconstructing all roadways in the project area, including:
 - 4" of new bituminous asphalt
 - 8" of recycled gravel layer
 - 12"-24" of sand layer on streets with poor soils
 - New curb and gutter
 - Alley paving west of 10th Ave S with concrete and east of 6th Ave S by Valley Park with bituminous



Project Funding Sources

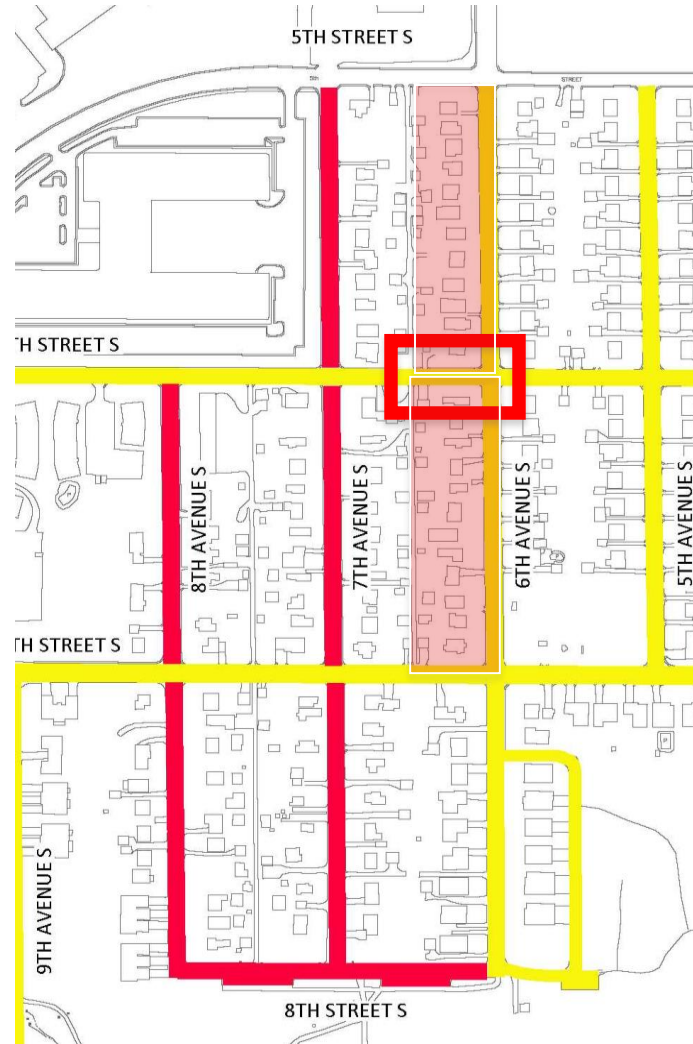
Total = \$7,833,700

SUMMARY OF PROJECT FUNDING SOURCES



Distribution of Assessment Amounts

- **Avenues**
 - Distribution by front footage along Avenue
- **Streets & Alleys**
 - Distribution to each property located one block north and south of an east-west street
- **City Policy 8-B Roadway Improvements**



Assessment Rates, Caps



- Avenue assessment would be \$98+ / front foot (70% of cost), but a cap is in place
- 2017 Front Foot Street Assessment Rate Cap
 - **Cap of \$86.30 / front foot**, 3% annual increase
 - No cap for commercial properties
 - UNIT assessments will not apply above and beyond front footage rate cap
- Front Footage Cap
 - Front footage counted up to **125 feet**
 - No cap for commercial properties



Utility Assessment Rates



- Total assessment amount may have 3 parts:
 1. Street Assessment (front footage rate)
 - \$86.30 / front foot, or
 - Unit rate for east-west streets
 2. Water Service Assessment (50% of cost)
 - \$2,494.05 as bid, 50% = \$1,247.03
 - Lowered to \$800.00
 3. Sewer Service Assessment (50% of cost)
 - \$1,638.26 as bid, 50% = \$841.63
 - Lowered to \$750.00
- No assessment for sewer/water < 10 years old



Example 1: 613 5th Ave S

- 5th Ave frontage, 7th St S, 6th St S
- Street Assessment per cap
@ \$86.30 / Foot, 58.08' frontage
 - $\$86.30 \times 58.08' = \mathbf{\$5,011.98}$
- No Assessment for side street work, already at cap
- Water Service Replacement? -- Yes
 - **\$800.00**
- Sewer Service Replacement? -- Yes
 - **\$750.00**
- Total = $\$5,011.98 + \$800.00 + \$750.00$
= **\$6,561.98**



Example 2: 720 7th Ave S

- 7th Ave S is only Mill & Overlay, but work on 7th St S is proposed

- 7th St Unit Street Assessment

\$591,302.45 7th St S Cost = **\$1,187.35**

498 Properties north/south

- Utility Assessments

➤ None

- **Total Assessment**

➤ **\$1,187.35**



Example 3: 620 7th Ave S

- 6th St S and 7th St S improvements proposed

- 6th St Unit Street Assessment

\$338,611.51 6th St S Cost

255 Properties north/south

= **\$1,327.89**

- 7th St Unit Street Assessment

\$72,315.05 7th St S Cost

498 Properties north/south

= **\$1,187.35**

- No Utility Assessments

- Total = \$1,327.89 + 1,187.35 = **\$2,515.24**



Example 4: 618 6th Ave S

- 6th St S and 7th St S improvements

Proposed, 6th Ave S Watermain

Improvements Proposed

- Side Street Assessment = \$2,515.24
- Water Service Replacement? -- Yes
 - \$800.00
- Sewer Service Replacement? – No
- Total = \$2,515.24 + 800.00 = **\$3,315.24**



Example 5: 620 10th Ave S

- 10th Ave frontage, 7th St S, Alley
- Street Assessment per cap
@ \$86.30 / Foot, 49.95' frontage
 - $\$86.30 \times 49.95' = \mathbf{\$4,310.54}$
- No Assessment for side street or alley work, already at cap
- Water Service Replacement? -- Yes
 - **\$800.00**
- Sewer Service Replacement? -- Yes
 - **\$750.00**
- Total = $\$4,310.54 + \$800.00 + \$750.00$
= **\$5,860.54**





Paying Assessments: Options

1. Payment in full or in part, interest free, until **June 30, 2017**
2. Payment in full or in part, with interest, **between July 1 and Nov. 29, 2017**
3. “Do Nothing” - Pay with annual tax payment – Certify to County Property Tax on **Nov. 30, 2017**
4. Deferred Assessments





Interest on Assessments

- A. 15 Year Assessment Period
- B. Interest rate is set 2% above rate City gets on its project financing
 - Recently just under a 5% interest rate on assessments
 - Rate to be determined at bond sale in May
- C. Interest rate applied annually to remaining principal balance
- D. First payment includes interest between June 1 and date of payment





Options to Prepay Assessments

A. Prepay partial or in full by June 30, 2017

- No interest charged, private loans can be used
- Reduces principal amount to be charged interest
- Prepay amounts as low as \$100
- Multiple partial pre-payments are accepted

B. Prepay partial or in full by November 29, 2017

- Interest charged between June 1 and date of payment



“Do Nothing” – Let assessment certify to tax rolls

- **Assessment paid over 15 years with regular tax payment**
 - Will be paid out of mortgage escrow if one is established
 - Otherwise due with annual/bi-annual tax payment to Hennepin County – Assessment is not a separate payment, line item on Hennepin County tax bill
 - First payment includes interest from June 1, 2017 through December 31, 2018 = 19 months
 - Subsequent payments include interest for a 12 month period
 - This is the most common option selected



Example Payment Schedule 1

\$1,300
Assessment
at a 4.0%
Interest

Year	Principal Balance	Annual Principal	Months Interest	Annual Interest	Annual Total Payment
2017	\$1,300.00	\$86.67	19	\$82.33	\$169.00
2018	\$1,213.33	\$86.67	12	\$48.53	\$135.20
2019	\$1,126.66	\$86.67	12	\$45.07	\$131.74
2020	\$1,039.99	\$86.67	12	\$41.60	\$128.27
2021	\$953.32	\$86.67	12	\$38.13	\$124.80
2022	\$866.65	\$86.67	12	\$34.67	\$121.34
2023	\$779.98	\$86.67	12	\$31.20	\$117.87
2024	\$693.31	\$86.67	12	\$27.73	\$114.40
2025	\$606.64	\$86.67	12	\$24.27	\$110.94
2026	\$519.97	\$86.67	12	\$20.80	\$107.47
2027	\$433.30	\$86.67	12	\$17.33	\$104.00
2028	\$346.63	\$86.67	12	\$13.87	\$100.54
2029	\$259.96	\$86.67	12	\$10.40	\$97.07
2030	\$173.29	\$86.67	12	\$6.93	\$93.60
2031	\$86.62	\$86.67	12	\$3.46	\$90.13
		Principal		Interest	Total
	Totals	\$1,300.05		\$446.32	\$1,746.37



Example Payment Schedule 2

\$2,500
Assessment
at a 4.0%
Interest

Year	Principal Balance	Annual Principal	Months Interest	Annual Interest	Annual Total Payment
2017	\$2,500.00	\$166.67	19	\$158.33	\$325.00
2018	\$2,333.33	\$166.67	12	\$93.33	\$260.00
2019	\$2,166.66	\$166.67	12	\$86.67	\$253.34
2020	\$1,999.99	\$166.67	12	\$80.00	\$246.67
2021	\$1,833.32	\$166.67	12	\$73.33	\$240.00
2022	\$1,666.65	\$166.67	12	\$66.67	\$233.34
2023	\$1,499.98	\$166.67	12	\$60.00	\$226.67
2024	\$1,333.31	\$166.67	12	\$53.33	\$220.00
2025	\$1,166.64	\$166.67	12	\$46.67	\$213.34
2026	\$999.97	\$166.67	12	\$40.00	\$206.67
2027	\$833.30	\$166.67	12	\$33.33	\$200.00
2028	\$666.63	\$166.67	12	\$26.67	\$193.34
2029	\$499.96	\$166.67	12	\$20.00	\$186.67
2030	\$333.29	\$166.67	12	\$13.33	\$180.00
2031	\$166.62	\$166.67	12	\$6.66	\$173.33
		Principal		Interest	Total
	Totals	\$2,500.05		\$858.32	\$3,358.37



Example Payment Schedule 3

\$6,700
Assessment
at a 4.0%
Interest

	Principal	Annual	Months	Annual	Annual
Year	Balance	Principal	Interest	Interest	Total Payment
2017	\$6,700.00	\$446.67	19	\$424.33	\$871.00
2018	\$6,253.33	\$446.67	12	\$250.13	\$696.80
2019	\$5,806.66	\$446.67	12	\$232.27	\$678.94
2020	\$5,359.99	\$446.67	12	\$214.40	\$661.07
2021	\$4,913.32	\$446.67	12	\$196.53	\$643.20
2022	\$4,466.65	\$446.67	12	\$178.67	\$625.34
2023	\$4,019.98	\$446.67	12	\$160.80	\$607.47
2024	\$3,573.31	\$446.67	12	\$142.93	\$589.60
2025	\$3,126.64	\$446.67	12	\$125.07	\$571.74
2026	\$2,679.97	\$446.67	12	\$107.20	\$553.87
2027	\$2,233.30	\$446.67	12	\$89.33	\$536.00
2028	\$1,786.63	\$446.67	12	\$71.47	\$518.14
2029	\$1,339.96	\$446.67	12	\$53.60	\$500.27
2030	\$893.29	\$446.67	12	\$35.73	\$482.40
2031	\$446.62	\$446.67	12	\$17.86	\$464.53
		Principal		Interest	Total
	Totals	\$6,700.05		\$2,300.32	\$9,000.37





Deferred Assessments

A. To qualify:

- Homestead property
- Household income limit: \$38,850
- Owner must be one of the following:
 - At least 65 years old,
 - Active military service, or
 - Retired by virtue of a permanent & total disability

B. Process – Mary Lein, 952-548-6310

- Submit application & supporting docs **by Sept. 30th**
- Renew annually with City by Sept. 30th, must meet criteria at time of renewal each year



Deferred Assessments



C. Interest during deferral

- Interest is accrued during deferment period

D. Deferment ends, assessment amount due when (per MN Statute):

- Death of the owner(s)
- Sale, transfer, or subdivision of property
- Loss of homestead status on the property
- Income threshold is exceeded



Summary of Payment Options



- 1. Prepay in full or part without interest until June 30, 2017**
- 2. Prepay in full or part with interest from July 1 until Nov. 29, 2017**
- 3. Do nothing -- Remaining balance put on taxes after Nov. 29**
 - Paid annually over 15 years, interest rate of about 5%
 - Will impact escrow payments included in mortgage
- 4. Deferred Assessments – Pay at a later date**
 - Homestead property, income limit of \$38,850
 - Owner 65 years or more, active military, or disability
 - Typically paid in full at exchange of property



Project Schedule

- January 20th – Opened Bids
 - 8 bids received
 - Overall low bidder was Meyer Contracting
- February 23rd/March 1st – Neighborhood Informational Meeting 2
- March 7th– Public Assessment Hearing, Adopt Final Assessments, Award Bid
- Late March/Early April - Fall 2017: Construction



Construction Phases



STAGING AREA



LIFT STATION PROJECT



Construction Process

- Late March/Early April – Fall 2017 construction
- Contractor sequencing in each block
 - 4 weeks of utility construction
 - 3 weeks of street construction
 - 2 - 3 weeks of boulevard restoration, tree planting, cleanup
- Temporary Water Shutdowns – Temporary system to be installed to maintain service during construction
- Temporary Access Restrictions



Communication During Construction

■ Newsletters (Monthly)

Newsletter No. 1, Page 1

February, 2017



CITY OF HOPKINS
Engineering Department
1010 1st Street South
Hopkins, MN 55343
(952) 935-8474



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BOLTON & MENK, INC.
12224 Nicollet Avenue
Burnsville, MN 55337
(952) 890-0509

CONSTRUCTION NEWSLETTER



Assessments Project Schedule Construction Access & Parking Private Utilities Safety Contact Map & Phasing



SPECIAL ASSESSMENTS

The City has received bids for the project and final assessment amounts have been determined. Property owners will receive a separate letter with the final assessment total.

A neighborhood meeting has been scheduled to discuss final assessments, the construction process, and take questions on anything related to the project. There will be two meetings that will review this content. Information presented will be the same at both meetings scheduled for:

**5:00 PM, Hopkins City Hall
Thursday, February 23rd**
OR
Wednesday, March 1st

Property owners will receive a separate invitation with their proposed final assessments.



PROJECT SCHEDULE

A phased construction schedule is proposed as shown in the map on the last page of this newsletter. The following is an overview of the project schedule. More detailed start dates will be provided as construction nears:

Week of February 13 – Equipment will be moved in and stored to the east of Park Valley Playground (shown on map on the last page) well in advance of construction. The contractor will bring in this heavy equipment prior to spring load restrictions on streets, and store the equipment until construction begins.

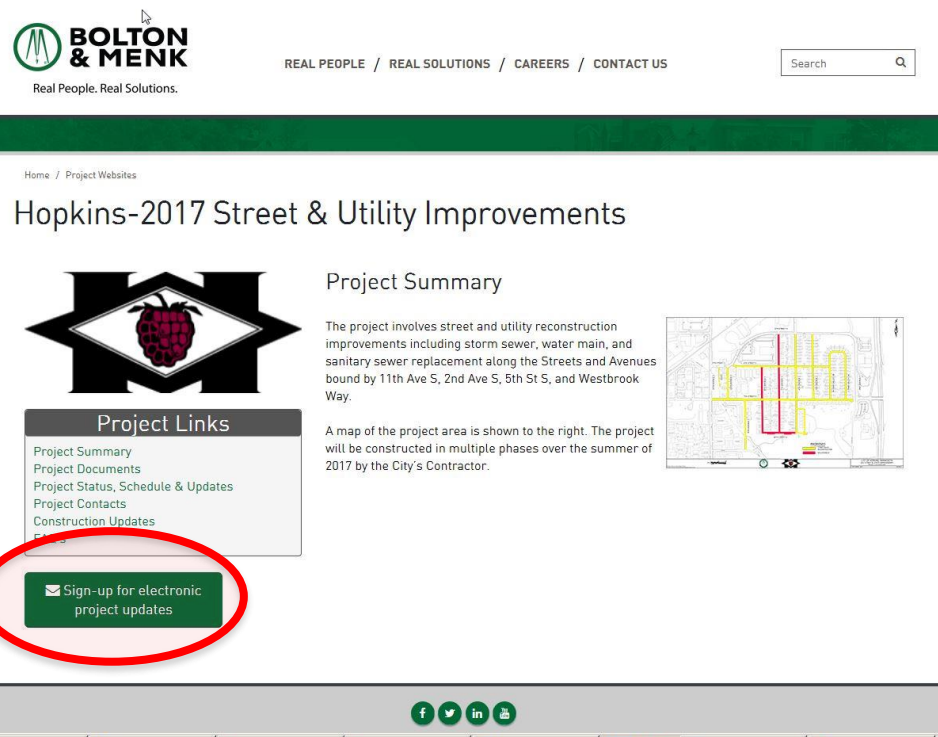
February 23 – Option 1 Neighborhood Meeting at Hopkins City Hall (5:00 PM)
March 1 – Option 2 Neighborhood Meeting at Hopkins City Hall (5:00 PM)
March 7 – Public Hearing on Special Assessments at City Hall, Award Construction Contract (7:00 PM City Council Meeting)
Late March/Early April – Begin Phase 1 Construction (Weather Dependent)
May/June – Phase 1 Streets Paved (1st layer), Begin Phase 2 Construction
July/August – Phase 2 Streets Paved (1st layer), Begin Phase 3 Construction
October – Phase 3 Streets Paved (1st layer), Begin Phase 4 Construction
Late October/Early November – Work Complete, final layer of pavement installation



Communication During Construction

- Newsletters (Monthly)
- Website (Weekly)
 - www.bolton-menk.com/hopkins2017

 Sign-up for electronic project updates




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Hopkins-2017 Street & Utility Improvements



Project Summary


The project involves street and utility reconstruction improvements including storm sewer, water main, and sanitary sewer replacement along the Streets and Avenues bound by 11th Ave S, 2nd Ave S, 5th St S, and Westbrook Way.

A map of the project area is shown to the right. The project will be constructed in multiple phases over the summer of 2017 by the City's Contractor.



Project Links

- Project Summary
- Project Documents
- Project Status, Schedule & Updates
- Project Contacts
- Construction Updates

 Sign-up for electronic project updates

f t in



Communication During Construction

- Newsletters (Monthly)
- Website (Weekly) www.bolton-menk.com/hopkins2017
- Notices (As needed)



CONSTRUCTION UPDATE

September 1, 2016



Northwest Asphalt will pave 21st Ave N and 4th St N on Tuesday, September 6th, weather permitting.

The asphalt will typically be installed at temperatures between 275° F and 350° F. Therefore, please have children stay away from the asphalt until it cools, which will be after it's rolled the same day.

Please do not park on 21st Ave N nor 4th St N on Tuesday, September 6th. During the paving process, access will be maintained only for driveways directly accessing 21st Ave N and 4th St N. If you need to drive over the fresh asphalt, please keep your speed low to avoid spinning your tires and harsh turning motions.

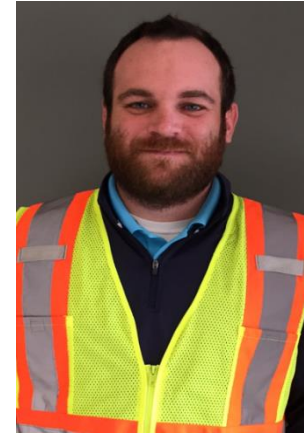
If you have any questions about this update, **please call Chad Booth at 763-614-0801.**

Thank you for your continual patience and cooperation during construction!

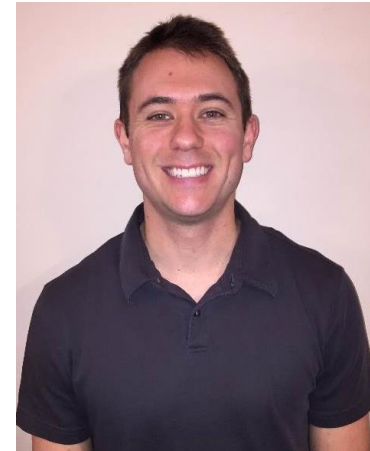


Communication During Construction

- On-Site Contact: Josh Hrabe
 - 612-965-2473
 - joshhr@bolton-menk.com



- Construction Engineer: Nick Amatuuccio, P.E.
 - 612-965-3926
 - nickam@bolton-menk.com



Project Contacts

Nate Stanley, P.E. – Hopkins City Engineer

- nstanley@hopkinsmn.com
- 952-548-6356

Mary Lein – City Assessment Clerk

- mlein@hopkinsmn.com
- 952-548-6310

Mike Waltman, P.E. – Project Manager

- mikewa@bolton-menk.com
- 612-221-6946

