

Neighborhood Meeting #2

2016 Street & Utility Improvements



February 25, 2016





City of Hopkins 2016 Street & Utility Improvements Project





Tonight's Meeting

A. Presentation

1. Background: Pavement Management, CIP
2. Proposed Improvements
3. Special Assessments
 - Calculation, Interest, Payments
 - Deferring Assessments
4. Project Schedule

B. Open House

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

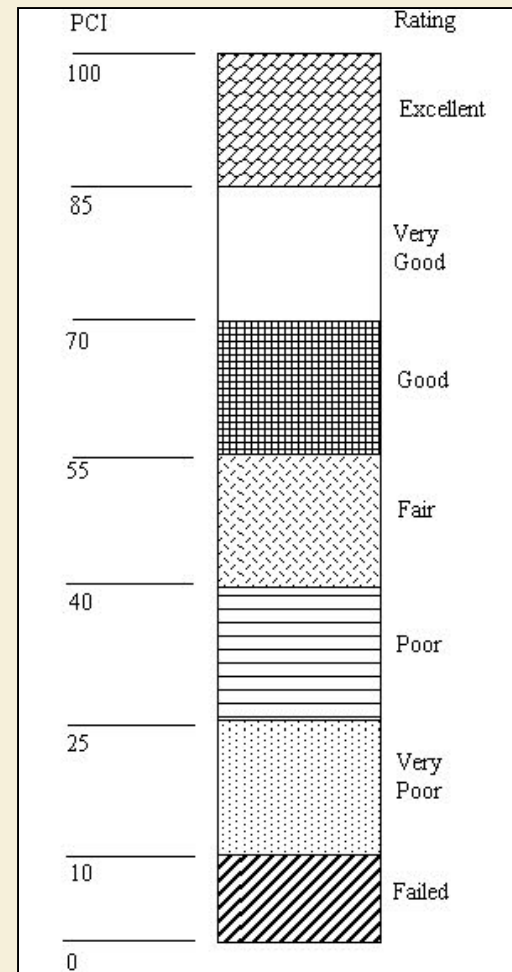
PAVEMENT MANAGEMENT

- What is Pavement Management:
 - Systematic approach to maximizing street improvement dollars
 - 55 miles of streets
 - Utilizes
 - Pavement Condition Assessments
 - Computer software (ICON)



PAVEMENT CONDITIONS

- Regular Inspections
- Ratings Based on:
 - Type of Fault
 - Size of Fault
- Numerical Scale 0 – 100



RATING 95 – 100



AVERAGE STREET: RATING 65 – 70

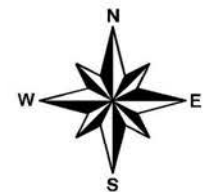


FAILED PAVEMENT: RATING < 30

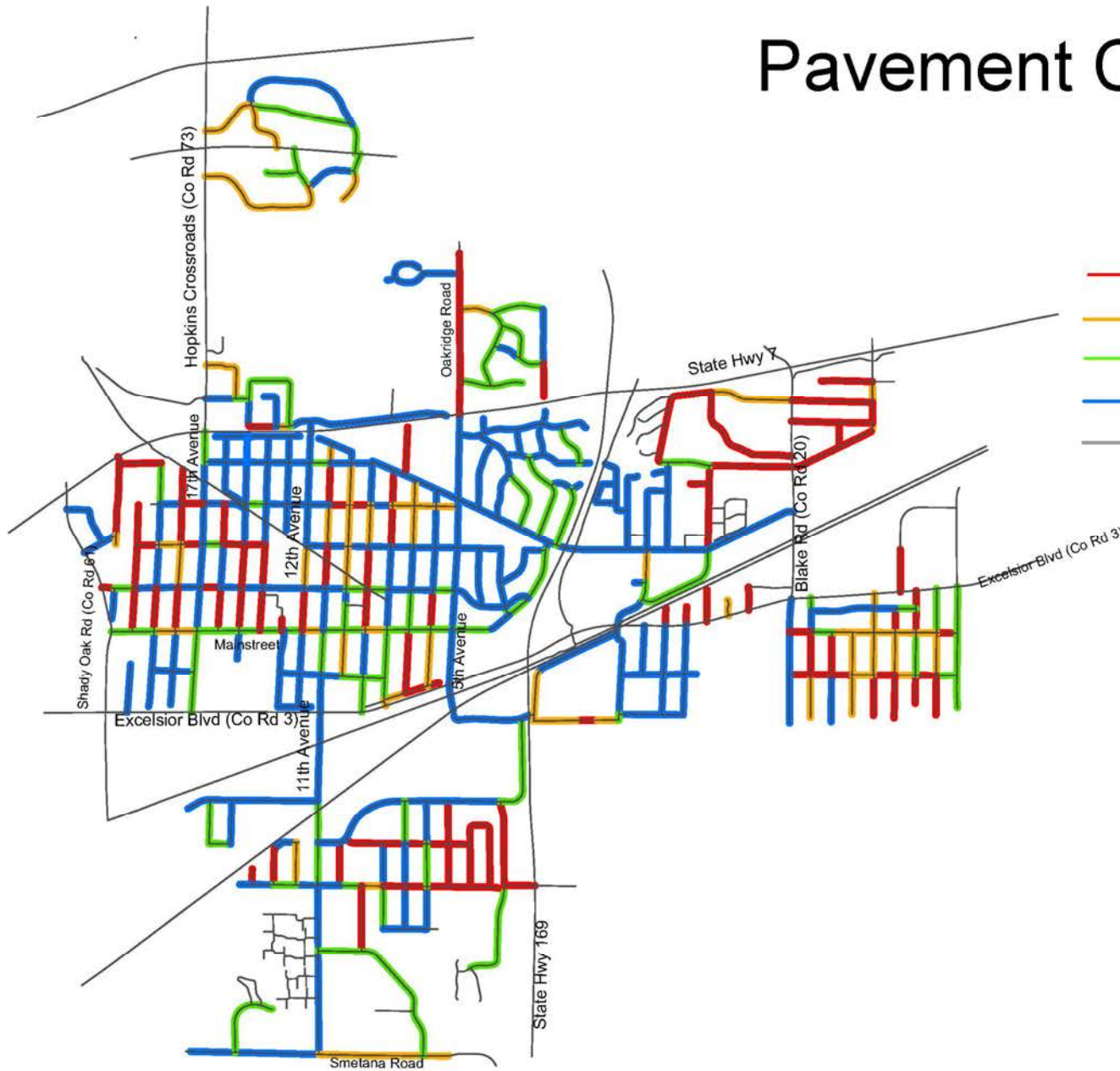


Pavement Condition Map

- Poor (1 - 41)
- Fair (42 - 54)
- Avg. (55 - 70)
- Good (71 - 100)
- State, County, Private & Unrated I



Based on ICON data of 5-7-2015 RVH



CAPITAL IMPROVEMENTS PLANNING

- Maintenance type depends on Condition
 - Good Condition – Seal Coat, Crack Seal
 - Fair Condition – Mill and Overlay
 - Poor Condition – Full Reconstruction
- Group streets by location
- Leverage County and State Projects



Project Development Process

Pavement Management Ratings & Utility Conditions



Capital Improvements Plan (CIP)



Preliminary Design / Feasibility Stage



Final Design



Construction



Questions & Discussion

Pavement Management, CIP, & Project Development



Sanitary & Storm Sewer Improvements

■ Sanitary Sewer Improvements

- 8" clay main replaced with new 8" PVC main
- 4" to 6" services replaced with 6" PVC to property line

■ Storm Sewer Improvements

- Replace main on 18th Ave N
- Adding storm sewer mains:
 - 19th Ave, Mainstreet to 1st St N
 - 20th Ave, Mainstreet to 1st St N
 - 18th Ave, 2nd St N to 3rd St N



Water Improvements

- Watermain & service replacement
 - 6" cast iron main replaced with 8" ductile iron
 - ½" to 1" services replaced with 1" copper services from main to property line



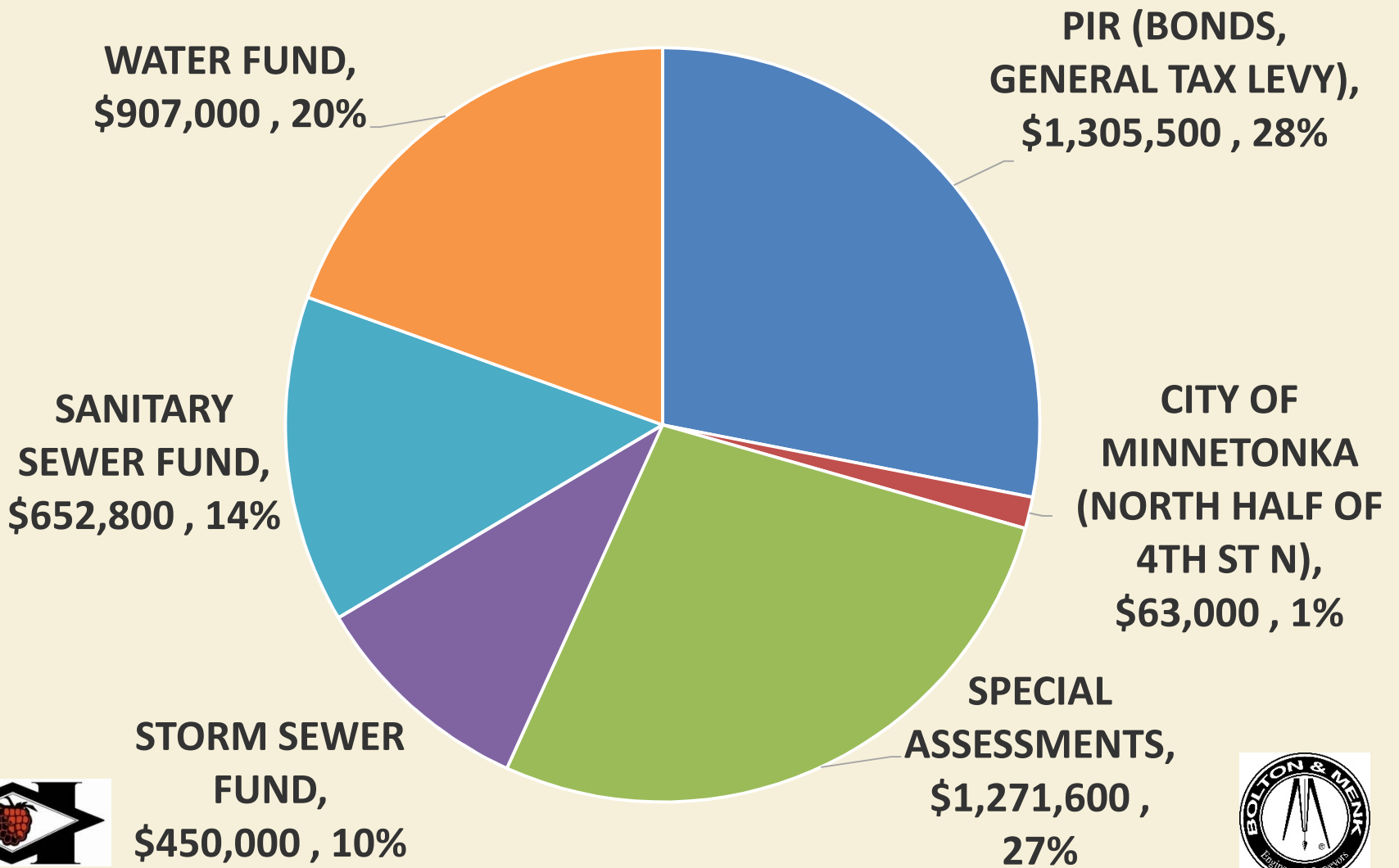
Pavement Improvements

- Reconstructing all roadways in the project area, including:
 - 4" of new bituminous asphalt
 - 8" of recycled gravel layer
 - New curb and gutter
 - Alley paving where gravel today, east of 18th Ave N, north of 3rd St N



Project Funding Sources

Total = \$4,649,900



Distribution of Assessment Amounts

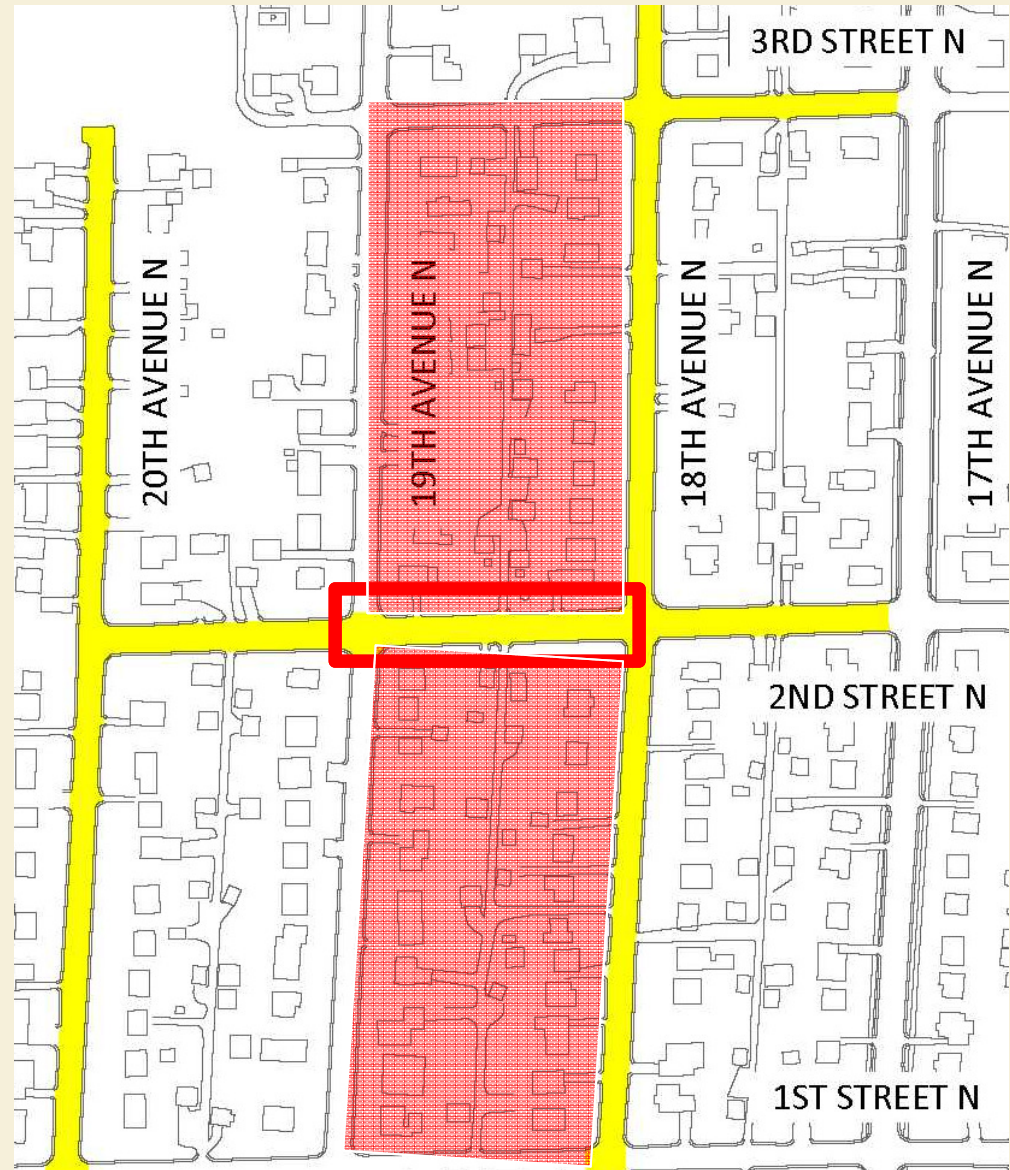
- **Avenues**

- 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
- 2016 Front Foot Street Assessment Rate Cap
 - **Cap of \$83.79 / 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)
 - \$83.79 / front foot, or
 - Unit rate for east-west streets
 2. Water Service Assessment (50% of cost)
 - \$1,207.80 as bid, 50% = \$603.90
 3. Sewer Service Assessment (50% of cost)
 - \$1,065.00 as bid, 50% = \$532.50
- No assessment for sewer/water < 10 years old

Example 1: 30 18th Ave N

- 18th Ave frontage, no side streets
(no work on 1st or Mainstreet)
- Street Assessment per cap
@ \$83.79 / Foot, 60.00' frontage
 - $\$83.79 \times 60.00' = \mathbf{\$5,027.40}$
- Water Service Replacement? -- Yes
 - **\$603.90**
- Sewer Service Replacement? -- Yes
 - **\$532.50**
- Total = $\$5,027.40 + \$603.90 + \$532.50$
= \$6,163.80



Example 2: 217 18th Ave N

- 18th Ave frontage, 3rd St N, 2nd St N
- Street Assessment per cap
@ \$83.79 / Foot, 60.00' frontage
 - $\$83.79 \times 60.00' = \mathbf{\$5,027.40}$
- No Assessment for side street work, already at cap
- Water Service Replacement? -- Yes
 - **\$603.90**
- Sewer Service Replacement? -- Yes
 - **\$532.50**
- Total = $\$5,027.40 + \$603.90 + \$532.50$

= \$6,163.80



Example 3: 121 19th Ave N



- No work on 19th Ave N, but work on 2nd St N is proposed
- 2nd St Unit Street Assessment

$$\frac{\$242,810.65 \text{ 2nd St N Cost}}{129 \text{ Properties north/south}} = \$1,317.58$$

- Utility Assessments

➤ None

- **Total Assessment**

➤ **\$1,317.58**



Example 4: 220 17th Ave N

- 2nd St N and 3rd St N improvements proposed

- 2nd St Unit Street Assessment

$$\frac{\$242,810.65 \text{ 2nd St N Cost}}{129 \text{ Properties north/south}} = \$1,317.58$$

- 3rd St Unit Street Assessment

$$\frac{\$72,315.05 \text{ 3rd St N Cost}}{33 \text{ Properties north/south}} = \$1,533.89$$

- No Utility Assessments

$$\text{Total} = \$1,317.58 + 1,533.89 = \$2,851.47$$



Paying Assessments: Options



1. Payment in full or in part, interest free, until **June 30, 2016**
2. Payment in full or in part, with interest, **between July 1 and Nov. 29, 2016**
3. “Do Nothing” - Pay with annual tax payment –
Certify to County Property Tax on **Nov. 30, 2016**
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, 2016

- 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, 2016

- 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, 2016 through December 31, 2017 = 19 months
 - Subsequent payments include interest for a 12 month period
 - This is the most common option selected

Example Payment Schedule 1

**\$1,500
Assessment
at a 5.0%
Interest**

Year	Principal Balance	Annual Principal	Months Interest	Annual Interest	Annual Total Payment
2017	\$1,500.00	\$100.00	19	\$118.75	\$218.75
2018	\$1,400.00	\$100.00	12	\$70.00	\$170.00
2019	\$1,300.00	\$100.00	12	\$65.00	\$165.00
2020	\$1,200.00	\$100.00	12	\$60.00	\$160.00
2021	\$1,100.00	\$100.00	12	\$55.00	\$155.00
2022	\$1,000.00	\$100.00	12	\$50.00	\$150.00
2023	\$900.00	\$100.00	12	\$45.00	\$145.00
2024	\$800.00	\$100.00	12	\$40.00	\$140.00
2025	\$700.00	\$100.00	12	\$35.00	\$135.00
2026	\$600.00	\$100.00	12	\$30.00	\$130.00
2027	\$500.00	\$100.00	12	\$25.00	\$125.00
2028	\$400.00	\$100.00	12	\$20.00	\$120.00
2029	\$300.00	\$100.00	12	\$15.00	\$115.00
2030	\$200.00	\$100.00	12	\$10.00	\$110.00
2031	\$100.00	\$100.00	12	\$5.00	\$105.00
		Principal		Interest	Total
	Totals	\$1,500.00		\$643.75	\$2,143.75

Example Payment Schedule 2

**\$5,000
Assessment
at a 5.0%
Interest**

Year	Principal Balance	Annual Principal	Months Interest	Annual Interest	Annual Total Payment
2017	\$5,000.00	\$333.33	19	\$395.83	\$729.16
2018	\$4,666.67	\$333.33	12	\$233.33	\$566.66
2019	\$4,333.34	\$333.33	12	\$216.67	\$550.00
2020	\$4,000.01	\$333.33	12	\$200.00	\$533.33
2021	\$3,666.68	\$333.33	12	\$183.33	\$516.66
2022	\$3,333.35	\$333.33	12	\$166.67	\$500.00
2023	\$3,000.02	\$333.33	12	\$150.00	\$483.33
2024	\$2,666.69	\$333.33	12	\$133.33	\$466.66
2025	\$2,333.36	\$333.33	12	\$116.67	\$450.00
2026	\$2,000.03	\$333.33	12	\$100.00	\$433.33
2027	\$1,666.70	\$333.33	12	\$83.34	\$416.67
2028	\$1,333.37	\$333.33	12	\$66.67	\$400.00
2029	\$1,000.04	\$333.33	12	\$50.00	\$383.33
2030	\$666.71	\$333.33	12	\$33.34	\$366.67
2031	\$333.38	\$333.33	12	\$16.67	\$350.00
		Principal		Interest	Total
	Totals	\$4,999.95		\$2,145.85	\$7,145.80

Example Payment Schedule 3

\$7,500
Assessment
at a 5.0%
Interest

Year	Principal Balance	Annual Principal	Months Interest	Annual Interest	Annual Total Payment
2017	\$7,500.00	\$500.00	19	\$593.75	\$1,093.75
2018	\$7,000.00	\$500.00	12	\$350.00	\$850.00
2019	\$6,500.00	\$500.00	12	\$325.00	\$825.00
2020	\$6,000.00	\$500.00	12	\$300.00	\$800.00
2021	\$5,500.00	\$500.00	12	\$275.00	\$775.00
2022	\$5,000.00	\$500.00	12	\$250.00	\$750.00
2023	\$4,500.00	\$500.00	12	\$225.00	\$725.00
2024	\$4,000.00	\$500.00	12	\$200.00	\$700.00
2025	\$3,500.00	\$500.00	12	\$175.00	\$675.00
2026	\$3,000.00	\$500.00	12	\$150.00	\$650.00
2027	\$2,500.00	\$500.00	12	\$125.00	\$625.00
2028	\$2,000.00	\$500.00	12	\$100.00	\$600.00
2029	\$1,500.00	\$500.00	12	\$75.00	\$575.00
2030	\$1,000.00	\$500.00	12	\$50.00	\$550.00
2031	\$500.00	\$500.00	12	\$25.00	\$525.00
		Principal		Interest	Total
	Totals	\$7,500.00		\$3,218.75	\$10,718.75

Deferred Assessments



A. To qualify:

- Homestead property
- Household income limit: \$37,364
- 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 – Robin Robertson, 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, 2016**
- 2. Prepay in full or part with interest from July 1 until Nov. 29, 2016**
- 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 \$37,364
 - Owner 65 years or more, active military, or disability
 - Typically paid in full at exchange of property

Questions & Discussion

Assessment Amounts or Payment





Project Schedule

- January 22nd – Opened Bids
 - 10 bids received
 - Overall low bidder was Northwest Asphalt
- February 25th – Neighborhood Informational Meeting 2
- February 29th – Public Assessment Hearing, Adopt Final Assessments, Award Bid
- Late April - Fall 2016: Construction



Construction Phases

LEGEND

-  PHASE 1,
(SPRING – JULY/AUGUST*)
-  PHASE 2
(JULY/AUGUST* – OCTOBER)



Construction Process

- Late April – Fall 2016 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)



Volume 1, No. 1, Page 1

February, 2016



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

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

CONSTRUCTION NEWSLETTER

Hopkins 2016 Street & Utility Improvements: City Project No. 2015-10

The City of Hopkins has received bids for the 2016 Street and Utility Improvements Project and construction is tentatively scheduled to begin in late April or early May, as soon as weather cooperates. A map of the construction area is included on the last page of this newsletter. This newsletter is intended to continue early coordination of items to be addressed during construction, including

- Overview of Final Assessments, 2nd Neighborhood Meeting: February 25th
- Project Schedule
- The Construction Process
- Construction: What to Expect
- Boulevard Tree & Private Landscaping Impacts
- Water & Sewer Service Replacement



OVERVIEW OF FINAL ASSESSMENTS & 2ND NEIGHBORHOOD MEETING

The City has now received bids for the project and proposed final assessment amounts have been determined. Based on favorable bids, no special assessments are proposed to increase compared to preliminary estimates. Those receiving a new water and sewer service and owners of commercial properties will note a reduced final assessment compared to preliminary figures mailed in October. Property owners will receive a letter shortly with the proposed final assessment amount.

A 2nd neighborhood meeting has been scheduled to discuss final assessments, the construction process, and take questions on anything related to the project. The meeting is scheduled for:

6:00 PM
Thursday February 25th
Hopkins Center for the Arts

PROJECT SCHEDULE

A two phased construction schedule is proposed as shown in the map at the end of this newsletter. The following is an overview of the project schedule and may be updated as construction nears:

February 25 – Neighborhood Meeting at the Hopkins Center for the Arts (6:00 PM)
February 29 – Public Hearing on Special Assessments at City Hall, Award Construction Contract (7:00 PM City Council Meeting)
Late April / Early May – Begin Phase 1 Construction (Weather Dependent)
July / August – Phase 1 Streets Paved (1st layer), Begin Phase 2 Construction
September / October – Phase 2 Streets Paved (1st layer), Turf Restoration & Tree Planting
October / November – Work complete, final layer of pavement installation

Communication During Construction

- Newsletters (Monthly)
- Website (Weekly)
- www.bolton-menk.com/hopkins2016



The screenshot shows the website for Bolton & Menk, Inc., Consulting Engineers & Surveyors. The header is dark green with the company logo and name. Below the header is a navigation bar with links: ABOUT US, SERVICES, NEWS, CLIENT ZONE, CAREERS, and CONTACT US. A search bar is located on the right. The main content area has a dark green banner that reads "2016 FREQUENTLY ASKED QUESTIONS". Below this banner is a large image of the Hopkins 2016 project logo. To the right of the logo is a section titled "Frequently Asked Questions" with two questions and answers. Below the FAQ section is a "Project Links" section with links to Project Summary, Project Documents, Project Status, Schedule & Updates, Project Contacts, Construction Updates, and FAQ's. A red arrow points from the "Sign-up for Electronic Project Updates" button in the top left to a smaller version of the same button on the website, which is circled in red.

BOLTON & MENK, INC.
Consulting Engineers & Surveyors

ABOUT US SERVICES NEWS CLIENT ZONE CAREERS CONTACT US

2016 FREQUENTLY ASKED QUESTIONS

Frequently Asked Questions

Q: How long will it take to complete this project?
The project is scheduled to begin in Mid-April and be substantially completed in October, 2016. Two major phases of construction are proposed. The first phase includes 18th, 19th, and 20th Avenues which are anticipated to be substantially complete by mid-July. Once these streets are paved, the contractor will begin on the 2nd phase involving the remaining roadways in the project area.

Q: What work will be done on the project?

- Replacement of the sanitary sewer system along 18th, 19th, and 20th Avenues as well as 21st Avenue between 2nd St N and the extension of 3rd St N.
- Replacement of the watermain system along 18th Ave N, 19th Ave N, 20th Ave N, and 2nd St N
- Replacement of sewer and water services along 18th, 19th, and 20th Avenues, as well as 21st Avenue between 2nd St N and the extension of 3rd St N. Water services will also be replaced along 21st Avenue between the extension of 3rd St N and 4th St N.
- Storm sewer replacement throughout the project area.
- Street pavement reconstruction throughout the project area.
- Concrete paving of the existing gravel section of alley between the northerly end of 18th Ave N to the east toward 3rd St N.
- Trenchless watermain reconstruction between 20th and 21st Ave N, at 3rd St N, and between 18th and 20th Ave N, under the regional trail (HCRR ROW)

Q: Will streets be closed during the project?
During working hours, some access will be restricted as the street is under

Project Links

[Project Summary](#)
[Project Documents](#)
[Project Status, Schedule & Updates](#)
[Project Contacts](#)
[Construction Updates](#)
[FAQ's](#)

Communication During Construction

- Newsletters (Monthly)
- Website (Weekly) www.bolton-menk.com/hopkins2016
- Notices (As needed)

CONSTRUCTION UPDATE

4/26/13

Ryan Contracting Co. will be connecting the temporary watermain to your outside water spigot on Monday, April 29th, pending pressure test results for the temporary main. The Contractor plans to disconnect your water service from the existing watermain by shutting off the valve in your front yard. There should be no need to access your house unless the valve outside your house does not operate correctly, in which case you will be contacted so that the Contractor can enter your house to turn off the water using the inside valve.



Communication During Construction

- Newsletters (Monthly)
- Website (Weekly) www.bolton-menk.com/hopkins2016
- Notices (As needed)
- Twitter (Daily)
 - @Hopkins_2016



Project Links

[Project Summary](#)

[Project Documents](#)

[Project Status, Schedule & Updates](#)

[Project Contacts](#)

[Construction Updates](#)

[FAQ's](#)

Project Updates

Construction of the project is tentatively scheduled to begin in late April or early May, as soon as weather cooperates. Once construction begins, this page will be updated typically on a weekly basis with information on what has happened during the current week and the contractor's schedule for the upcoming week. Sign up for electronic updates on the left side of the page to get email notifications when this page is updated!



Communication During Construction

- Newsletters (Monthly)
- Website (Weekly) www.bolton-menk.com/hopkins2016
- Notices (As needed)
- Twitter (Daily) @Hopkins_2016
- On-Site Contact: Nick Amatuuccio, 612-965-3926



Project Contacts

Nate Stanley, P.E. – Hopkins City Engineer

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

Robin Robertson – City Assessment Clerk

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

Mike Waltman, P.E. – Project Manager

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

