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Improvement Hearing 2021 Street & Utility Improvements



January 19, 2021

Infrastructure Planning



Infrastructure Management Plan
City of Hayfield, MN
November 2020

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Capital Improvement Plan

- Sets Project Timing & Budgets based on City Financial Goals
- 2021 Project identified
- Future Projects (2024, '27...etc.)

Infrastructure Management Plan

- City-Wide Evaluation
 - Streets
 - Utilities
- Evaluate, Prioritize, and Maximize Value

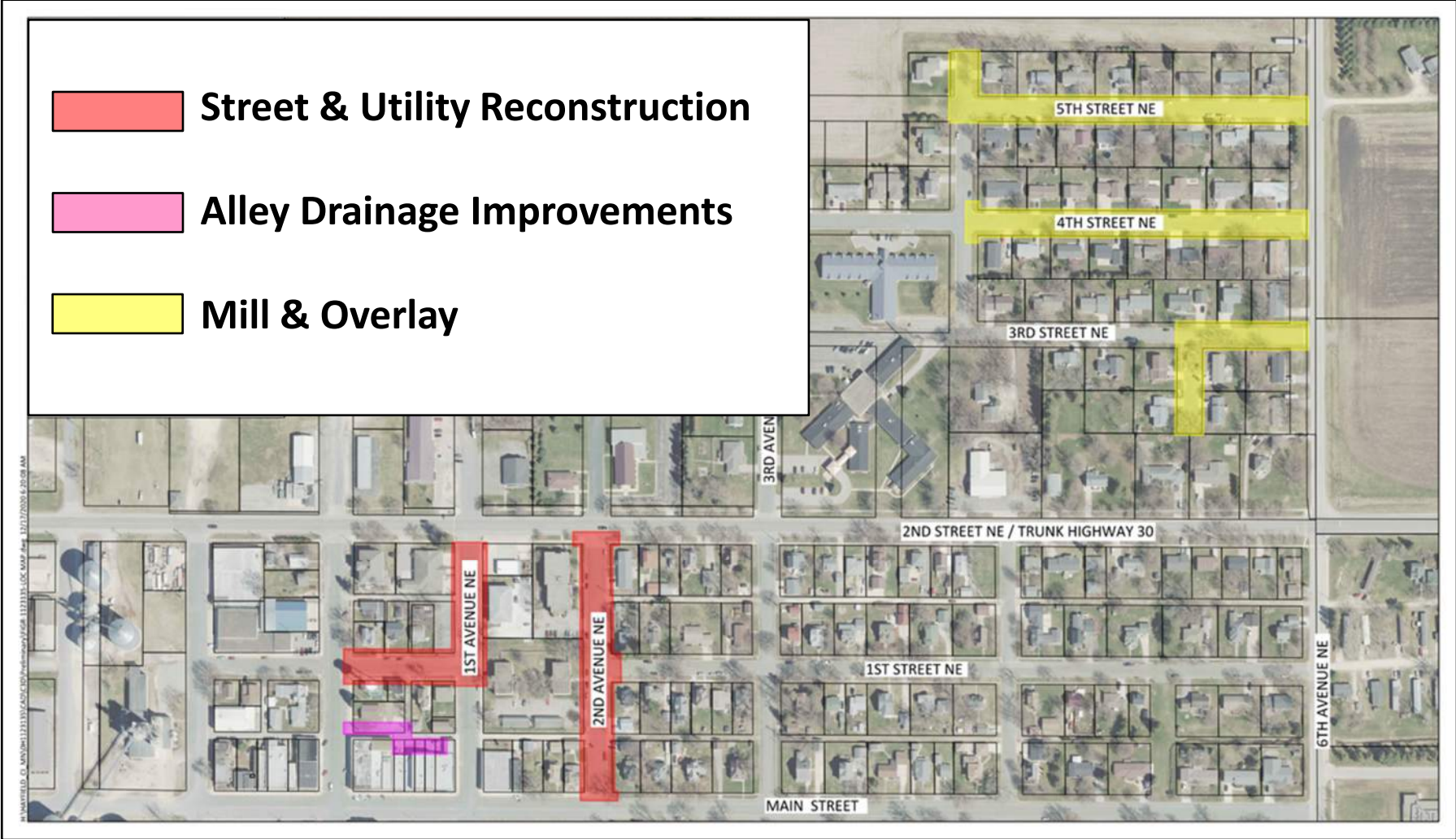


Improvement Hearing

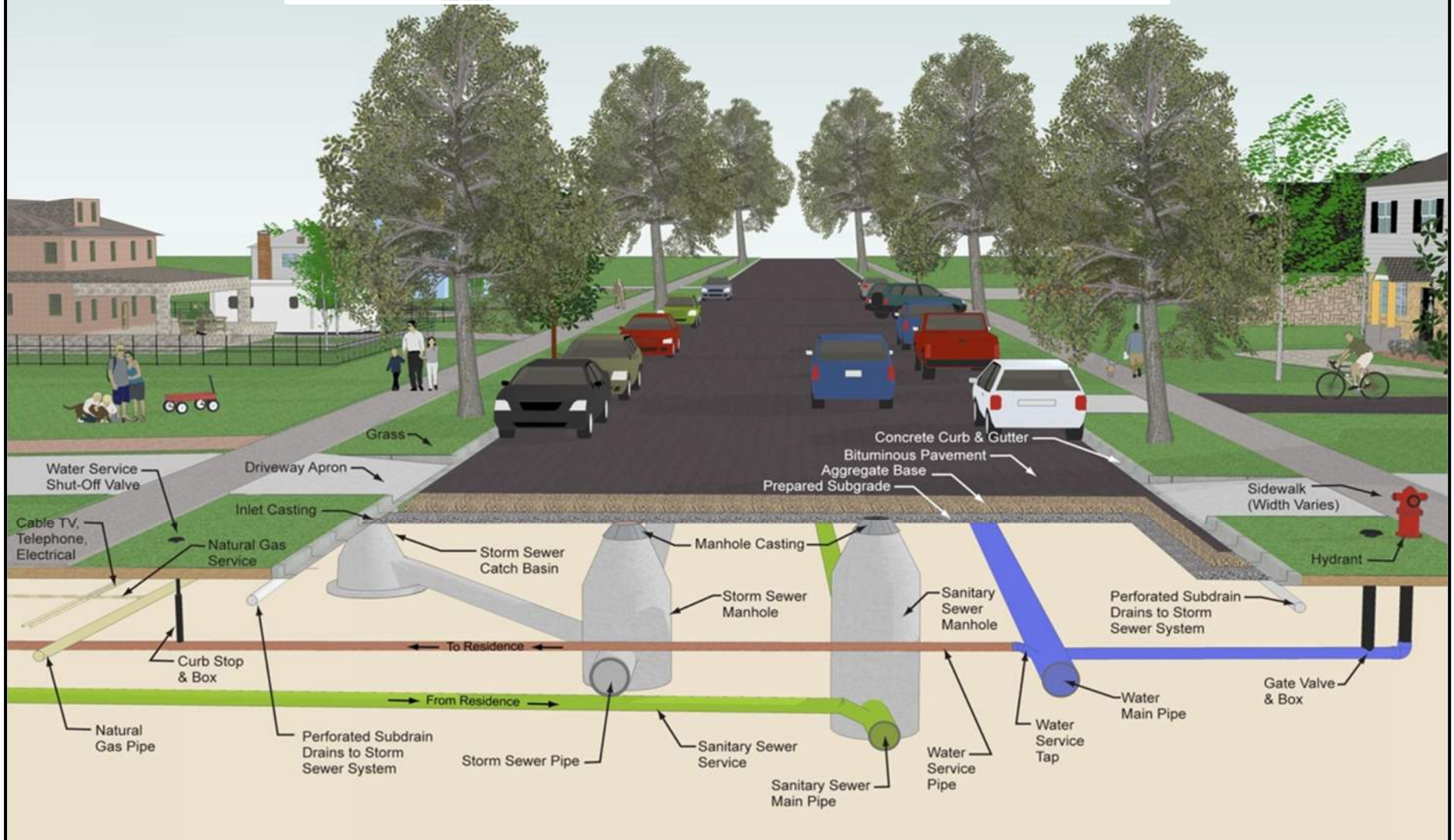
- Feasibility Report Recap
 - Project Area
 - Existing Conditions
 - Proposed Improvements
 - Cost Estimate & Financing
- Assessments
- Schedule & Next Steps
- Public Comment



Project Area



Typical Street Cross Section



Existing Conditions: Reconstruction Area

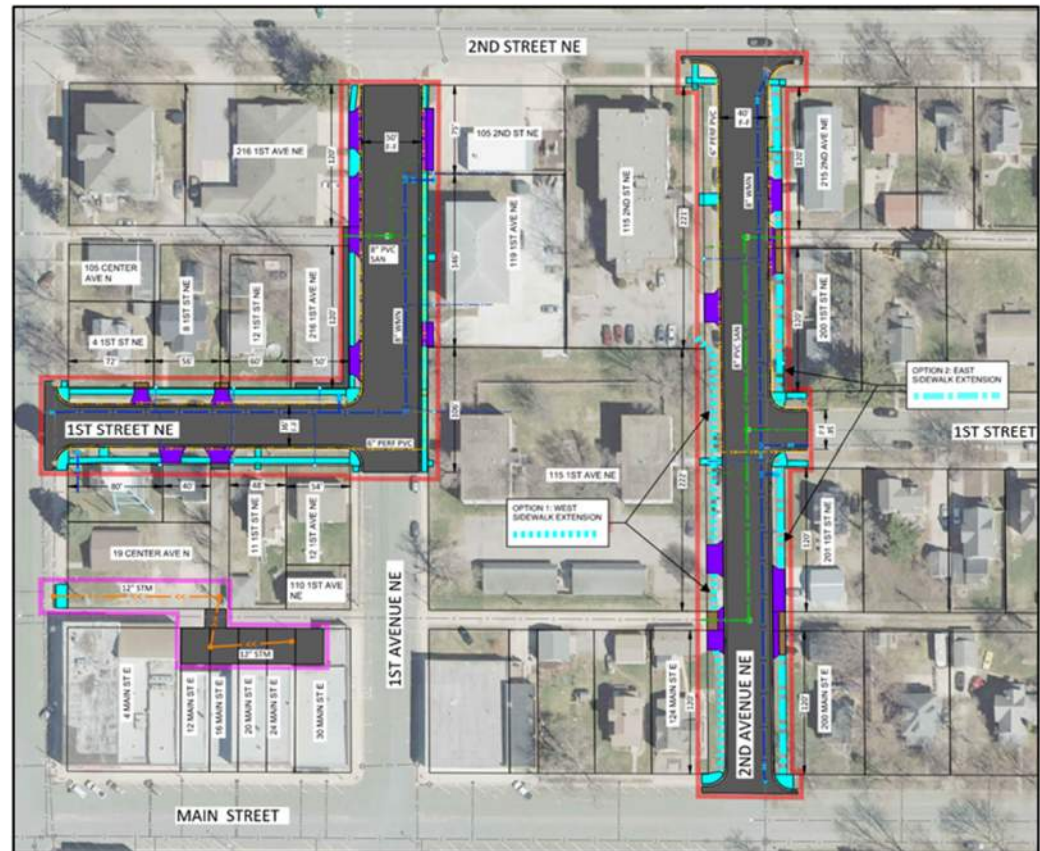


Proposed Conditions: Reconstruction Area

- Replace roadway, curb & gutter, driveways, and sidewalks

	Existing	Proposed
1st Street	40'	36'
1st Avenue	50'	50'
2nd Avenue	48' - 42'	40'

- 66' Right-of-Way
- 2nd Ave NE Sidewalk Extensions (Alternates)



Proposed Conditions: Reconstruction Area

Water & Sanitary Sewer

- Remove and Replace Mains
- Services to Property Line



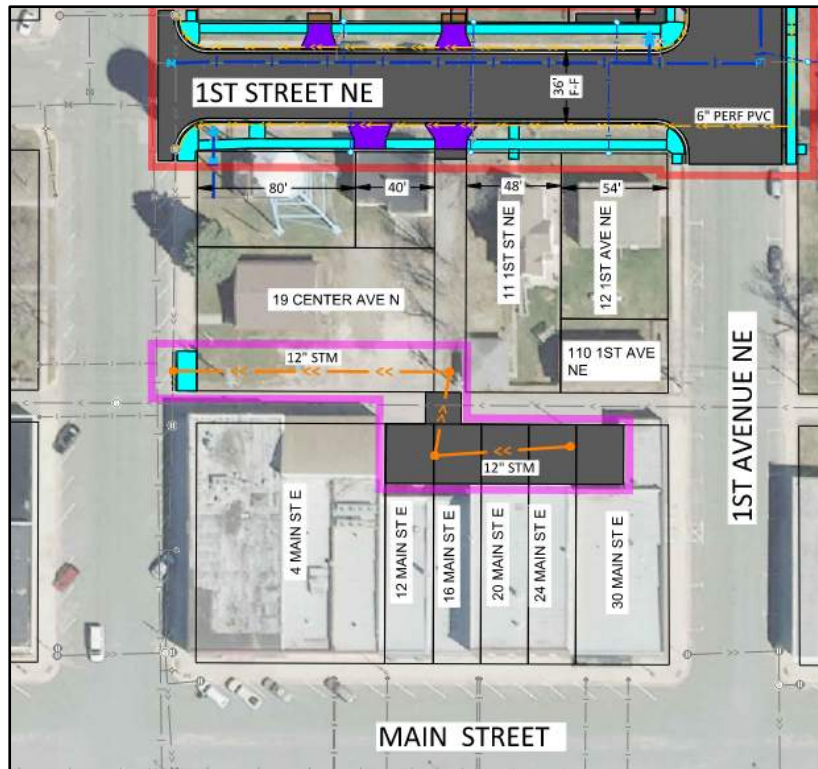
Existing Conditions: Alley



Exhibit 3 – Street Condition, Alley (Block 10)



Proposed Conditions: Alley



- Connect to Existing Storm Sewer
 - Center Ave
- Install Storm Sewer pipe with Inlets
- Regrade and pave parking area to promote drainage



Existing Conditions: Mill & Overlay

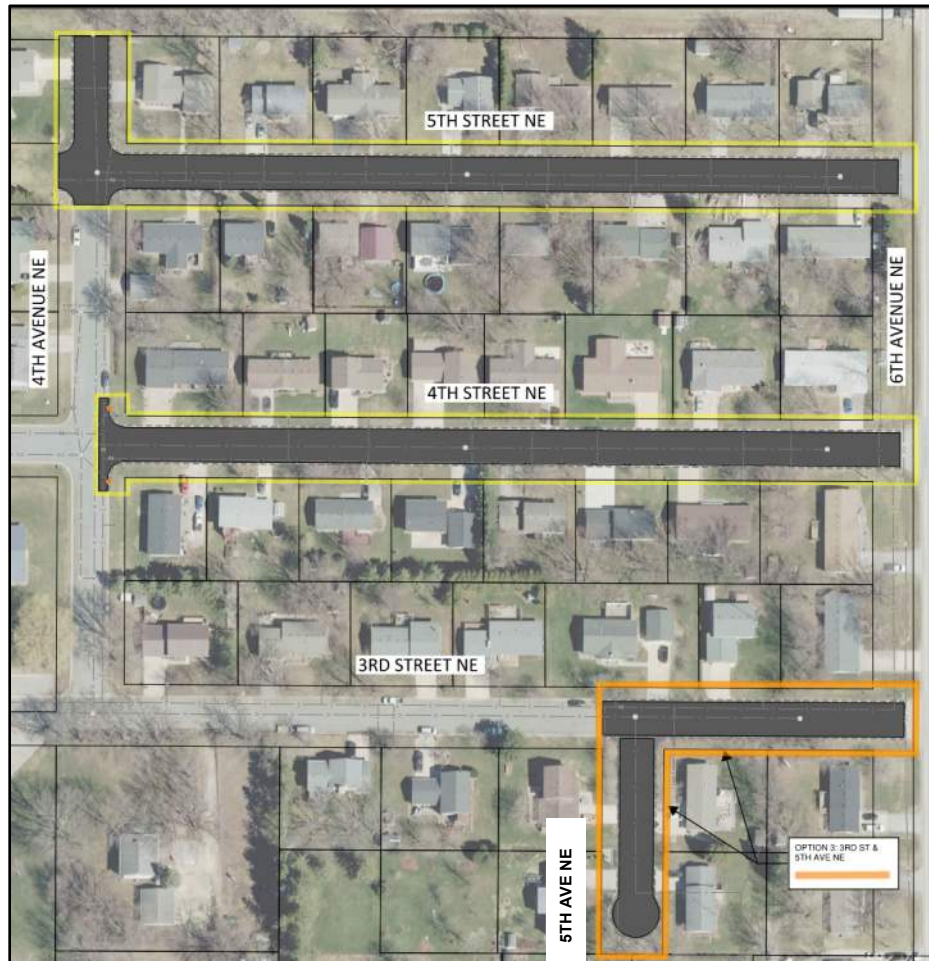


Exhibit 4 – Street Condition, 5th Street NE

- 4th & 5th Street NE
- Option 3: 3rd Street & 5th Avenue NE
- Pavement Rating:
 - Fair Condition
 - Some heavy traveled areas in poor cond'n
- Curb & Gutter:
 - Localized settlement



Proposed Conditions: Mill & Overlay



- 4th & 5th Street NE
- Option 3: 3rd Street & 5th Avenue NE
- 2" Mill & Overlay
- Some full-depth pavement repair, curb and storm sewer inlet repairs



Cost Estimate

Table 4 – Preliminary Cost Estimate			
Project Component	Estimated Construction Cost	Estimated Engineering, Administration, and Financing Cost	Total Estimated Project Cost
Street & Utility Reconstruction: 1 st Street NE, 1 st Avenue NE and 2 nd Avenue NE	\$ 943,656	\$ 236,000	\$ 1,179,656
Alley Drainage Improvements: Block 10	\$ 50,060	\$ 12,600	\$ 62,660
Mill & Overlay (Base): 4 th & 5 th Street NE and 4 th Avenue NE	\$ 202,820	\$ 50,800	\$ 253,620
Total without Options:	\$ 1,196,536	\$ 299,400	\$ 1,495,936
Option 1: Add Sidewalk to West Side of 2 nd Ave NE	\$ 16,660	\$ 4,200	\$ 20,680
Option 2: Add Sidewalk to East Side of 2 nd Ave NE	\$ 28,610	\$ 7,200	\$ 35,810
Option 3: Mill & Overlay 3 rd St NE & 5 th Ave NE	\$ 54,525	\$ 13,700	\$ 68,225
Total Including Options 1-3	\$ 1,296,331	\$ 324,500	\$ 1,620,831



Financing

- Project funded through bond sale, repaid through
 - Utility/Enterprise Funds
 - Tax Levy
 - Other Cash Reserves (possibly for sidewalk)
 - Special Assessments (Reconstruction Only, Not Overlay)



Special Assessments

- Reconstruction & Alley Drainage Improvements Only
- Mill & Overlay Not Assessed
- Following Chapter 429 of the Minnesota State Statutes
- Assessment Policy (Discussed Tonight)
 - 20% of Reconstruction Costs
 - Sidewalk & Street
 - “Frontage” Basis – 50% deduction for side/rear
 - Sanitary Sewer, Water & Alley Drainage Improvements
 - “Per Lot” Basis



Special Assessments

Table 5 – Proposed Assessment Summary (Revised 12/21/20)

Project Component	Estimated Project Cost	Assessable Rate	Total Assessable Cost	Assessable Cost Per Lot (2)	Assessable Cost Per Foot (3)
Street & Site (1)(4)	\$ 796,861.91	20%	\$ 159,372.38	N/A	\$ 77.02
Sidewalk	\$ 165,720.10	20%	\$ 33,144.02	N/A	\$ 23.66
San Sewer & Service	\$ 74,171.81	20%	\$ 14,834.36	\$ 2,472.39	N/A
Watermain & 1" Serv.	\$ 130,911.03	20%	\$ 26,182.21	\$ 1,870.16	N/A
Watermain & Oversized Serv.	\$ 68,661.15	20%	\$ 13,732.23	\$ 3,433.06	N/A
Alley Improvements	\$ 62,660.00	20%	\$ 12,532.00	\$ 2,088.67	N/A
Mill & Overlay (Base)	\$ 253,620.00	0%	\$ 0.00	N/A	N/A
Mill & Overlay (Opt 3)	\$ 68,225.00	0%	\$ 0.00	N/A	N/A

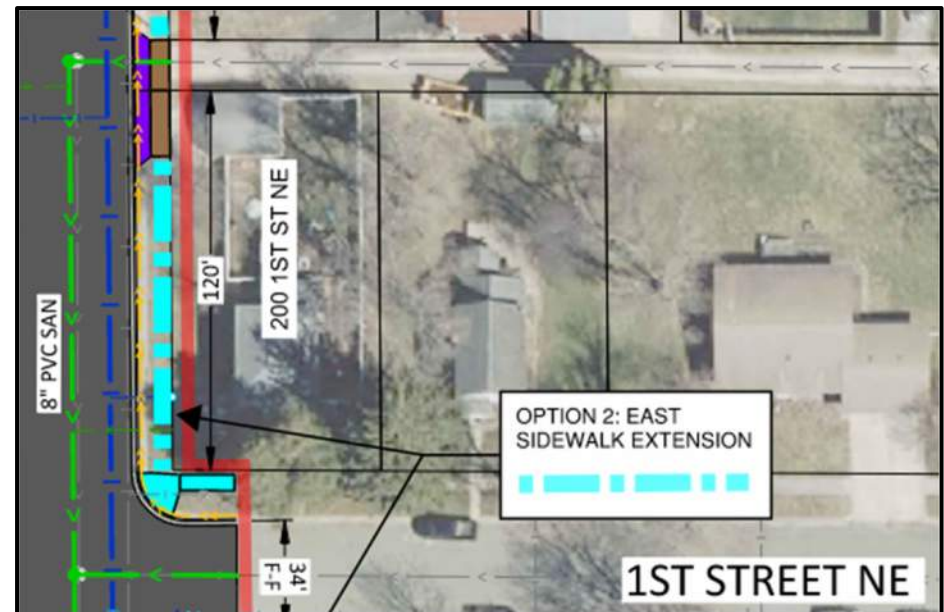
- Notes:
- (1) Minor storm sewer & drainage costs included in street & site totals
 - (2) Includes main and service costs
 - (3) A 50% reduction of assessable frontage will be made to side and rear lot frontage
 - (4) Includes option 1 and 2 sidewalk extensions within 2nd Ave NE

- All assessment rates are estimated
- Not finalized until Assessment Hearing (After Bids received)



Special Assessments – Example Lot

- Frontage: 0'
 - (Based on Address)
- Side Frontage: 120'
 - 50% Deduction
 - Street: \$77.02/LF
 - Sidewalk: \$23.66/LF
 - 60 LF x \$100.68/LF
=\$6,040.80
- Utilities: Main & Service Cost
 - Sanitary: \$2,472.39/Lot
 - Water: \$1,870.16/Lot
- Total: \$10,383.57



Individual Assessments
available after Presentation



Special Assessments – Payment Options

- Final Assessments available at Assessment Hearing (Spring)
- Prepayment (full or partial)
 - Payment within 30 days of assessment hearing (no interest)
 - City may optionally extend this period to November (when certified assessment roll is due to County)
- Remaining balance added to property taxes (2022)
 - Payoff Term = 10 years (likely same as bond term)
 - Interest Rate = Bond Rate + ~1% (usually 3.5%-4.5%)
 - Final Term & Interest determined at Assessment Hearing
- Deferment Options
 - Homestead property owner 65 years or older, retired by virtue of perm/total disability, or those in active military service



Tentative Project Schedule Summary

Table 6 – Project Schedule (Revised 12/21/20)

Council Authorize Feasibility Report	11/19/2020
Prepare Feasibility Report	11/19/2020 – 12/20/2020
Resolution Receiving Report and Calling for Hearing on Improvement	12/21/2020
Published Notice of Hearing on Improvement	1/7/2021
	1/14/2021
Mailed Notice of Hearing on Improvement	1/7/2021
Improvement Hearing	1/19/2021
Resolution Ordering Improvement and Preparation of Plans and Specifications	1/19/2021
Prepare Plans and Specifications	1/20/2021 – 3/29/2021
Resolution Approving Plans and Specifications and Ordering Advertisement for Bids	4/5/2021
Advertise for Bids	4/8/2021
	4/15/2021
	4/22/2021
Open Bids	4/30/2021
Accept Bids & Call for Assessment Hearing	May 2021
Published Notice for Assessment Hearing	
Mailed Notice for Assessment Hearing	
Assessment Hearing	
Resolution Approving Final Assessment Roll, Awarding Contract	
Begin Construction	June 2021
Substantial Completion of Construction	Fall 2021
Final Completion of Construction	Spring 2022



Conclusions

Feasibility Report

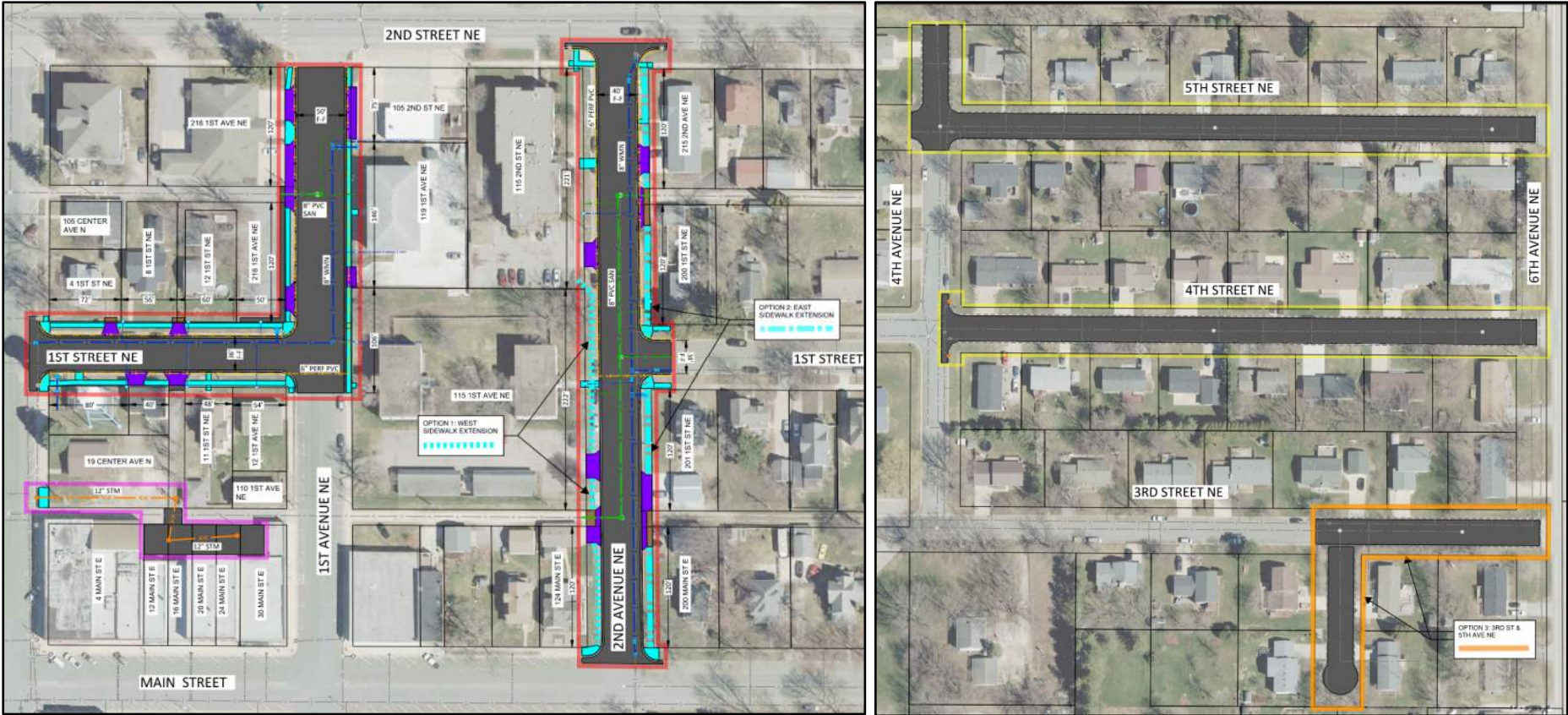
- Proposed improvements are necessary, cost effective, and feasible

Next Steps

- Open to Public Comment
- Council consider Resolution Ordering Improvement and Preparation of Plans



Public Comment



Project Website (Reports, Maps, Newsletters)
<https://clients.bolton-menk.com/hayfield2021/>

