



# Interlachen Park Street & Utility Improvements Project

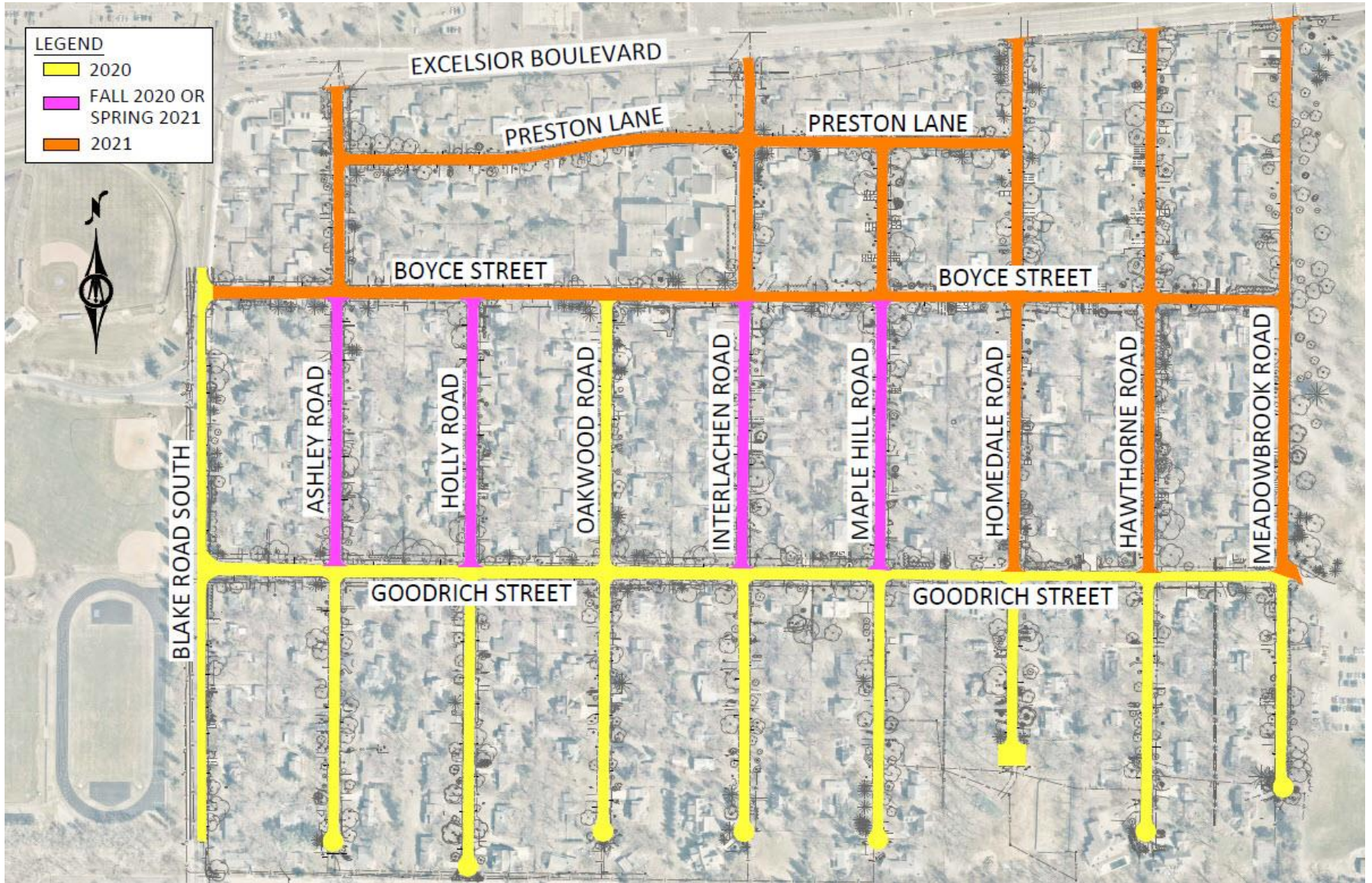
March 12, 2020

Neighborhood Meeting #4



**BOLTON  
& MENK**  
Real People. Real Solutions.

# Interlachen Park Project Area



# Tonight's Open House

- A. Proposed Improvements
- B. Special Assessments
  - Calculation, Interest, Payments
  - Deferring Assessments
- C. Project Schedule
- D. Construction Process
- E. Project Communication During Construction



# Sanitary Sewer Improvements



# Watermain Improvements



# Service Line Replacement

- Water & sewer services to be replaced from City's main (in the street) to the right-of-way property line, about 10'-15' from the edge of road



# Private Plumbing Contacts

## Highview Plumbing

- Residents received letters from Highview recently

## Ouerson Sewer & Water (sewer focused)

- Currently contracted w/ City for trenchless sewer replacement to save trees
- [www.linemysewer.com](http://www.linemysewer.com)
- 612-751-6888

## Coppin Sewer & Water

- 952-955-1588

## Groth Sewer & Water

- 763-478-6712

## Gene's Water & Sewer

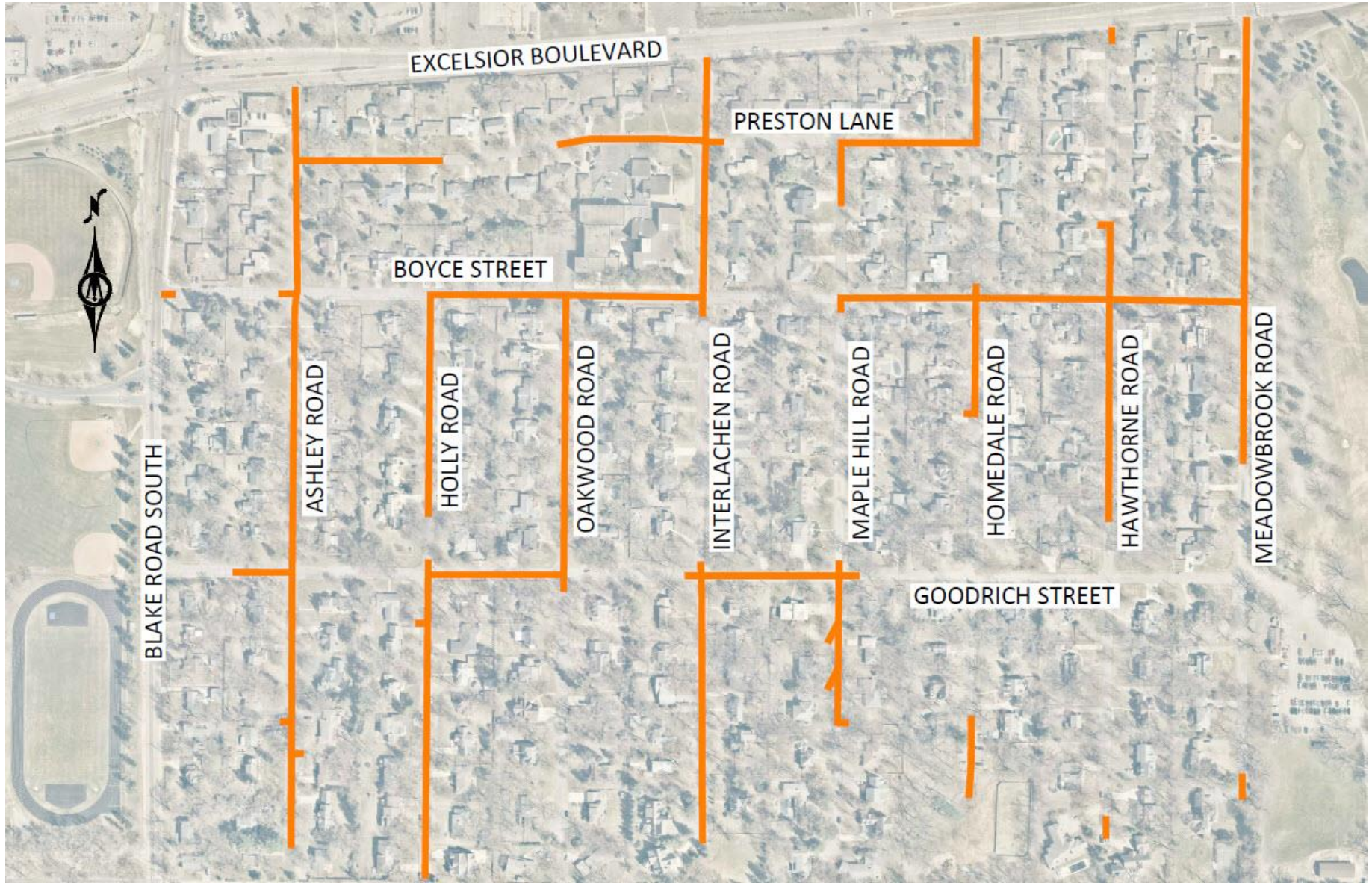
- 612-781-3737

## Cichy's Water & Sewer

- 612-722-2770



# Storm Sewer Improvements





# Street Improvements

## ➤ Street Reconstruction

- 4" Bituminous Asphalt Pavement
- 8" Aggregate Base
- 1' to 2' of Sand or Stabilizing Aggregate where soil corrections are necessary
- B612 Concrete Curb & Gutter

## ➤ Proposed Street Widths

- Consistent widths on each block
- 24' to 30' Curb Face to Curb Face
- Generally matching existing widths



## ➤ 0.5% Minimum Grades for Improved Drainage



# Boulevard Trees

Trees may be removed for one of the following reasons:

- Susceptible to disease or invasive species – Ash trees
- Poor condition – dead, dying, leaning, etc.
- Conflict with utilities (sewer and water lines)
- Conflict with road construction or grading



# Tree Impact Coordination Process

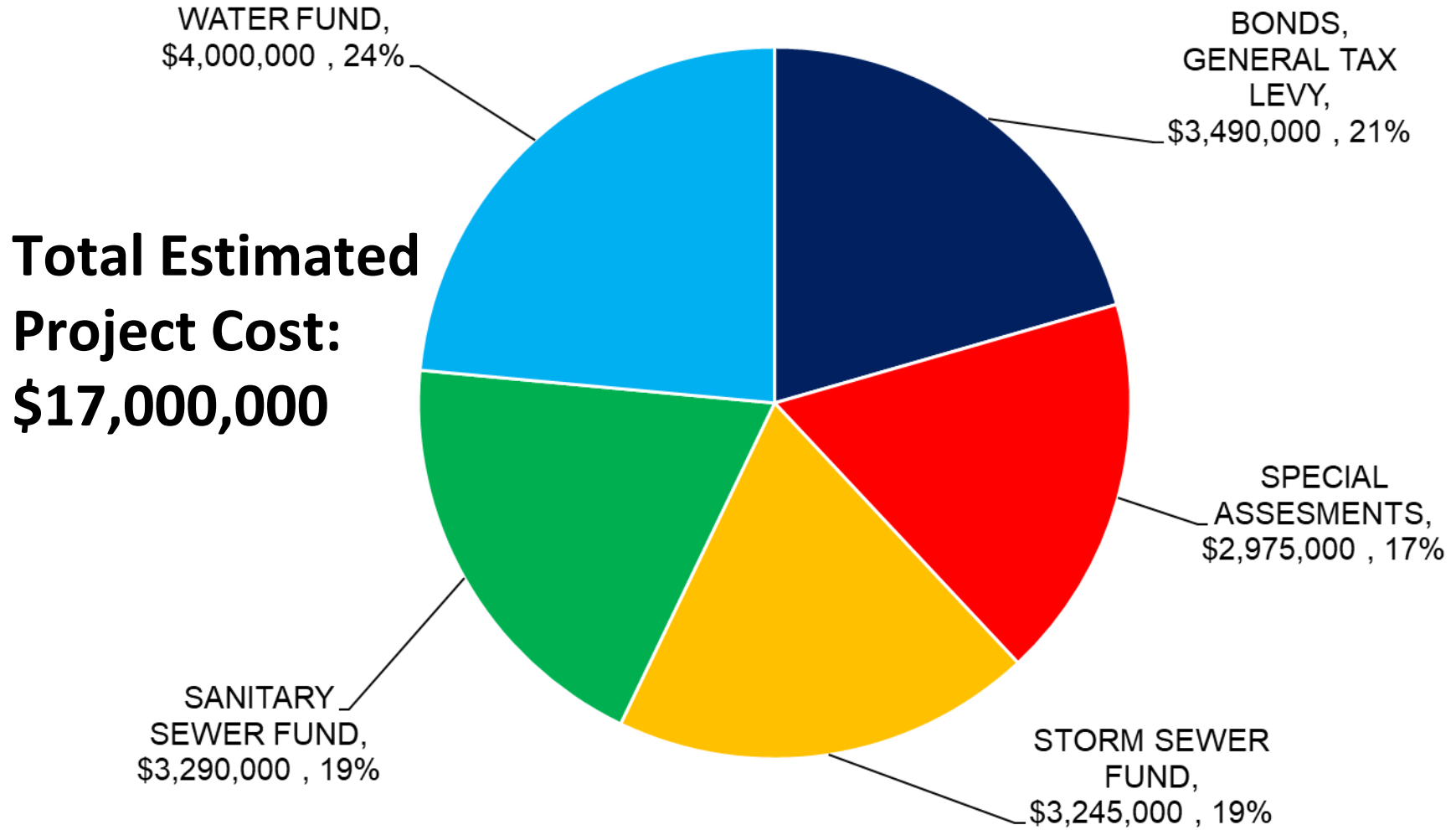
**TREE COORDINATION SUMMARY (AS OF 3/10/20)**

REASON FOR REMOVAL	PRELIMINARY DESIGN PHASE		FINAL DESIGN PHASE				
	TREE REMOVALS AS OF 6/15/19	TREE REMOVALS AS OF 9/1/19	TREE REMOVALS AS OF 11/1/19	RESIDENT COORDINATION LETTERS - ROUNDS 2 & 3	TREE REMOVALS AS OF 1/6/20	RESIDENT COORDINATION LETTERS - ROUNDS 4 & 5	TREE REMOVALS AS OF 3/10/20
HEALTH/CONDITION	36	25	29	44	29		29
UTILITY CONFLICT	69	58	51	87	49	80	36
SPECIES	65	63	64	82	58		58
STREET CONFLICT	29	14	9	12	7		7
<b>TOTAL</b>	<b>199</b>	<b>160</b>	<b>153</b>	<b>225</b>	<b>143</b>	<b>80</b>	<b>130</b>

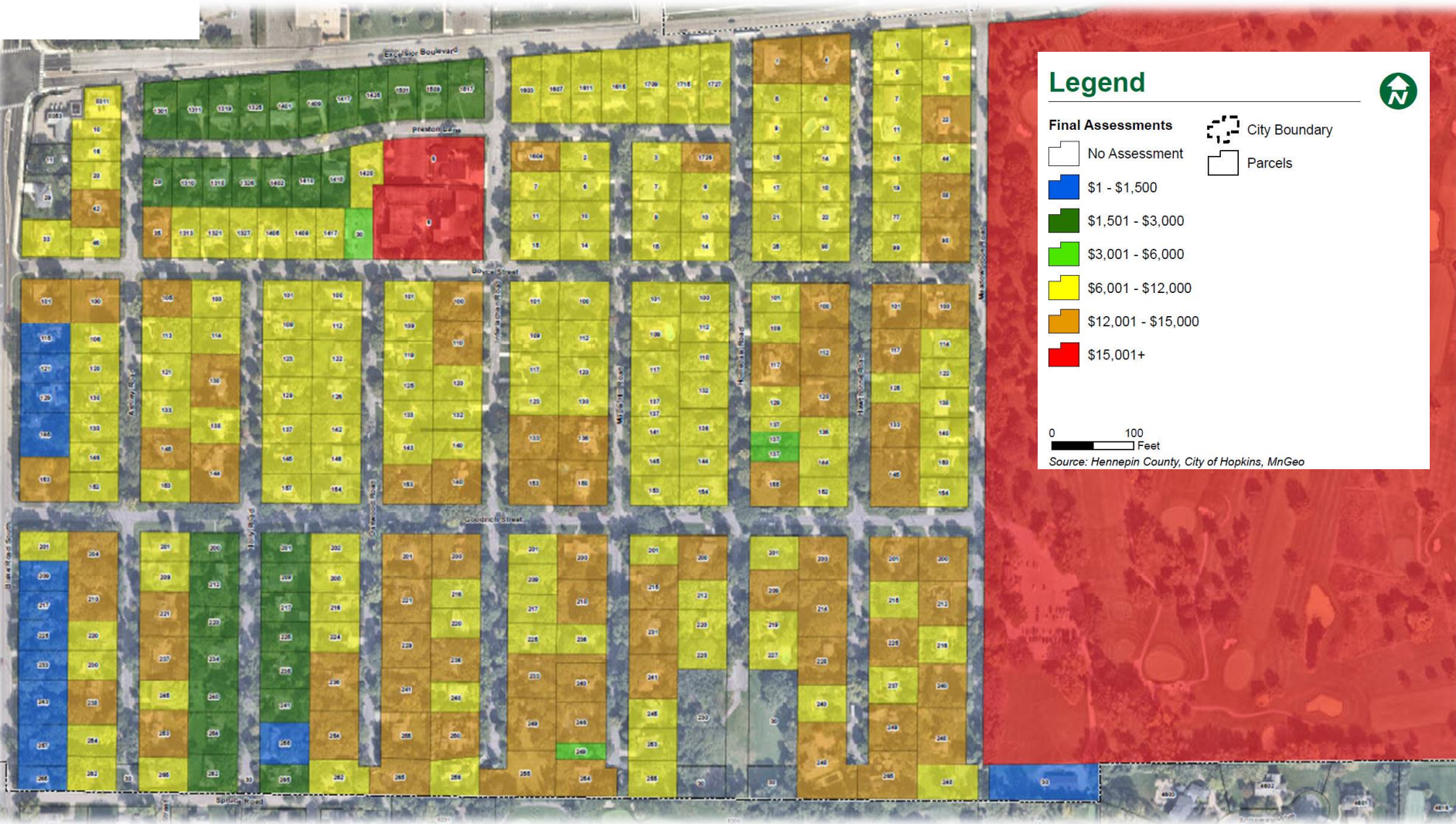
On average, 3.3 boulevard trees per block are identified for removal, down from 5.0 boulevard trees per block identified in June 2019



# Project Budget and Costs



# Distribution of Assessment Amounts



# Special Assessment Calculation

- Streets & Avenues (**Street Assessment**)
  - 70% of the total street improvement cost
  - Front foot or area methods
  - Front foot rate subject to cap
- Utility Mains
  - No assessments
- Utility Services (**Utility Assessment**)
  - 50% of as-bid, actual service costs
- **Total Assessment = Utility Assessment + Street Assessment**



# Assessment Caps

- 2019 Front Foot Rate Cap
  - **\$94.31 / front foot**, 3% annual increase
  - No cap for non-residential single-family properties
    - ❖ Benefit Appraisals
- Front Footage Cap
  - Front footage counted up to **125 feet**
  - No cap for non-residential single-family properties
    - ❖ Benefit Appraisals



# Utility Assessment Rates

- Total assessment amount may have 3 parts:
  1. Street Assessment (front footage rate)
    - \$94.31 / front foot, or
    - Actual Street Cost/front foot or Benefit Appraisal for Non-Residential Single-Family Properties (Lower Amount)
  2. Water Service Assessment (50% of cost) – Single-Family Res.
    - \$2,498.78 as bid, 50% = **\$1,249.39**
  3. Sewer Service Assessment (50% of cost) – Single-Family Res.
    - \$2,379.15 as bid, 50% = **\$1,189.58**
- No assessment for sewer/water < 10 years old
- \$961.03 reduction in most assessments due to lower utility costs





# Example 1: 112 Hawthorne Rd

- Hawthorne Rd frontage
- Street Assessment per cap  
@ \$94.31 / Foot, 130' frontage
  - Front footage cap @ 125'
  - $\$94.31 \times 125' = \mathbf{\$11,788.75}$
- Water Service Replacement? -- Yes
  - **\$1,249.39**
- Sewer Service Replacement? -- Yes
  - **\$1,189.58**
- Total =  $\mathbf{\$11,788.75 + \$1,249.39 + \$1,189.58}$   
**= \$14,227.72**



# Example 2: 256 Interlachen Rd

- Interlachen Rd frontage
  - Flag lot, use area method
  - Area/Depth = 102.0666949' equivalent front footage
- Street Assessment per cap  
@ \$94.31 / Foot, 102.07' equiv. frontage
  - $\$94.31 \times 102.0666949' = \mathbf{\$9,625.91}$
- Water Service Replacement? -- Yes
  - **\$1,249.39**
- Sewer Service Replacement? -- No
- Total =  $\mathbf{\$9,625.91 + \$1,249.39}$   
**= \$10,875.30**



# Example 3: 220 Holly Rd

- Holly Rd frontage
- No Street Assessment
  - Reconstructed in 1998, utility driven
- Water Service Replacement? -- Yes
  - **\$1,249.39**
- Sewer Service Replacement? -- Yes
  - **\$1,189.58**
- Total =  $\$1,249.39 + \$1,189.58$   
**= \$2,438.97**



# Example 4: 121 Blake Rd S

- Blake Rd S frontage
- No Street Assessment
  - Watermain driven
- Water Service Replacement? -- Yes
  - **\$1,249.39**
- Sewer Service Replacement? -- No
- Total = **\$1,249.39**



# Paying Assessments: Options

1. Pre pay without interest until **July 31, 2020**
2. Pre pay with interest accrued until between **August 1** and **November 30, 2020**
3. Remaining balance put on tax roll after **November 30, 2020**,  
Paid over 15 Years
4. Deferred Assessments



# Interest on Assessments

- 15 Year Assessment Period
- Interest rate is set 2% above rate City gets on its project financing
  - Interest rate is anticipated to be known in May
  - 2019 interest rate on assessments was 4.6%
- Interest rate applied annually to remaining principal balance



# Assessment Payment Options

## 1. Prepay partial or in full by July 31, 2020

- 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

## 2. Prepay partial or in full by November 30, 2020

- Interest charged between August 1 and date of payment



# Assessment Payment Options

- 3. “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 August 1, 2020 through December 31, 2021 = 17 months
  - Subsequent payments include interest for a 12 month period
  - This is the most common option selected





# Example Payment Schedule 1

Tax Year	Principal Balance	Annual Principal	Annual Interest	Service Charge	Total Amount*
2020	14,200.00	-	-	-	-
2021	13,253.33	946.67	925.37	2.50	1,874.54
2022	12,306.66	946.67	609.65	2.50	1,558.82
2023	11,359.99	946.67	566.11	2.50	1,515.28
2024	10,413.32	946.67	522.56	2.50	1,471.73
2025	9,466.65	946.67	479.01	2.50	1,428.18
2026	8,519.98	946.67	435.47	2.50	1,384.64
2027	7,573.31	946.67	391.92	2.50	1,341.09
2028	6,626.64	946.67	348.37	2.50	1,297.54
2029	5,679.97	946.67	304.83	2.50	1,254.00
2030	4,733.30	946.67	261.28	2.50	1,210.45
2031	3,786.63	946.67	217.73	2.50	1,166.90
2032	2,839.96	946.67	174.18	2.50	1,123.35
2033	1,893.29	946.67	130.64	2.50	1,079.81
2034	946.62	946.67	87.09	2.50	1,036.26
2035	-	946.62	43.54	2.50	992.66
		<b>Principal</b>	<b>Interest</b>		<b>Total</b>
	<b>Totals</b>	14,200.00	5,497.75		19,735.25

\*Actual amounts may be different due to rounding and interest rates

**\$14,200**  
**Assessment**  
**at a 4.6%**  
**Interest**



# Example Payment Schedule 2

Tax Year	Principal Balance	Annual Principal	Annual Interest	Service Charge	Total Amount*
2020	10,000.00	-	-	-	-
2021	9,333.33	666.67	651.67	2.50	1,320.84
2022	8,666.66	666.67	429.33	2.50	1,098.50
2023	7,999.99	666.67	398.67	2.50	1,067.84
2024	7,333.32	666.67	368.00	2.50	1,037.17
2025	6,666.65	666.67	337.33	2.50	1,006.50
2026	5,999.98	666.67	306.67	2.50	975.84
2027	5,333.31	666.67	276.00	2.50	945.17
2028	4,666.64	666.67	245.33	2.50	914.50
2029	3,999.97	666.67	214.67	2.50	883.84
2030	3,333.30	666.67	184.00	2.50	853.17
2031	2,666.63	666.67	153.33	2.50	822.50
2032	1,999.96	666.67	122.66	2.50	791.83
2033	1,333.29	666.67	92.00	2.50	761.17
2034	666.62	666.67	61.33	2.50	730.50
2035	-	666.62	30.66	2.50	699.78
		<b>Principal</b>	<b>Interest</b>		<b>Total</b>
	<b>Totals</b>	10,000.00	3,871.65		13,909.15

\*Actual amounts may be different due to rounding and interest rates

**\$10,000  
Assessment  
at a 4.6%  
Interest**



# Example Payment Schedule 3

Tax Year	Principal Balance	Annual Principal	Annual Interest	Service Charge	Total Amount*
2020	2,400.00	-	-	-	-
2021	2,240.00	160.00	156.40	2.50	318.90
2022	2,080.00	160.00	103.04	2.50	265.54
2023	1,920.00	160.00	95.68	2.50	258.18
2024	1,760.00	160.00	88.32	2.50	250.82
2025	1,600.00	160.00	80.96	2.50	243.46
2026	1,440.00	160.00	73.60	2.50	236.10
2027	1,280.00	160.00	66.24	2.50	228.74
2028	1,120.00	160.00	58.88	2.50	221.38
2029	960.00	160.00	51.52	2.50	214.02
2030	800.00	160.00	44.16	2.50	206.66
2031	640.00	160.00	36.80	2.50	199.30
2032	480.00	160.00	29.44	2.50	191.94
2033	320.00	160.00	22.08	2.50	184.58
2034	160.00	160.00	14.72	2.50	177.22
2035	-	160.00	7.36	2.50	169.86
		<b>Principal</b>	<b>Interest</b>		<b>Total</b>
	<b>Totals</b>	2,400.00	929.20		3,366.70

\*Actual amounts may be different due to rounding and interest rates

**\$2400**

**Assessment  
at a 4.6%  
Interest**



# Assessment Payment Options

## 4. Deferred Assessments – Pay at a later date

- **To qualify:**
  - Homestead property
  - Household income limit (\$39,394 in 2020)
  - Owner must be one of the following:
    - At least 65 years old,
    - Active military service, or
    - Retired by virtue of a permanent & total disability
- **If interested, contact Assessment Clerk, Melanie Ortiz, 952-548-6310**
  - Submit application & supporting docs **by Sept. 30<sup>th</sup>**
  - Renew annually with City by Sept. 30<sup>th</sup>, must meet criteria above at time of renewal each year



# Deferred Assessments

- **Interest during deferral**
  - Interest is accrued during deferment period
- **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 July 31, 2020**
- 2. Prepay in full or part with interest from August 1 until Nov. 30, 2020**
- 3. Do nothing -- Remaining balance put on taxes after Nov. 30**
  - Paid annually over 15 years, interest rate known in May\*
  - Will impact escrow payments included in mortgage
- 4. Deferred Assessments – Pay at a later date\***
  - Homestead property, income limit of \$39,394 (2020)
  - Owner 65 years or more, active military, or disability
  - Typically paid in full with interest at exchange of property

\*2019 Interest Rate for Assessments was 4.6%



# Project Schedule

- February 7<sup>th</sup> – Opened Bids
  - 6 bids received
  - Overall low bidder was Northwest Asphalt
- March 12<sup>th</sup> – Neighborhood Informational Meeting 4
- March 16<sup>th</sup> – Public Assessment Hearing, Adopt Final Assessments, Award Bid
- April 2020 to Fall 2021 – Construction
  - Phased construction process over 2 summers



# Construction Process

- Contractor 'typical' sequencing in each block
  - 4 weeks of utility construction
  - 3 weeks of street construction
  - 3 weeks of boulevard restoration
- Blake Rd S Watermain Replacement
  - 10 days of utility construction
  - 2 weeks of street construction
- Temporary Water Shutdowns – Temporary system to be installed to maintain service during construction
- Temporary Access Restrictions – Concrete Driveway Aprons

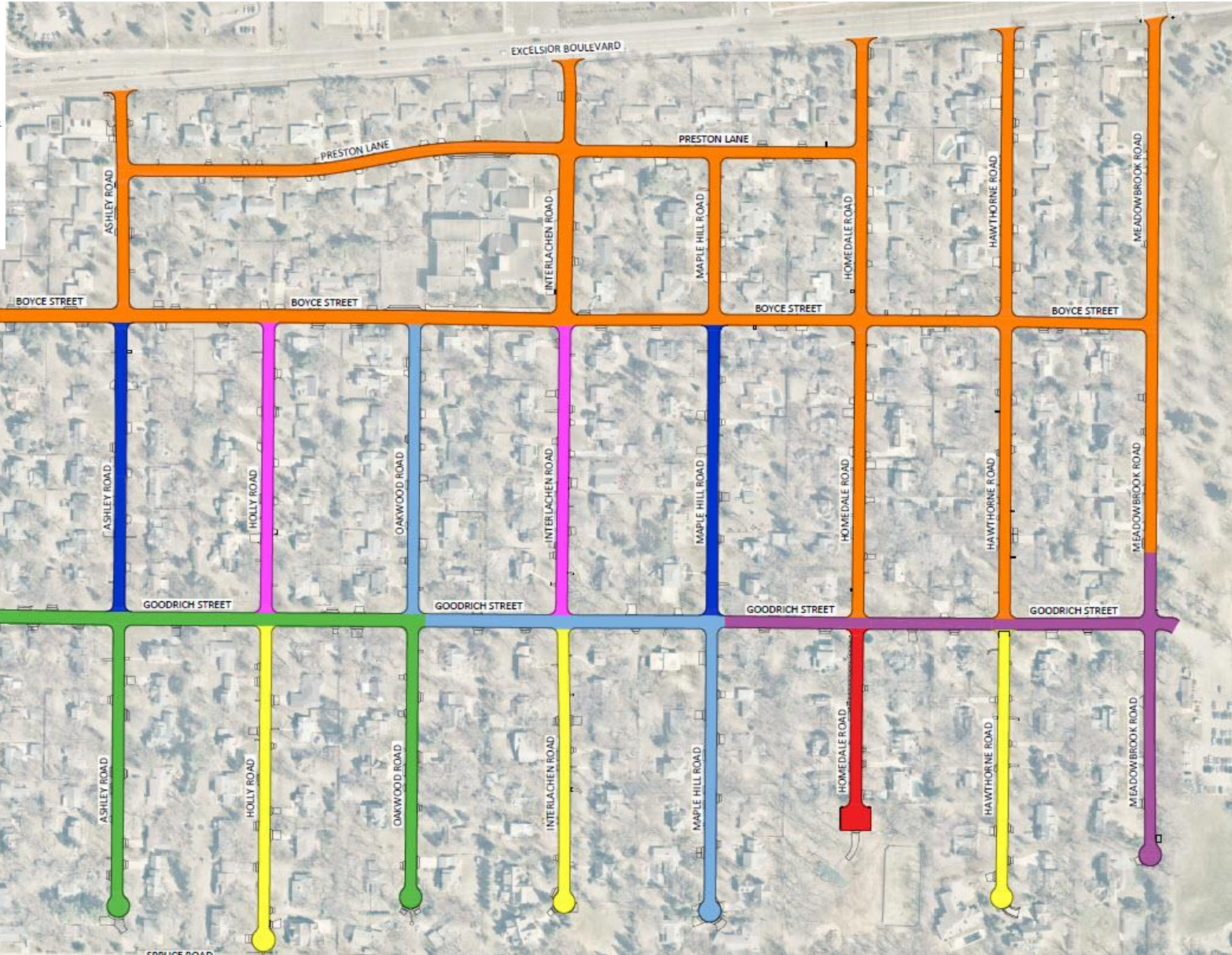




# Preliminary Contractor Phasing Plan

\*Any major phasing changes made by the contractor will be communicated

- LEGEND**
- 2020
    - PHASE 1A
    - PHASE 1B
    - PHASE 1C
    - PHASE 1D
    - PHASE 1E
  - LATE 2020/EARLY 2021
    - PHASE 2A
    - PHASE 2B
  - 2021
    - PHASE 3



# Preliminary Contractor Phasing Plan

## Estimated Timeline for 2020 Construction\*

- Phase 1A: April/May (weather dependent) – July/August
- Phase 1B: May/June– August/September
- Phase 1C: June/July – September/October
- Phase 1D: July/August – October
  - Blake Rd could start as early as June and must be complete before September
- Phase 1E: Early September – Early November
- Phase 2: Late Summer – Fall 2020, or early 2021
- Phase 3: 2021

*\*Estimated construction timeline is subject to change due to weather, contractor scheduling or phasing changes, unforeseen/changed (often buried/not visible) conditions – Any major changes will be communicated*



# 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



**BOLTON  
& MENK**  
Real People. Real Solutions.  
  
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

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 **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 23<sup>rd</sup>**  
**OR**  
**Wednesday, March 1<sup>st</sup>**

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 (1<sup>st</sup> layer), Begin Phase 2 Construction  
**July/August** – Phase 2 Streets Paved (1<sup>st</sup> layer), Begin Phase 3 Construction  
**October** – Phase 3 Streets Paved (1<sup>st</sup> layer), Begin Phase 4 Construction  
**Late October/Early November** – Work Complete, final layer of pavement installation



# Communication During Construction

- Newsletters (Monthly)
- Website (Weekly)
  - [www.Hopkins-Interlachen.com](http://www.Hopkins-Interlachen.com)

## EMAIL & TEXT MESSAGE UPDATES

To sign up for updates or to access your subscriber preferences, please enter your contact information below.

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HOPKINS INTERLACHEN

PROJECT SUMMARY PROJECT DOCUMENTS CONSTRUCTION UPDATES

**PROJECT SUMMARY**

HOPKINS INTERLACHEN

**WHAT IS THE SCOPE OF THE PROJECT?**

The project involves street and utility reconstruction improvements including storm sewer, storm drain, and sanitary sewer replacement along the following streets east of Blake Road, south of Excelsior Blvd, and north of Spruce St.

- Blake Rd S
- Ashley Rd
- Holly Rd
- Oakwood Rd
- Interlachen Rd

**EMAIL & TEXT MESSAGE UPDATES**

To sign up for updates or to access your subscriber preferences, please enter your contact information below.

1. Subscription Type

Email   
\*Email Address



# Communication During Construction

- Newsletters (Monthly)
- Website (Weekly) [www.Hopkins-2019.com](http://www.Hopkins-2019.com)
- Notices (As needed)



## CONSTRUCTION UPDATE

September 1, 2016



**Northwest Asphalt will pave 21<sup>st</sup> Ave N and 4<sup>th</sup> St N on Tuesday, September 6<sup>th</sup>, 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 21<sup>st</sup> Ave N nor 4<sup>th</sup> St N on Tuesday, September 6<sup>th</sup>. During the paving process, access will be maintained only for driveways directly accessing 21<sup>st</sup> Ave N and 4<sup>th</sup> 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

- **Project Help Line: 612-619-7772**

- On-Site Contact: Josh Hrabe
  - 612-965-2473
  - [joshhr@bolton-menk.com](mailto:joshhr@bolton-menk.com)



- Project Engineer: Nick Amatuccio, P.E.
  - 612-965-3926
  - [nickam@bolton-menk.com](mailto:nickam@bolton-menk.com)



# Other Project Contacts

## Eric Klingbeil, P.E. – Hopkins Assistant City Engineer

- [eklingbeil@hopkinsmn.com](mailto:eklingbeil@hopkinsmn.com)
- 952-548-6357

## Melanie Ortiz – City Assessment Clerk

- [mortiz@hopkinsmn.com](mailto:mortiz@hopkinsmn.com)
- 952-548-6310

## Mike Waltman, P.E. – Project Manager

- [mikewa@bolton-menk.com](mailto:mikewa@bolton-menk.com)
- 612-221-6946

