

**HOPKINS CITY COUNCIL  
AGENDA  
Tuesday, January 17, 2023  
6:30 pm**

**THIS AGENDA IS SUBJECT TO CHANGE  
UNTIL THE START OF THE CITY COUNCIL MEETING**

**I. CALL TO ORDER**

**II. ADOPT AGENDA**

**III. PRESENTATIONS**

**IV. CONSENT AGENDA**

1. Minutes of the January 10, 2023 Regular Meeting Proceedings; Domeier
2. Approve Agency Agreement Between City of Hopkins and Minnesota Department of Transportation for Federal Participation in Construction; Klingbeil

**V. PUBLIC HEARINGS**

**VI. OLD BUSINESS**

**VII. NEW BUSINESS**

1. Approve Final Plans and Order Bids 2023 Street and Utility Improvements – City Project 2022-10; Klingbeil
2. Authorize Sale of \$8,365,000 General Obligation Bonds Series 2023A; Bishop

**VIII. PUBLIC COMMENT**

**IX. ANNOUNCEMENTS**

- State of the City Event: Thursday, January 26 starting at 5 p.m.
- Next City Council Regular Meeting: Tuesday, February 7 at 6:30 p.m.

**X. ADJOURN**

**HOPKINS CITY COUNCIL  
REGULAR MEETING PROCEEDINGS  
JANUARY 10, 2023**

**CALL TO ORDER**

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, January 10, 2023 at 6:30 p.m. in the Council Chambers at City Hall, 1010 1<sup>st</sup> Street South.

Mayor Hanlon called the meeting to order with Council Members Balan, Beck, Garrido and Hunke attending. Others attending included City Manager Mornson, Assistant City Manager Lenz, City Clerk Domeier and Police Chief Johnson.

**ADOPT AGENDA**

**Motion** by Beck. **Second** by Balan.

**Motion** to Adopt the Agenda.

**Ayes: Balan, Beck, Garrido, Hanlon, Hunke**

**Nays: None. Absent Beck. Motion carried.**

**PRESENTATIONS**

**III.1. Oath of Office for Police Officers; Johnson/Domeier**

Police Chief Johnson introduced Hopkins Police Officers Andrew Roeder and Jayme Rice. City Clerk Domeier issued the Oath of Office to the new officers.

**CONSENT AGENDA**

**Motion** by Balan. **Second** by Garrido.

**Motion** to Approve the Consent Agenda.

1. Minutes of the January 3, 2023 Regular Meeting Proceedings; Domeier
2. Approval of 2023 Union Contract with AFSCME; Lenz
3. Ratify Checks Issued December 2022-January 2023; Bishop
4. Accept 2022 Gifts and Donations; Bishop

**Ayes: Balan, Beck, Garrido, Hanlon, Hunke**

**Nays: None. Motion carried.**

**ANNOUNCEMENTS**

Mayor Hanlon reviewed the upcoming meeting schedule. City Manager Mornson provided information about the annual goal setting, upcoming legislative agenda, and the State of the City event. Brief discussion ensued about legislative opportunities around the Hopkins landfill site and upcoming bond sales.

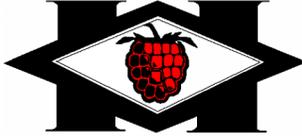
**ADJOURNMENT**

There being no further business to come before the City Council and upon a motion by Hunke, second by Balan, the meeting was unanimously adjourned at 6:46 p.m.

Respectfully Submitted,



Amy Domeier, City Clerk



Engineering

CITY OF HOPKINS

## City Council Report 2023-013

To: Honorable Mayor and Council Members  
Mike Mornson, City Manager

From: Eric Klingbeil, City Engineer

Date: January 17, 2023

Subject: Approve Agency Agreement Between City of Hopkins and Minnesota Department of Transportation for Federal Participation in Construction

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### RECOMMENDED ACTION

**MOTION TO** Adopt Resolution 2023-004, Approving Agency Agreement No. 1052097 between Minnesota Department of Transportation and City of Hopkins for Federal Participation in Construction.

### OVERVIEW

The Minnesota Department of Transportation (MNDOT) issues a general agreement to cities that are eligible to participate in federally funded construction projects. The agreement is not project specific, and covers all projects that have federal funding in whole or in part. Periodically, changes are made to the agreement, which requires the document to be reapproved by cities; this version of the agreement is the most recent update.

The terms of the agreement specify that Hopkins must manage and administer project design and construction, and that it must comply with all federal rules. The agreement also specifies that MNDOT act as the City's agent for accepting federal funds, and will reimburse the City for eligible costs. The reimbursement process is almost identical to the State Aid process, which Hopkins participates in frequently. The City Attorney and City Engineer have reviewed the agreement and find it acceptable.

### SUPPORTING INFORMATION

- MnDOT Agreement no. 1052097
- Resolution 2023-004

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2023-004**

**RESOLUTION APPROVING AGENCY AGREEMENT NO. 1052097 BETWEEN  
MINNESOTA DEPARTMENT OF TRANSPORTATION AND CITY OF HOPKINS FOR  
FEDERAL PARTICIPATION IN CONSTRUCTION**

**WHEREAS**, it is recommended that the City of Hopkins and the Minnesota Department of Transportation (MnDOT) enter into an agreement authorizing MnDOT to act as the City's agent in accepting federal funding for any transportation project financed in whole or in part by federal funds; and

**WHEREAS**, the City Council of Hopkins deems it proper and in the public interest to enter into an agreement with the Minnesota Department of Transportation for federal participation in construction, ; and

**NOW THEREFORE BE IT RESOLVED**, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of the City of Hopkins to accept as its agent, federal aid funds which may be made available for eligible transportation related projects; and

**BE IT FURTHER RESOLVED**, The Mayor and City Manager are hereby authorized and directed for and on behalf of the City to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation Agency Agreement No. 1052097", a copy of which said agreement was before the City Council and which is made a part hereof by reference.

Adopted by the City Council of the City of Hopkins this 17th day of January, 2023.

By: \_\_\_\_\_  
Patrick Hanlon, Mayor

ATTEST:

\_\_\_\_\_  
Amy Domeier, City Clerk



**STATE OF MINNESOTA**

**AGENCY AGREEMENT**

for

**FEDERAL PARTICIPATION IN CONSTRUCTION**

This Agreement is entered into by and between City of Hopkins (“Local Government”) and the State of Minnesota acting through its Commissioner of Transportation (“MnDOT”).

**RECITALS**

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1. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government’s agent in accepting federal funds on the Local Government’s behalf for the construction, improvement, or enhancement of transportation financed either in whole or in part by Federal Highway Administration (“FHWA”) federal funds, hereinafter referred to as the “Project(s)”; and
2. This Agreement is intended to cover all federal aid projects initiated by the Local Government and therefore has no specific State Project number associated with it, and
  - 2.1. The Assistance Listing Number (ALN) is 20.205, 20.224, 20.933 or another Department of Transportation ALN as listed on SAM.gov and
  - 2.2. This project is for construction, not research and development.
  - 2.3. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

**AGREEMENT TERMS**

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**1. Term of Agreement; Prior Agreement**

- 1.1. **Effective Date.** This Agreement will be effective on the date that MnDOT obtains all required signatures under Minn. Stat. §16C.05, Subd. 2. This Agreement will remain effective until it is superseded or terminated pursuant to section 14.
- 1.2. **Prior Agreement.** This Agreement supersedes the prior agreement between the parties, MnDOT Contract Number 1029956.

**2. Local Government’s Duties**

- 2.1. **Designation.** The Local Government designates MnDOT to act as its agent in accepting federal funds on its behalf made available for the Project(s). Details on the required processes and procedures are available on the State Aid Website.
- 2.2. **Staffing.**
  - 2.2.1. The Local Government will furnish and assign a publicly employed and licensed engineer, (“Project Engineer”), to be in responsible charge of the Project(s) and to supervise and direct the work to be performed under any construction contract let for the Project(s). In the alternative, where the Local Government elects to use a private consultant for construction engineering services, the Local Government will provide a qualified, full-time public employee of the Local Government to be in responsible charge of the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This

written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.

2.2.2. During the progress of the work on the Project(s), the Local Government authorizes its Project Engineer to request in writing specific engineering and/or technical services from MnDOT, pursuant to Minnesota Statutes Section 161.39. Such services may be covered by other technical service agreements. If MnDOT furnishes the services requested, and if MnDOT requests reimbursement, then the Local Government will promptly pay MnDOT to reimburse the state trunk highway fund for the full cost and expense of furnishing such services. The costs and expenses will include the current MnDOT labor additives and overhead rates, subject to adjustment based on actual direct costs that have been verified by audit. Provision of such services will not be deemed to make MnDOT a principal or co-principal with respect to the Project(s).

2.3. **Pre-letting.** The Local Government will prepare construction contracts in accordance with Minnesota law and applicable Federal laws and regulations.

2.3.1. The Local Government will solicit bids after obtaining written notification from MnDOT that the FHWA has authorized the Project(s). Any Project(s) advertised prior to authorization **without permission** will not be eligible for federal reimbursement.

2.3.2. The Local Government will prepare the Proposal for Highway Construction for the construction contract, which will include all federal-aid provisions supplied by MnDOT.

2.3.3. The Local Government will prepare and publish the bid solicitation for the Project(s) as required by state and federal laws. The Local Government will include in the solicitation the required language for federal-aid construction contracts as supplied by MnDOT. The solicitation will state where the proposals, plans, and specifications are available for the inspection of prospective bidders and where the Local Government will receive the sealed bids.

2.3.4. The Local Government may not include other work in the construction contract for the authorized Project(s) without obtaining prior notification from MnDOT that such work is allowed by FHWA. Failure to obtain such notification may result in the loss of some or all of the federal funds for the Project(s). All work included in a federal contract is subject to the same federal requirements as the federal project.

2.3.5. The Local Government will prepare and sell the plan and proposal packages and prepare and distribute any addenda, if needed.

2.3.6. The Local Government will receive and open bids.

2.3.7. After the bids are opened, the Local Government will consider the bids and will award the bid to the lowest responsible bidder or reject all bids. If the construction contract contains a goal for Disadvantaged Business Enterprises (DBEs), the Local Government will not award the bid until it has received certification of the Disadvantaged Business Enterprise participation from the MnDOT Office of Civil Rights.

2.3.8. The Local Government must disclose in writing any potential conflict of interest to the Federal awarding agency or MnDOT in accordance with applicable FHWA policy.

2.4. **Contract Administration.**

2.4.1. The Local Government will prepare and execute a construction contract with the lowest responsible bidder, hereinafter referred to as the "Contractor," in accordance with the special provisions and the latest edition of MnDOT's Standard Specifications for Construction when the contract is awarded and all amendments thereto. All contracts between the Local Government and third parties or subcontractors must contain all applicable provisions of this Agreement, including the applicable

federal contract clauses, which are identified in Appendix II of 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and as identified in Section 18 of this Agreement.

- 2.4.2. The Project(s) will be constructed in accordance with the plans, special provisions, and standard specifications of each Project. The standard specifications will be the latest edition of MnDOT Standard Specifications for Highway Construction and all amendments thereto. The plans, special provisions, and standard specifications will be on file at the Local Government Engineer's Office. The plans, special provisions, and specifications are incorporated into this Agreement by reference as though fully set forth herein.
- 2.4.3. The Local Government will furnish the personnel, services, supplies, and equipment necessary to properly supervise, inspect, and document the work for the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.
- 2.4.4. The Local Government will document quantities in accordance with the guidelines set forth in the Construction Section of the Electronic State Aid Manual that are in effect at the time the work was performed.
- 2.4.5. The Local Government will test materials in accordance with the Schedule of Materials Control in effect at the time each Project was let. The Local Government will notify MnDOT when work is in progress on the Project(s) that requires observation by the Independent Assurance Inspector, as required by the Independent Assurance Schedule.
- 2.4.6. The Local Government may make changes in the plans or the character of the work, as may be necessary to complete the Project(s), and may enter into Change Order(s) with the Contractor. The Local Government will not be reimbursed for any costs of any work performed under a change order unless MnDOT has notified the Local Government that the subject work is eligible for federal funds and sufficient federal funds are available.
- 2.4.7. The Local Government will request approval from MnDOT for all costs in excess of the amount of federal funds previously approved for the Project(s) prior to incurring such costs. Failure to obtain such approval may result in such costs being disallowed for reimbursement.
- 2.4.8. The Local Government will prepare reports, keep records, and perform work so as to meet federal requirements and to enable MnDOT to collect the federal aid sought by the Local Government. Required reports are listed in the MnDOT State Aid Manual, Delegated Contract Process Checklist, available from MnDOT's authorized representative. The Local Government will retain all records and reports and allow MnDOT or the FHWA access to such records and reports for six years.
- 2.4.9. Upon completion of the Project(s), the Project Engineer will determine whether the work will be accepted.

## 2.5. **Limitations.**

- 2.5.1. The Local Government will comply with all applicable Federal, State, and local laws, ordinances, and regulations.
- 2.5.2. **Nondiscrimination.** It is the policy of the Federal Highway Administration and the State of Minnesota that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance (42 U.S.C. 2000d). Through expansion of the mandate

for nondiscrimination in Title VI and through parallel legislation, the proscribed bases of discrimination include race, color, sex, national origin, age, and disability. In addition, the Title VI program has been extended to cover all programs, activities and services of an entity receiving Federal financial assistance, whether such programs and activities are Federally assisted or not. Even in the absence of prior discriminatory practice or usage, a recipient in administering a program or activity to which this part applies is expected to take affirmative action to assure that no person is excluded from participation in, or is denied the benefits of, the program or activity on the grounds of race, color, national origin, sex, age, or disability. It is the responsibility of the Local Government to carry out the above requirements.

2.5.3. **Utilities.** The Local Government will treat all public, private or cooperatively owned utility facilities which directly or indirectly serve the public and which occupy highway rights of way in conformance with 23 CFR 645 "Utilities", which is incorporated herein by reference.

2.6. **Maintenance.** The Local Government assumes full responsibility for the operation and maintenance of any facility constructed or improved under this Agreement.

### 3. MnDOT's Duties

3.1. **Acceptance.** MnDOT accepts designation as Agent of the Local Government for the receipt and disbursement of federal funds and will act in accordance herewith.

#### 3.2. Project Activities.

3.2.1. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project(s) and for reimbursement of eligible costs pursuant to the terms of this Agreement.

3.2.2. MnDOT will provide to the Local Government copies of the required Federal-aid clauses to be included in the bid solicitation and will provide the required Federal-aid provisions to be included in the Proposal for Highway Construction.

3.2.3. MnDOT will review and certify the DBE participation and notify the Local Government when certification is complete. If certification of DBE participation (or good faith efforts to achieve such participation) cannot be obtained, then Local Government must decide whether to proceed with awarding the contract. Failure to obtain such certification will result in the Project becoming ineligible for federal assistance, and the Local Government must make up any shortfall.

3.2.4. MnDOT will provide the required labor postings.

3.3. **Authority.** MnDOT may withhold federal funds, where MnDOT or the FHWA determines that the Project(s) was not completed in compliance with federal requirements.

3.4. **Inspection.** MnDOT, the FHWA, or duly authorized representatives of the state and federal government will have the right to audit, evaluate and monitor the work performed under this Agreement. The Local Government will make all books, records, and documents pertaining to the work hereunder available for a minimum of six years following the closing of the construction contract.

### 4. Time

4.1. The Local Government must comply with all time requirements described in this Agreement. In the performance of this Agreement, time is of the essence.

4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed** after the **end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT at least twenty-four months prior to the **end date**.

## 5. Payment

- 5.1. **Cost.** The entire cost of the Project(s) is to be paid from federal funds made available by the FHWA and by other funds provided by the Local Government. The Local Government will pay any part of the cost or expense of the Project(s) that is not paid by federal funds. MnDOT will receive the federal funds to be paid by the FHWA for the Project(s), pursuant to Minnesota Statutes § 161.36, Subdivision 2. MnDOT will reimburse the Local Government, from said federal funds made available to each Project, for each partial payment request, subject to the availability and limits of those funds.
- 5.2. **Indirect Cost Rate Proposal/Cost Allocation Plan.** If the Local Government seeks reimbursement for indirect costs and has submitted to MnDOT an indirect cost rate proposal or a cost allocation plan, the rate proposed will be used on a provisional basis. At any time during the period of performance or the final audit of a Project, MnDOT may audit and adjust the indirect cost rate according to the cost principles in 2 CFR Part 200. MnDOT may adjust associated reimbursements accordingly.
- 5.3. **Reimbursement.** The Local Government will prepare partial estimates in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify each partial estimate. Following certification of the partial estimate, the Local Government will make partial payments to the Contractor in accordance with the terms of the construction contract for the Project(s).
  - 5.3.1. Following certification of the partial estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified partial estimate.
  - 5.3.2. Upon completion of the Project(s), the Local Government will prepare a final estimate in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify the final estimate. Following certification of the final estimate, the Local Government will make the final payment to the Contractor in accordance with the terms of the construction contract for the Project(s).
  - 5.3.3. Following certification of the final estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified final estimate along with the required records.
  - 5.3.4. Upon completion of the Project(s), MnDOT will perform a final inspection and verify the federal and state eligibility of all payment requests. If the Project is found to have been completed in accordance with the plans and specifications, MnDOT will promptly release any remaining federal funds due the Local Government for the Project(s). If MnDOT finds that the Local Government has been overpaid, the Local Government must promptly return any excess funds.
  - 5.3.5. In the event MnDOT does not obtain funding from the Minnesota Legislature or other funding source, or funding cannot be continued at a sufficient level to allow for the processing of the federal aid reimbursement requests, the Local Government may continue the work with local funds only, until such time as MnDOT is able to process the federal aid reimbursement requests.
- 5.4. **Matching Funds.** Any cost sharing or matching funds required of the Local Government in this Agreement must comply with 2 CFR 200.306.
- 5.5. **Federal Funds.** Payments under this Agreement will be made from federal funds. The Local Government is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for failure to comply with any federal requirements including, but not limited to, 2 CFR Part 200. If, for any reason, the federal government fails to pay part of the cost or expense incurred by the Local Government, or in the event the total amount of federal funds is not available, the Local Government will be responsible for any and all costs or expenses incurred under this Agreement. The Local Government further

agrees to pay any and all lawful claims arising out of or incidental to the performance of the work covered by this Agreement in the event the federal government does not pay the same.

- 5.6. **Closeout.** The Local Government must liquidate all obligations incurred under this Agreement for each Project and submit all financial, performance, and other reports as required by the terms of this Agreement and the Federal award at least twenty-four months prior to the **end date** of the period of performance for each Project. MnDOT will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with funds will continue following project closeout.
6. **Conditions of Payment.** All services provided by Local Government under this Agreement must be performed to MnDOT's satisfaction, as determined at the sole discretion of MnDOT's Authorized Representative, and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Local Government will not receive payment for work found by MnDOT to be unsatisfactory or performed in violation of federal, state, or local law.

## 7. Authorized Representatives

7.1. MnDOT's Authorized Representative is:

Name: Kristine Elwood, or her successor.

Title: State Aid Engineer

Phone: 651-366-4831

Email: Kristine.elwood@state.mn.us

MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this Agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.

7.2. The Local Government's Authorized Representative is:

Name: Eric Klingbeil or their successor.

Title: Hopkins City City Engineer

Phone: 952-548-6357

Email: eklingbeil@hopkinsmn.com

If the Local Government's Authorized Representative changes at any time during this Agreement, the Local Government will immediately notify MnDOT.

## 8. Assignment Amendments, Waiver, and Agreement Complete

- 8.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this Agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.
- 8.2. **Amendments.** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 8.3. **Waiver.** If MnDOT fails to enforce any provision of this Agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
- 8.4. **Agreement Complete.** This Agreement contains all negotiations and agreements between MnDOT and the

Local Government. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

- 8.5. **Severability.** If any provision of this Agreement, or the application thereof, is found to be invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.
- 8.6. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 8.7. **Certification.** By signing this Agreement, the Local Government certifies that it is not suspended or debarred from receiving federal or state awards.

## 9. Liability and Claims

- 9.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 9.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. To the extent permitted by law, the Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification obligation extends to any actions related to the certification of DBE participation, even if such actions are recommended by MnDOT.

## 10. Audits

- 10.1. Under Minn. Stat. § 16C.05, Subd.5, the books, records, documents, and accounting procedures and practices of the Local Government, or any other party relevant to this Agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 10.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.476 will be used to determine whether costs are eligible for reimbursement under this Agreement.
- 10.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

11. **Government Data Practices.** The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by MnDOT under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this Agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either the Local Government or MnDOT.
12. **Workers Compensation.** The Local Government certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will

not be considered MnDOT employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way MnDOT's obligation or responsibility.

- 13. Governing Law, Jurisdiction, and Venue.** Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.
- 14. Termination; Suspension**
- 14.1. Termination by MnDOT.** MnDOT may terminate this Agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 14.2. Termination for Cause.** MnDOT may immediately terminate this Agreement if MnDOT finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and/or requiring the return of all or part of the funds already disbursed.
- 14.3. Termination for Insufficient Funding.** MnDOT may immediately terminate this Agreement if:
- 14.3.1. It does not obtain funding from the Minnesota Legislature; or
- 14.3.2. If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Local Government. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.
- 14.4. Suspension.** MnDOT may immediately suspend this Agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.
- 15. Data Disclosure.** Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
- 16. Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.

**17. Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

**18. Federal Contract Clauses**

- 18.1. Appendix II 2 CFR Part 200.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third-party contractors, as applicable. In addition, the Local Government shall have the same meaning as “Contractor” in the federal requirements listed below.
- 18.1.1. Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- 18.1.2. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- 18.1.3. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- 18.1.4. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision

- for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- 18.1.5. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 18.1.6. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- 18.1.7. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 18.1.8. Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 18.1.9. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must

also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

18.1.10. Local Government will comply with 2 CFR § 200.323.

18.1.11. Local Government will comply with 2 CFR § 200.216.

18.1.12. Local Government will comply with 2 CFR § 200.322.

18.2. **Drug-Free Workplace.** The Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.

18.3. **Title VI/Non-discrimination Assurances.** The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this Agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, disability, or age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance.

The Local Government hereby agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: [https://edocs-public.dot.state.mn.us/edocs\\_public/DMResultSet/download?docId=11149035](https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035). If federal funds are included in any contract, the Local Government will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Local Government's compliance with this provision. The Local Government must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Local Government staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.

18.4. **Buy America.** The Local Government must comply with the Buy America domestic preferences contained in the Build America, Buy America Act (Sections 70901-52 of the Infrastructure Investment and Jobs Act, Public Law 117-58) and as implemented by US DOT operating agencies.

18.5. **Federal Funding Accountability and Transparency Act (FFATA)**

18.5.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

a. Reporting of Total Compensation of the Local Government's Executives.

b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:

i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <https://www.sec.gov/answers/execomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
  - i. Salary and bonus.
  - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
  - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
  - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - v. Above-market earnings on deferred compensation which is not tax qualified.
- 18.5.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 18.5.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this Agreement is awarded.
- 18.5.4. The Local Government will obtain a Unique Entity Identifier number and maintain this number for the term of this Agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each Project.
- 18.5.5. The Local Government's failure to comply with the above requirements is a material breach of this Agreement for which the MnDOT may terminate this Agreement for cause. The MnDOT will not be obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

**[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]**

**City of Hopkins**

Local Government certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_

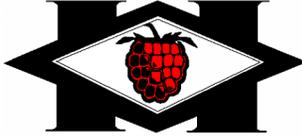
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**COMMISSIONER OF ADMINISTRATION**

By: \_\_\_\_\_

Date: \_\_\_\_\_



Engineering

CITY OF HOPKINS

## City Council Report 2023-014

To: Honorable Mayor and Council Members  
Mike Mornson, City Manager

From: Eric Klingbeil, City Engineer

Date: January 17, 2023

Subject: Approve Final Plans and Order Bids; 2023 Street and Utility  
Improvements – City Project 2022-10

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### RECOMMENDED ACTION

**MOTION TO** Adopt Resolution 2023-05, Resolution Approving Plans and Specifications and Authorizing Advertisement for Bids, 2022 Street and Utility Improvements, City Project 2022-10.

### OVERVIEW

At its October 18, 2022 meeting, the Hopkins City Council conducted a public hearing concerning the 2023 Street and Utility Improvement Project, consisting of street and utility improvements along 12th Avenue N from Mainstreet to 1st Street N, 14th Avenue N from Mainstreet to 2nd Street N, 15th Avenue N from Mainstreet to 2nd Street N, 16th Avenue N from Mainstreet to 1st Street N and 2nd Street N to 3rd Street N, and 2nd Street N from 14th Avenue N to 15th Avenue N. Following the public hearing, Council ordered final plans for the above mentioned work. The final plans are complete, staff now asks the Council to approve these plans and authorize advertisement for bids.

### SUPPORTING INFORMATION

- Engineers Estimate
- Final Plans and Specifications (Available upon request)
- Project Location Map
- Resolution 2023-005

## **ANALYSIS OF ISSUES**

### **Scope of Improvements**

This project includes improvement of the following streets:

- 12<sup>th</sup> Avenue N from Mainstreet to 1<sup>st</sup> Street N
- 14<sup>th</sup> Avenue N from Mainstreet to 2<sup>nd</sup> Street N
- 15<sup>th</sup> Avenue N from Mainstreet to 2<sup>nd</sup> Street N
- 16<sup>th</sup> Avenue N from Mainstreet to 1<sup>st</sup> Street N and 2<sup>nd</sup> Street N to 3<sup>rd</sup> Street N
- 2<sup>nd</sup> Street N from 14<sup>th</sup> Avenue N to 15<sup>th</sup> Avenue N

The pavement condition index for most of the project area is below 40, which indicates failed pavement and warrants reconstruction. Maintenance procedures such as seal coating, mill and overlay, or reclamation are no longer effective strategies. Proposed street improvements include full reconstruction of streets and new curb and gutter.

Water main is proposed to be replaced in the entire reconstruction area. Most of the existing main is in excess of 60 years old and made from cast iron. New main will be ductile iron, which has better reliability and when properly installed a longer lifecycle than cast iron. All water services will be replaced from the main to the property line.

Sanitary sewer improvements consist of replacing old and outdated material mains. The existing sanitary sewer mains are in excess of 60 years old and are made of and outdated material, clay. Portions of the sanitary sewer near Mainstreet will be lined with cured-in-place-pipe (CIPP) material to avoid excavation impacts in Mainstreet.

Proposed storm sewer improvements include new curb and gutter, removal and replacement of the existing storm sewer mains, upsizing mains in select areas to better handle larger storm events, and addition of storm sewer inlets to reduce water ponding in the street.

Pedestrian facilities include:

- Replacement of existing sidewalk and pedestrian ramps in the reconstruction area
- Addition of new sidewalk along the east side of 14<sup>th</sup> Ave N from 1<sup>st</sup> St N to 2<sup>nd</sup> St N along Maetzold Field
- Addition of new sidewalk to fill in sidewalk gaps on 1<sup>st</sup> St N from 14<sup>th</sup> Ave N to 16<sup>th</sup> Ave N.

During the scoping for this project, it was determined that there was other work that should be included in the project. Traditionally this work was bid as a separate, standalone project but in recent years it has been bid with the street and utility improvement project and the City has received very favorable bid prices as a result.

This additional work will be funded by separate items in the CIP and Budget and includes the following:

- Storm sewer and drainage improvements for the backyards between 13<sup>th</sup> Ave N and 14<sup>th</sup> Ave N south of 3<sup>rd</sup> Street N.
- Reclamation and resurfacing of 10<sup>th</sup> Ave S from Mainstreet to 1<sup>st</sup> St S
- Reclamation and resurfacing of 9<sup>th</sup> Ave S from 1<sup>st</sup> St S to Excelsior Blvd
- Reclamation and resurfacing of 1<sup>st</sup> St S from 9<sup>th</sup> Ave S to 11<sup>th</sup> Ave N
- Mill and overlay 9<sup>th</sup> Ave S from Mainstreet to 1<sup>st</sup> St S
- Mill and overlay 1<sup>st</sup> St S from 8<sup>th</sup> Ave S to 9<sup>th</sup> Ave S
- Sanitary Sewer Lining in areas across the City identified by the Public Works Department.
- Citywide sidewalk repairs

## **Public Input**

A public informational meeting regarding the improvements was held on September 14<sup>th</sup>. The meeting format consisted of a presentation of the overall project scope, with an open house style question and answer session. A 2<sup>nd</sup> neighborhood meeting has been scheduled for October 24<sup>th</sup> to review proposed improvements and provide detailed information on proposed assessments.

A questionnaire was sent to all properties in the project area in May 2022 in advance of the neighborhood meetings. 30 questionnaires were returned. Drainage concerns, pedestrian facility concerns, desire for improved street surface, and property specific concerns were the most common responses.

## **Assessments**

The proposed street assessments are based on the City's assessment policy, whereby 70% of the street reconstruction cost and 50% of the water and sewer service replacement are assessed to benefiting properties. The policy also allows for assessments to be capped should assessments exceed previous year assessments by 20%; the costs for this project will trigger the assessment cap. A preliminary assessment roll has been calculated and can be found in the appendix of the attached Feasibility Report. The final assessment amounts will likely be lower than presented in the report. Currently, staff is working to identify properties that were assessed in adjacent projects to determine if the assessment cap would have been a factor if the projects had been assessed as one project.

The assessment cap for residential properties is \$103.05 per front foot, following the typical 3% increase per year. Without the cap assessments could be more than double the capped rate.

## **Project Budget and Costs**

The estimate for this project (including all add alternates), which includes contingency, and costs for legal, administrative, and engineering costs for all the work, totals to \$8,010,000.

Project costs and funding sources are as follows:

<b>Funding Source</b>	<b>CIP Budget Street Reconstruction</b>	<b>CIP Budget Street Rehabilitation/ Sewer Lining/ Pedestrian Improvements</b>	<b>Estimated Cost</b>
PI-PIR/General Obligation Bonds	\$2,170,000	\$450,000	\$3,270,000
Assessments	1,050,000		1,050,000
Storm Sewer Fund	480,000		820,000
Sanitary Sewer Fund	1,363,000	55,000	1,360,000
Water Fund	1,430,000		1,510,000
<b>Total</b>	<b>\$6,493,000</b>	<b>\$505,000</b>	<b>\$8,010,000</b>

Cost estimates show the project tracking higher than the CIP budget, this is due to additional work outside the original scope included with the project, conservative estimates for contingencies and soft costs, and very conservative construction unit prices due to volatile construction material costs in recent years. The project cost has continued to come down as design progressed due to reduced contingency and efficiencies in design.

Several portions of the project are street maintenance projects outside the original scope and are being bid as "Add Alternates". We will have the option of moving forward with these items or to remove them from the project once bids are received, based on budget constraints. Currently, Add Alternates account for approximately \$530,000 of the total estimated project cost.

### **Project Schedule**

Approve final plans/order bids	January 17, 2023
Bid Opening	February 10, 2023
Order Assessment Hearing	February 21, 2023
Public Informational Neighborhood Meeting	March 15, 2023
Conduct Public Assessment Hearing	March 21, 2023
Adopt Assessment Roll/Award Contract	March 21, 2023
Begin Construction	Spring 2023
Complete Construction	Fall 2023

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2023-005**

**RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AUTHORIZING  
ADVERTISEMENT FOR BIDS 2023 STREET AND UTILITY IMPROVEMENTS  
CITY PROJECT 2022-10**

**WHEREAS**, pursuant to a resolution of the City Council adopted the 18th day of October, 2022 ordering final plans for the 2023 Street and Utility Project, plans and specifications were developed for improvements along 12th Avenue N from Mainstreet to 1st Street N, 14th Avenue N from Mainstreet to 2nd Street N, 15th Avenue N from Mainstreet to 2nd Street N, 16th Avenue N from Mainstreet to 1st Street N and 2nd Street N to 3rd Street N, and 2nd Street N from 14th Avenue N to 15th Avenue N including pavement, curbing, signage, drainage, water and sanitary sewer improvements and all necessary appurtenances, and

**WHEREAS**, plans and specifications for City Project No. 2022-10 have been prepared by Bolton & Menk, Inc., and have been presented to Council for approval, and

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Hopkins

1. Such plans and specification, a copy of which are attached hereto and made a part hereof; are hereby approved and ordered placed on file in the office of the City Clerk.
2. The City Clerk shall prepare and cause to be inserted in the official paper (Sun Sailor), Finance and Commerce, and on QuestCDN an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published, at least three weeks before date set for bid opening, shall specify the work to be done, shall state that bids will be received on QuestCDN until 10:00 a.m., on the 10<sup>th</sup> day of February, 2023, at the City Hall and that no bids shall be considered accompanied by a certified check or bid bond, payable to the City of Hopkins, Minnesota for 5% of the amount of such bid.
3. The clerk and city engineer are hereby authorized and instructed to receive, open, and display bids received at the time and place herein noted, and to tabulate the bids received. The Council will consider the bids and award of contract at the March 21, 2023 meeting in the Council Chambers.

Adopted by the City Council of the City of Hopkins this 17<sup>th</sup> day of January, 2023.

By: \_\_\_\_\_  
Patrick Hanlon, Mayor

ATTEST:

\_\_\_\_\_  
Amy Domeier, City Clerk

Item No.	Item	Notes	Unit	Unit Price	Estimated Costs													Total Quantity	Total Cost		
					Reconstruction Area																
					12th Ave N	14th Ave N - South Block	14th Ave N - North Block	15th Ave N	16th Ave N	2nd St N	Existing Sidewalk	New Sidewalk	Recon Street Total	Sanitary	Storm	Water	Reconstruction Total			City-Wide CIPP Lining	Regional Trail Storm Sewer
BASE BID																					
1	MOBILIZATION		LUMP SUM	\$300,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$30,000.00	\$30,000.00	\$6,000.00	\$15,000.00	\$3,000.00	\$129,000.00	\$60,000.00	\$30,000.00	\$75,000.00	\$294,000.00	\$3,000.00	\$3,000.00	1.00	\$300,000.00
2	CLEARING		TREE	\$750.00	\$1,500.00	\$2,250.00	\$3,750.00	\$12,750.00	\$12,750.00	\$750.00			\$33,750.00				\$33,750.00			45	\$33,750.00
3	GRUBBING		TREE	\$250.00	\$1,500.00	\$750.00	\$1,500.00	\$4,250.00	\$5,000.00	\$250.00			\$13,250.00				\$13,250.00			53	\$13,250.00
4	TREE TRIMMING		LUMP SUM	\$10,000.00	\$1,500.00	\$1,500.00	\$1,500.00	\$2,500.00	\$2,500.00	\$500.00			\$10,000.00				\$10,000.00			1	\$10,000.00
5	DECIDUOUS TREE 2" CAL B&B		EACH	\$600.00	\$3,600.00	\$1,800.00	\$3,600.00	\$10,200.00	\$12,000.00	\$600.00			\$31,800.00				\$31,800.00			53	\$31,800.00
6	REMOVE SIGN POST		EACH	\$50.00	\$750.00	\$500.00	\$200.00	\$300.00	\$650.00	\$50.00			\$2,450.00				\$2,450.00			49	\$2,450.00
7	REMOVE SIGN PANEL		EACH	\$50.00	\$1,150.00	\$800.00	\$250.00	\$400.00	\$900.00	\$150.00			\$3,650.00				\$3,650.00			73	\$3,650.00
8	SALVAGE SIGN PANEL		EACH	\$55.00	\$550.00	\$110.00		\$55.00					\$715.00				\$715.00			13	\$715.00
9	INSTALL SIGN PANEL		EACH	\$110.00	\$1,100.00	\$220.00		\$110.00					\$1,430.00				\$1,430.00			13	\$1,430.00
10	REMOVE CURB AND GUTTER		LIN FT	\$10.00	\$11,700.00	\$12,700.00	\$14,350.00	\$26,250.00	\$27,100.00	\$6,000.00			\$98,100.00				\$98,100.00			9810	\$98,100.00
11	REMOVE BITUMINOUS STREET PAVEMENT		SQ YD	\$10.00	\$1,760.00	\$1,850.00		\$1,910.00	\$1,260.00				\$6,780.00				\$6,780.00			678	\$6,780.00
12	REMOVE BITUMINOUS DRIVEWAY/TRAIL PAVEMENT		SQ YD	\$10.00	\$190.00	\$920.00	\$300.00	\$270.00	\$320.00	\$20.00			\$2,020.00				\$2,020.00		\$1,220.00	324	\$3,240.00
13	REMOVE CONCRETE WALK		SQ YD	\$3.00	\$2,685.00	\$2,451.00	\$1,326.00	\$4,983.00	\$5,067.00				\$16,512.00				\$16,512.00			5504	\$16,512.00
14	REMOVE CONCRETE DRIVEWAY/ALLEY PAVEMENT		SQ YD	\$12.00	\$2,112.00	\$1,476.00	\$1,320.00	\$3,588.00	\$2,340.00	\$1,260.00			\$12,096.00				\$12,096.00			1008	\$12,096.00
15	REMOVE CONCRETE STEP		EACH	\$45.00	\$180.00	\$180.00	\$270.00	\$90.00	\$315.00				\$855.00				\$855.00			19	\$855.00
16	SALVAGE PAVERS		SQ FT	\$10.00	\$70.00	\$640.00	\$310.00	\$1,120.00	\$1,690.00				\$3,830.00				\$3,830.00			383	\$3,830.00
17	SAWING CONCRETE PAVEMENT (FULL DEPTH)		LIN FT	\$5.00	\$520.00	\$260.00	\$260.00	\$1,355.00	\$955.00	\$285.00			\$3,635.00				\$3,635.00			727	\$3,635.00
18	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)		LIN FT	\$4.00	\$1,232.00	\$1,172.00	\$620.00	\$1,384.00	\$1,900.00	\$12.00			\$6,320.00				\$6,320.00		\$80.00	1600	\$6,400.00
19	REMOVE RETAINING WALL		LIN FT	\$15.00				\$1,500.00					\$1,500.00				\$1,500.00		\$315.00	121	\$1,815.00
20	SALVAGE & REINSTALL BOULDER WALL		LIN FT	\$75.00		\$3,075.00		\$6,075.00					\$9,150.00				\$9,150.00			122	\$9,150.00
21	SALVAGE & REINSTALL STONE RETAINING WALL		LIN FT	\$100.00				\$4,700.00					\$4,700.00				\$4,700.00			47	\$4,700.00
22	SALVAGE & REINSTALL BLOCK RETAINING WALL		LIN FT	\$150.00	\$15,450.00	\$2,700.00	\$8,400.00	\$3,900.00	\$6,150.00				\$36,600.00				\$36,600.00			244	\$36,600.00
23	TIMBER RETAINING WALL		LIN FT	\$200.00				\$4,400.00					\$4,400.00				\$4,400.00			22	\$4,400.00
24	MODULAR BLOCK RETAINING WALL		SQ FT	\$45.00				\$17,550.00					\$17,550.00				\$17,550.00			390	\$17,550.00
25	SALVAGE LIGHT POLE		EACH	\$1,000.00	\$2,000.00								\$2,000.00				\$2,000.00			2	\$2,000.00
26	REMOVE LIGHT POLE FOUNDATION		EACH	\$1,500.00	\$3,000.00								\$3,000.00				\$3,000.00			2	\$3,000.00
27	REMOVE HYDRANT		EACH	\$750.00											\$6,000.00		\$6,000.00			8	\$6,000.00
28	SALVAGE HYDRANT		EACH	\$1,000.00											\$1,000.00		\$1,000.00			1	\$1,000.00
29	REMOVE WATERMAIN		LIN FT	\$12.00											\$66,540.00		\$66,540.00			5545	\$66,540.00
30	REMOVE DRAINAGE STRUCTURE		EACH	\$500.00											\$8,000.00		\$8,000.00			16	\$8,000.00
31	REMOVE STORM SEWER PIPE		LIN FT	\$15.00											\$15,885.00		\$15,885.00			1059	\$15,885.00
32	REMOVE SANITARY SEWER PIPE		LIN FT	\$10.00										\$42,750.00			\$42,750.00			4275	\$42,750.00
33	REMOVE SANITARY MANHOLE		EACH	\$750.00										\$15,000.00			\$15,000.00			20	\$15,000.00
34	EXPLORATORY EXCAVATION		HOUR	\$1,000.00										\$40,000.00	\$5,000.00	\$20,000.00	\$65,000.00			65	\$65,000.00
35	COMMON EXCAVATION	(P)	CU YD	\$22.00	\$68,618.00	\$54,010.00	\$54,010.00	\$112,420.00	\$101,794.00	\$23,276.00			\$414,128.00				\$414,128.00			18824	\$414,128.00
36	SUBGRADE EXCAVATION		CU YD	\$30.00	\$4,560.00	\$4,110.00	\$4,860.00	\$9,390.00	\$8,550.00	\$1,860.00			\$33,330.00				\$33,330.00			1111	\$33,330.00
37	RECLAIM BITUMINOUS SURFACE		SQ YD	\$2.50	\$6,130.00	\$5,252.50	\$6,375.00	\$12,050.00	\$11,510.00	\$2,495.00			\$43,812.50				\$43,812.50			17525	\$43,812.50
38	SELECT GRANULAR TRENCH BACKFILL		TON	\$20.00										\$8,000.00	\$4,000.00	\$8,000.00	\$20,000.00			1000	\$20,000.00
39	GEOTEXTILE FABRIC TYPE V		SQ YD	\$1.50	\$4,546.50	\$4,099.50	\$4,852.50	\$9,363.00	\$8,541.00	\$1,839.00			\$33,241.50				\$33,241.50			22161	\$33,241.50
40	STABILIZING AGGREGATE		CU YD	\$50.00	\$7,600.00	\$6,850.00	\$8,100.00	\$15,650.00	\$14,250.00	\$3,100.00			\$55,550.00				\$55,550.00			1111	\$55,550.00
41	SELECT GRANULAR BORROW		TON	\$18.00	\$33,156.00	\$29,898.00	\$35,388.00	\$68,274.00	\$62,280.00	\$13,410.00			\$242,406.00				\$242,406.00			13467	\$242,406.00
42	CLASS 5 AGGREGATE BASE		TON	\$20.00	\$24,680.00	\$22,260.00	\$26,340.00	\$50,820.00	\$46,360.00	\$10,000.00			\$180,460.00				\$180,460.00			9023	\$180,460.00
43	CLASS 2 AGGREGATE SURFACING (GRAVEL DRIVEWAY)		TON	\$40.00			\$400.00	\$240.00					\$640.00				\$640.00			16	\$640.00
44	BITUMINOUS WEARING COURSE (SPWEA240C)		TON	\$90.00		\$22,950.00	\$27,810.00	\$52,470.00	\$50,040.00	\$10,890.00			\$164,160.00				\$164,160.00			1824	\$164,160.00
45	BITUMINOUS -NON-WEARING COURSE (SPNWB230C)		TON	\$85.00		\$21,675.00	\$26,265.00	\$49,555.00	\$47,260.00	\$10,285.00			\$155,040.00				\$155,040.00			1824	\$155,040.00
46	BITUMINOUS WEARING COURSE (SPWEA340C)		TON	\$92.00	\$29,256.00	\$2,116.00		\$2,300.00	\$1,564.00				\$35,236.00				\$35,236.00			383	\$35,236.00
47	BITUMINOUS -NON-WEARING COURSE (SPNWB330C)		TON	\$88.00	\$27,984.00	\$2,024.00		\$2,200.00	\$1,496.00				\$33,704.00				\$33,704.00			383	\$33,704.00
48	BITUMINOUS MATERIAL FOR TACK COAT		GAL	\$5.00	\$660.00	\$575.00	\$640.00	\$1,255.00	\$1,185.00	\$250.00			\$4,565.00				\$4,565.00			913	\$4,565.00
49	3" BITUMINOUS DRIVEWAY/TRAIL		SQ YD	\$30.00		\$2,760.00	\$900.00	\$810.00	\$960.00				\$5,430.00				\$5,430.00		\$3,660.00	303	\$9,090.00
50	JOINT ADHESIVE (MASTIC)		LIN FT	\$1.00	\$1,170.00	\$1,270.00	\$1,435.00	\$2,625.00	\$2,710.00	\$590.00			\$9,800.00				\$9,800.00			9800	\$9,800.00
51	6" PERF PVC UNDERDRAIN		LIN FT	\$20.00											\$13,000.00		\$13,000.00			650	\$13,000.00
52	6" PERF PVC UNDERDRAIN CLEANOUT		EACH	\$400.00											\$5,200.00		\$5,200.00			13	\$5,200.00
53	12" RC STORM PIPE		EACH	\$50.00											\$2,250.00		\$2,250.00		\$4,250.00	130	\$6,500.00
54	15" RC STORM PIPE		LIN FT	\$65.00											\$57,720.00		\$57,720.00			888	\$57,720.00



Item No.	Item	Notes	Unit	Unit Price	Estimated Costs													Total Quantity	Total Cost							
					Reconstruction Area																					
					12th Ave N	14th Ave N - South Block	14th Ave N - North Block	15th Ave N	16th Ave N	2nd St N	Existing Sidewalk	New Sidewalk	Recon Street Total	Sanitary	Storm	Water	Reconstruction Total			City-Wide CIPP Lining	Regional Trail Storm Sewer					
107	ADJUST GATE VALVE & BOX		EACH	\$500.00																			3	\$1,500.00		
108	ADJUST CASTING		EACH	\$500.00																				10	\$5,000.00	
109	4" CONCRETE WALK		SQ FT	\$7.00																				52303	\$366,121.00	
110	CONCRETE STEP		EACH	\$350.00		\$1,400.00	\$2,100.00	\$700.00	\$2,450.00				\$6,650.00											19	\$6,650.00	
111	CONCRETE CURB & GUTTER DESIGN B618		LIN FT	\$22.00																				9810	\$215,820.00	
112	6" CONCRETE WALK (PEDESTRIAN RAMPS)		SQ YD	\$140.00		\$4,200.00	\$14,000.00	\$12,600.00	\$12,600.00				\$43,400.00											310	\$43,400.00	
113	6" CONCRETE DRIVEWAY		SQ YD	\$75.00	\$1,425.00		\$9,075.00	\$19,425.00	\$8,700.00	\$3,300.00			\$41,925.00											559	\$41,925.00	
114	8" CONCRETE DRIVEWAY/ALLEY		SQ YD	\$85.00	\$15,300.00	\$10,625.00		\$10,200.00	\$7,055.00	\$6,970.00			\$50,150.00											590	\$50,150.00	
115	TRUNCATED DOMES		SQ FT	\$60.00		\$2,880.00	\$6,240.00	\$9,360.00	\$6,480.00				\$24,960.00											416	\$24,960.00	
116	INSTALL PAVERS		SQ FT	\$20.00	\$140.00	\$1,280.00	\$620.00	\$2,240.00	\$3,380.00				\$7,660.00											383	\$7,660.00	
117	CHANGEABLE MESSAGE BOARDS		UNIT DAY	\$155.00	\$1,472.50	\$1,472.50		\$1,472.50	\$1,472.50				\$5,890.00											38	\$5,890.00	
118	TRAFFIC CONTROL		LUMP SUM	\$75,000.00	\$3,750.00	\$3,750.00	\$3,750.00	\$7,500.00	\$7,500.00	\$1,500.00	\$3,750.00	\$750.00	\$32,250.00	\$15,000.00	\$7,500.00	\$18,750.00	\$73,500.00	\$750.00	\$750.00				1.00	\$75,000.00		
119	TRAFFIC SIGN POST (FOUNDATION)		EACH	\$350.00	\$1,400.00	\$1,050.00	\$700.00	\$2,100.00	\$2,450.00	\$350.00			\$8,050.00											23	\$8,050.00	
120	TRAFFIC SIGN POST (U-CHANNEL)		EACH	\$85.00	\$935.00	\$595.00	\$170.00		\$425.00				\$2,125.00											25	\$2,125.00	
121	SIGN PANEL (TYPE C)		EACH	\$25.00	\$1,118.75	\$637.50	\$550.00	\$625.00	\$1,237.50	\$156.25			\$4,325.00											173	\$4,325.00	
122	SIGN PANEL (TYPE D)		EACH	\$27.00	\$283.50	\$283.50		\$567.00	\$850.50	\$283.50			\$2,268.00											84	\$2,268.00	
123	RIGID PVC LOOP DETECTOR - 6'X6'		EACH	\$2,400.00	\$4,800.00	\$4,800.00							\$9,600.00											4	\$9,600.00	
124	LIGHT POLE FOUNDATION		EACH	\$1,250.00	\$2,500.00								\$2,500.00											2	\$2,500.00	
125	REINSTALL LIGHT POLE		EACH	\$1,000.00	\$2,000.00								\$2,000.00											2	\$2,000.00	
126	1.5" NON-METALLIC LIGHTING CONDUIT		LIN FT	\$10.00	\$1,350.00								\$1,350.00											135	\$1,350.00	
127	3-1/C#4 LIGHTING WIRE		LIN FT	\$6.00	\$870.00								\$870.00											145	\$870.00	
128	LIGHTING GROUND WIRE		LIN FT	\$4.00	\$580.00								\$580.00											145	\$580.00	
129	LED LIGHTING FIXTURE		EACH	\$2,000.00	\$4,000.00								\$4,000.00											2	\$4,000.00	
130	STREET SWEEPER WITH OPERATOR		HOUR	\$150.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$1,500.00			\$16,500.00											110	\$16,500.00	
131	STABILIZED CONSTRUCTION EXIT		EACH	\$1,200.00	\$1,200.00	\$1,200.00		\$1,200.00	\$1,200.00				\$4,800.00											4	\$4,800.00	
132	STORM DRAIN INLET PROTECTION		EACH	\$200.00												\$8,400.00								42	\$8,400.00	
133	TOPSOIL BORROW (SPECIAL)		CU YD	\$40.00	\$4,240.00	\$3,760.00	\$4,920.00	\$12,200.00	\$18,520.00	\$1,760.00		\$3,720.00	\$49,120.00									\$4,600.00	1343	\$53,720.00		
134	HYDROMULCH & SEED MIX 25-151		SQ YD	\$3.00					\$4,218.00				\$4,218.00									\$3,090.00	2436	\$7,308.00		
135	EROSION CONTROL BLANKET & SEED MIX 25-151		SQ YD	\$10.00								\$8,340.00	\$8,340.00									\$3,900.00	1224	\$12,240.00		
136	SILT FENCE - MACHINE SLICED		LIN FT	\$5.00					\$1,670.00	\$980.00		\$3,415.00	\$6,065.00									\$570.00	1327	\$6,635.00		
137	SEDIMENT CONTROL LOG (BIOROLL)		LIN FT	\$4.00								\$400.00	\$400.00									\$800.00	300	\$1,200.00		
138	RIPRAP CL. 2		CU YD	\$75.00																		\$450.00	6	\$450.00		
139	SODDING, TYPE LAWN		SQ YD	\$8.00	\$7,664.00	\$6,760.00	\$8,960.00	\$22,136.00	\$22,432.00	\$3,176.00			\$71,128.00											8891	\$71,128.00	
140	LANDSCAPE ALLOWANCE		LUMP SUM	\$100,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$2,000.00	\$5,000.00	\$1,000.00	\$43,000.00	\$20,000.00	\$10,000.00	\$25,000.00	\$98,000.00	\$1,000.00	\$1,000.00				1.00	\$100,000.00		
141	4" SOLID WHITE - MULTI COMPONENT LIQUID		LIN FT	\$6.00		\$570.00							\$570.00											95.00	\$570.00	
142	CROSSWALK - THERMOPLASTIC		SQ FT	\$15.00	\$5,940.00	\$4,050.00	\$2,700.00	\$6,750.00	\$4,050.00				\$23,490.00											1566	\$23,490.00	
ESTIMATED BASE BID SUBTOTAL:					\$344,698.25	\$287,517.50	\$312,116.50	\$650,972.50	\$589,252.50	\$115,847.75	\$351,868.00	\$58,628.00	\$2,710,901.00	\$1,147,135.00	\$590,225.00	\$1,354,990.00	\$5,803,251.00	\$76,150.00	\$61,440.00						\$5,940,841.00	
5% CONTINGENCY:					\$17,234.91	\$14,375.88	\$15,605.83	\$32,548.63	\$29,462.63	\$5,792.39	\$17,593.40	\$2,931.40	\$135,545.05	\$57,356.75	\$29,511.25	\$67,749.50	\$290,162.55	\$3,807.50	\$3,072.00							\$297,042.05
ESTIMATED BASE BID CONSTRUCTION COST:					\$361,933.16	\$301,893.38	\$327,722.33	\$683,521.13	\$618,715.13	\$121,640.14	\$369,461.40	\$61,559.40	\$2,846,446.05	\$1,204,491.75	\$619,736.25	\$1,422,739.50	\$6,093,413.55	\$79,957.50	\$64,512.00							\$6,237,883.05
20% DESIGN, ADMINISTRATION AND CONSTRUCTION ENGINEERING:					\$72,386.63	\$60,378.68	\$65,544.47	\$136,704.23	\$123,743.03	\$24,328.03	\$73,892.28	\$12,311.88	\$569,289.21	\$240,898.35	\$123,947.25	\$284,547.90	\$1,218,682.71	\$15,991.50	\$12,902.40							\$1,247,576.61
TOTAL ESTIMATED BASE BID COST:					\$434,319.80	\$362,272.05	\$393,266.79	\$820,225.35	\$742,458.15	\$145,968.17	\$443,353.68	\$73,871.28	\$3,415,735.26	\$1,445,390.10	\$743,683.50	\$1,707,287.40	\$7,312,096.26	\$95,949.00	\$77,414.40							\$7,485,459.66

ADD ALTERNATES

A.1	MOBILIZATION		LUMP SUM	\$10,000.00																				1	\$10,000.00
A.2	REMOVE CURB AND GUTTER		LIN FT	\$10.00																				269	\$2,690.00
A.3	REMOVE BITUMINOUS STREET PAVEMENT		SQ YD	\$10.00																				788	\$7,880.00
A.4	REMOVE CONCRETE WALK		SQ FT	\$1.00																				2123	\$2,123.00
A.5	SAWING CONCRETE PAVEMENT (FULL DEPTH)		LIN FT	\$5.00																				410	\$2,050.00
A.6	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)		LIN FT	\$4.00																				386	\$1,544.00
A.7	REMOVE SIGN POST		EACH	\$50.00																				2	\$100.00
A.8	SALVAGE SIGN PANEL		EACH	\$55.00																				2	\$110.00
A.9	REINSTALL SIGN PANEL		EACH	\$110.00																				2	\$220.00
A.10	TRAFFIC SIGN POST (U-CHANNEL)		EACH	\$70.00																				2	\$140.00
A.11	REMOVE CONCRETE PARKING STOP		EACH	\$100.00																				9	\$900.00

Item No.	Item	Notes	Unit	Unit Price	Estimated Costs													Total Quantity	Total Cost	
					Reconstruction Area															
					12th Ave N	14th Ave N - South Block	14th Ave N - North Block	15th Ave N	16th Ave N	2nd St N	Existing Sidewalk	New Sidewalk	Recon Street Total	Sanitary	Storm	Water	Reconstruction Total			City-Wide CIPP Lining
A.12	REMOVE DRAINAGE STRUCTURE		EACH	\$500.00															2	\$1,000.00
A.13	REMOVE STORM SEWER PIPE		LIN FT	\$15.00															61	\$915.00
A.14	REMOVE SANITARY SEWER PIPE		LIN FT	\$15.00															25	\$375.00
A.15	REMOVE SANITARY MANHOLE		EACH	\$750.00															1	\$750.00
A.16	EXPLORATORY EXCAVATION		HOUR	\$1,000.00															5	\$5,000.00
A.17	COMMON EXCAVATION (P)		CU YD	\$22.00															263	\$5,786.00
A.18	SUBGRADE EXCAVATION		CU YD	\$30.00															79	\$2,370.00
A.19	STABILIZING AGGREGATE		CU YD	\$50.00															79	\$3,950.00
A.20	CLASS 5 AGGREGATE BASE		TON	\$20.00															321	\$6,420.00
A.21	BITUMINOUS WEARING COURSE (SPWEA340C)		TON	\$92.00															469	\$43,148.00
A.22	BITUMINOUS -NON-WEARING COURSE (SPNWB330C)		TON	\$88.00															95	\$8,360.00
A.23	BITUMINOUS MATERIAL FOR TACK COAT		GAL	\$5.00															324	\$1,620.00
A.24	2" BITUMINOUS STREET PATCH		SQ YD	\$25.00															410	\$10,250.00
A.25	MILL BITUMINOUS SURFACE (1.5")		SQ YD	\$2.00															2911	\$5,822.00
A.26	MILL BITUMINOUS SURFACE (2")		SQ YD	\$2.00															1173	\$2,346.00
A.27	JOINT ADHESIVE (MASTIC)		LIN FT	\$1.00															1950	\$1,950.00
A.28	12" RC STORM PIPE		LIN FT	\$65.00															19	\$1,235.00
A.29	STORM MANHOLE (72-4020)		EACH	\$6,000.00															1	\$6,000.00
A.30	R-1733 STORM SEWER MANHOLE CASTING (SPECIAL)		EACH	\$1,200.00															1	\$1,200.00
A.31	MONOFORM MANHOLE REHABILITATION (STORM)		LIN FT	\$650.00															11.2	\$7,280.00
A.32	INVERT REPAIR		EACH	\$5,000.00															1	\$5,000.00
A.33	ADJUST CASTING		EACH	\$750.00															2	\$1,500.00
A.34	CONNECT TO EXISTING STORM PIPE		EACH	\$1,500.00															5	\$7,500.00
A.35	CONNECT TO EXISTING STORM STRUCTURE		EACH	\$2,000.00															2	\$4,000.00
A.36	R-1733 SANITARY CASTING (SPECIAL)		EACH	\$1,500.00															2	\$3,000.00
A.37	8" PVC SDR 35 SANITARY SEWER PIPE		LIN FT	\$65.00															25	\$1,625.00
A.38	CONNECT TO EXISTING SANITARY SEWER PIPE		EACH	\$2,000.00															2	\$4,000.00
A.39	SANITARY MANHOLE		LIN FT	\$450.00															8.8	\$3,960.00
A.40	ADJUST GATE VALVE & BOX		EACH	\$500.00															3	\$1,500.00
A.41	4" CONCRETE WALK		SQ FT	\$7.00															1680	\$11,760.00
A.42	CONCRETE CURB & GUTTER DESIGN B618		LIN FT	\$30.00															281	\$8,430.00
A.43	6" CONCRETE WALK (PEDESTRIAN RAMPS)		SQ YD	\$140.00															57	\$7,980.00
A.44	TRUNCATED DOMES		SQ FT	\$60.00															60	\$3,600.00
A.45	TRAFFIC CONTROL		LUMP SUM	\$10,000.00															1	\$10,000.00
A.46	STREET SWEEPER WITH OPERATOR		HOUR	\$150.00															16	\$2,400.00
A.47	STORM DRAIN INLET PROTECTION		EACH	\$200.00															10	\$2,000.00
A.48	4" SOLID WHITE - MULTI COMPONENT LIQUID		LIN FT	\$1.50															300	\$450.00
A.49	4" BROKEN YELLOW - MULTI COMPONENT LIQUID		LIN FT	\$0.75															200	\$150.00
A.50	CROSSWALK - THERMOPLASTIC		SQ FT	\$15.00															486	\$7,290.00
ESTIMATED ADD ALTERNATE SUBTOTAL:																			\$229,679.00	
5% CONTINGENCY:																			\$11,483.95	
ESTIMATED ADD ALTERNATE CONSTRUCTION COST:																			\$241,162.95	
20% DESIGN, ADMINISTRATION AND CONSTRUCTION ENGINEERING:																			\$48,232.59	
TOTAL ESTIMATED ADD ALTERNATE COST:																			\$289,395.54	
B.1	MOBILIZATION		LUMP SUM	\$10,000.00															1	\$10,000.00
B.2	REMOVE CURB AND GUTTER		LIN FT	\$10.00															90	\$900.00
B.3	REMOVE CONCRETE WALK		SQ FT	\$1.00															665	\$665.00
B.4	SAWING CONCRETE PAVEMENT (FULL DEPTH)		LIN FT	\$5.00															60	\$300.00
B.5	MILL BITUMINOUS SURFACE (1.5")		SQ YD	\$2.00															1698	\$3,396.00
B.6	2" BITUMINOUS STREET PATCH		SQ YD	\$25.00															170	\$4,250.00
B.7	BITUMINOUS WEARING COURSE (SPWEA340C)		TON	\$92.00															154	\$14,168.00
B.8	BITUMINOUS MATERIAL FOR TACK COAT		GAL	\$5.00															119	\$595.00
B.9	JOINT ADHESIVE (MASTIC)		LIN FT	\$1.00															960	\$960.00

Item No.	Item	Notes	Unit	Unit Price	Estimated Costs													Total Quantity	Total Cost
					Reconstruction Area														
					12th Ave N	14th Ave N - South Block	14th Ave N - North Block	15th Ave N	16th Ave N	2nd St N	Existing Sidewalk	New Sidewalk	Recon Street Total	Sanitary	Storm	Water	Reconstruction Total		
B.10	R-1733 SANITARY CASTING (SPECIAL)		EACH	\$1,500.00														1	\$1,500.00
B.11	4" CONCRETE WALK		SQ FT	\$7.00														485	\$3,395.00
B.12	CONCRETE CURB & GUTTER DESIGN B618		LIN FT	\$30.00														90	\$2,700.00
B.13	8" CONCRETE DRIVEWAY/ALLEY		SQ YD	\$85.00														20	\$1,700.00
B.14	TRAFFIC CONTROL		LUMP SUM	\$5,000.00														1	\$5,000.00
B.15	STREET SWEEPER WITH OPERATOR		HOUR	\$150.00														10	\$1,500.00
B.16	STORM DRAIN INLET PROTECTION		EACH	\$200.00														3	\$600.00
B.17	TOPSOIL BORROW (SPECIAL)		CU YD	\$40.00														16	\$640.00
B.18	HYDROMULCH & SEED MIX 25-151		SQ YD	\$3.00														150	\$450.00
B.19	LANDSCAPE ALLOWANCE		LUMP SUM	\$5,000.00														1	\$5,000.00
B.20	4" BROKEN YELLOW - MULTI COMPONET LIQUID		LIN FT	\$0.75														100	\$75.00
ESTIMATED ADD ALTERNATE SUBTOTAL:																			\$57,794.00
5% CONTINGENCY:																			\$2,889.70
ESTIMATED ADD ALTERNATE CONSTRUCTION COST:																			\$60,683.70
20% DESIGN, ADMINISTRATION AND CONSTRUCTION ENGINEERING:																			\$12,136.74
TOTAL ESTIMATED ADD ALTERNATE COST:																			\$72,820.44
C.1	MOBILIZATION		LUMP SUM	\$10,000.00														1	\$10,000.00
C.2	REMOVE CURB AND GUTTER		LIN FT	\$10.00														248	\$2,480.00
C.3	REMOVE CONCRETE WALK		SQ FT	\$1.00														1741	\$1,741.00
C.4	SAWING CONCRETE PAVEMENT (FULL DEPTH)		LIN FT	\$5.00														174	\$870.00
C.5	BITUMINOUS WEARING COURSE (SPWEA340C)		TON	\$92.00														474	\$43,608.00
C.6	BITUMINOUS MATERIAL FOR TACK COAT		GAL	\$5.00														366	\$1,830.00
C.7	2" BITUMINOUS STREET PATCH		SQ YD	\$25.00														523	\$13,075.00
C.8	MILL BITUMINOUS SURFACE (1.5")		SQ YD	\$2.00														5226	\$10,452.00
C.9	JOINT ADHESIVE (MASTIC)		LIN FT	\$1.00														2483	\$2,483.00
C.10	R-1733 SANITARY CASTING (SPECIAL)		EACH	\$1,500.00														2	\$3,000.00
C.11	4" CONCRETE WALK		SQ FT	\$7.00														1201	\$8,407.00
C.12	CONCRETE CURB & GUTTER DESIGN B618		LIN FT	\$30.00														248	\$7,440.00
C.13	8" CONCRETE DRIVEWAY/ALLEY		SQ YD	\$85.00														60	\$5,100.00
C.14	TRAFFIC CONTROL		LUMP SUM	\$5,000.00														1	\$5,000.00
C.15	STREET SWEEPER WITH OPERATOR		HOUR	\$150.00														8	\$1,200.00
C.16	STORM DRAIN INLET PROTECTION		EACH	\$200.00														15	\$3,000.00
C.17	TOPSOIL BORROW (SPECIAL)		CU YD	\$40.00														16	\$640.00
C.18	HYDROMULCH & SEED MIX 25-151		SQ YD	\$3.00														150	\$450.00
C.19	LANDSCAPE ALLOWANCE		LUMP SUM	\$5,000.00														1	\$5,000.00
C.20	HANDICAP SYMBOL (GR IN) - THERMOPLASTIC		EACH	\$750.00														1	\$750.00
C.21	4" SOLID WHITE - MULTI COMPONET LIQUID		LIN FT	\$1.50														55	\$82.50
C.22	4" BROKEN YELLOW - MULTI COMPONET LIQUID		LIN FT	\$0.75														120	\$90.00
C.23	4" SOLID YELLOW - MULTI COMPONET LIQUID		LIN FT	\$1.00														165	\$165.00
C.24	CROSSWALK - THERMOPLASTIC		SQ FT	\$15.00														360	\$5,400.00
ESTIMATED ADD ALTERNATE SUBTOTAL:																			\$132,263.50
5% CONTINGENCY:																			\$6,613.18
ESTIMATED ADD ALTERNATE CONSTRUCTION COST:																			\$138,876.68
20% DESIGN, ADMINISTRATION AND CONSTRUCTION ENGINEERING:																			\$27,775.34
TOTAL ESTIMATED ADD ALTERNATE COST:																			\$166,652.01
ESTIMATED PROJECT SUBTOTAL (BASE + ADD ALTERNATES):																			\$6,360,577.50
5% CONTINGENCY:																			\$318,028.88
TOTAL ESTIMATED CONSTRUCTION COST:																			\$6,678,606.38
20% DESIGN, ADMINISTRATION AND CONSTRUCTION ENGINEERING:																			\$1,335,721.28
TOTAL ESTIMATED PROJECT COST:																			\$8,014,327.65

**RESOURCE LIST**

UTILITIES  
 CENTERPOINT ENERGY  
 JOSH GOETZ

LUMEN  
 TERRA TECHNOLOGIES, LLC  
 RJ ALLISON  
 612-388-1284

COMCAST  
 BRIAN HOVE  
 612-834-7064

XCEL ENERGY  
 DANIEL GOLDMAN

CITY OF HOPKINS  
 PUBLIC WORKS  
 11100 EXCELSIOR BOULEVARD  
 HOPKINS, MN 55343

CITY ENGINEER  
 ERIC KLINGBEIL, P.E.

INTERIM PUBLIC WORKS DIRECTOR  
 CHUCK AUTIO

STREETS & PARKS SUPERVISOR  
 DUSTIN PAVEK

UTILITIES SUPERVISOR  
 SEAN MOILANEN

CONSULTING ENGINEER  
 BOLTON & MENK, INC.  
 12224 NICOLLET AVENUE  
 BURNSVILLE, MN 55337

CONSTRUCTION DRAWINGS FOR

# 2023 STREET & UTILITY IMPROVEMENTS

CITY PROJECT NO. 2022-010  
 BMI PROJECT NO. 0T1.127595



SHEET NUMBER	SHEET TITLE
<b>GENERAL</b>	
G0.01 - G0.03	TITLE SHEET, LEGEND, GENERAL NOTES
G1.01 - G1.04	STATEMENT OF ESTIMATED QUANTITIES & TABLES
<b>CIVIL</b>	
C0.01 - C0.05	EXISTING CONDITIONS & REMOVALS
C0.06 - C0.10	EXISTING CONDITIONS & REMOVALS - ADD ALTERNATES
C1.01	PHASING & STAGING PLAN
C1.02	MAINSTREET DETOUR PLAN
C1.03 - C1.05	TYPICAL SECTIONS
C1.06 - C1.14	CONSTRUCTION DETAILS
C1.15 - C1.18	TEMPORARY WATER PLAN
C2.01 - C2.08	STORMWATER POLLUTION PREVENTION PLAN
C4.01 - C4.09	SANITARY & WATERMAIN PLAN & PROFILE
C4.10 - C4.14	CITY WIDE SANITARY SEWER LINING
C5.01 - C5.06	STORM PLAN & PROFILE
C5.07	13TH/14TH ALLEY STORM PLAN & PROFILE
C6.01 - C6.08	STREET PLAN & PROFILE
C6.09	1ST STREET N. SIDEWALK
C6.10 - C6.19	INTERSECTION DETAILS
C6.20 - C6.24	CONSTRUCTION PLAN - ADD ALTERNATES
C7.01 - C7.05	SIGNING AND STRIPING PLAN
C9.01 - C9.18	CROSS SECTIONS

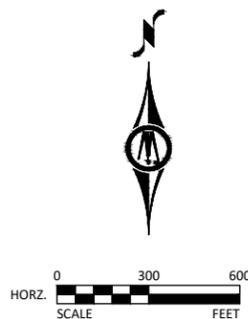
THIS PLAN SET CONTAINS 111 SHEETS.

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

*Nick Amatuccio* LIC. NO. 53639 DATE: 1/17/2023  
 NICHOLAS J. AMATUCCIO, P.E.

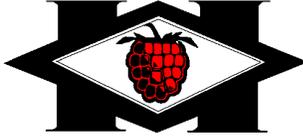
REVIEWED & APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 ERIC KLINGBEIL, P.E.  
 HOPKINS CITY ENGINEER

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DESIGNED	NO.	ISSUED FOR	DATE
DRAWN			
CHECKED			
CLIENT PROJ. NO.	0T.127595		

HOPKINS, MINNESOTA		SHEET <b>G0.01</b>
2023 STREET & UTILITY IMPROVEMENTS		
TITLE SHEET		



Finance Department

CITY OF HOPKINS

## City Council Report 2023-015

To: Honorable Mayor and Council Members  
Mike Mornson, City Manager

From: Nick Bishop, Finance Director

Date: January 17, 2023

Subject: Authorize Sale of \$8,365,000 General Obligation Bonds Series 2023A

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### RECOMMENDED ACTION

**MOTION TO** adopt Resolution 2023-006: Providing for the Sale of \$8,365,000 General Obligation Bonds, Series 2023A.

### OVERVIEW

The Series 2023A bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged. The preliminary authorization is for \$8.365 million and will be adjusted to reflect actual costs after construction bids are opened on February 10. The bonds are being sold to finance three purposes.

- 2023 street and utility reconstruction project in West Central Avenues. The bonds for this purpose will be issued with a 16 year term to come from general tax levy, special assessments and utility revenues.
- 2024 mill and overlay projects on 1<sup>st</sup> St. N and Lot 700. The bonds for this purpose will be issued with a 10 year term to come from a general tax levy. Issuance for 2024 portion is being recommended based on timing of future street projects.
- Equipment Purchase (Log Truck). The bonds for this purpose will be issued with a 10 year term to come from a general tax levy.

Adopting the resolution will allow City Staff to work with its municipal advisor Ehlers & Associates to prepare an official statement for the bond sale. The City's last bond rating was AA+ with a stable outlook. Standard and Poor's will update the rating before the bonds are sold. City Council is scheduled to award the sale of bonds on February 14, 2023.

### SUPPORTING INFORMATION

- Resolution No. 2023-006
- Bond Pre-Sale Report

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2023-006**

**Resolution Providing for the Sale of \$8,365,000  
General Obligation Bonds, Series 2023A**

**WHEREAS**, the City Council of the City of Hopkins, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$8,365,000 General Obligation Bonds, Series 2023A (the "bonds"), to finance the 2023 road and utility reconstruction project, the 2024 mill and overlay project and purchase of a log truck; and

**WHEREAS**, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9)

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Hopkins, Minnesota, as follows:

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 6:30 p.m. on February 14, 2023 for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Adopted by the City Council of the City of Hopkins this 17<sup>th</sup> day of January, 2023.

By: \_\_\_\_\_  
Patrick Hanlon, Mayor

ATTEST:

\_\_\_\_\_  
Amy Domeier, City Clerk

January 17, 2023

PRE-SALE REPORT FOR

## City of Hopkins, Minnesota

**\$8,365,000 General Obligation Bonds, Series 2023A**



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**Prepared by:**

Ehlers  
3060 Centre Pointe Drive  
Roseville, MN 55113

**Advisors:**

Stacie Kvilvang, Senior Municipal Advisor  
Jason Aarsvold, Senior Municipal Advisor  
Keith Dahl, Municipal Advisor

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

# EXECUTIVE SUMMARY OF PROPOSED DEBT

## Proposed Issue:

\$8,365,000 General Obligation Bonds, Series 2023A

## Purposes:

The proposed issue includes financing for the following purposes:

To finance the 2023 road and utility reconstruction projects, mill and overlay projects and purchase a log truck

- **Road Improvements** - \$3,785,000. This portion of the Bonds is being issued for 16 years. Debt service will be paid from special assessments and ad valorem property taxes.
- **Mill/Overlay** - \$475,000. This portion of the Bonds is being issued for 10 years. Debt service will be paid from ad valorem property taxes.
- **Utilities** - \$3,895,000. This portion of the Bonds is being issued for 16 years. Debt service will be paid from utility revenues.
- **Equipment** - \$210,000. This portion of the Bonds is being issued for 10 years. Debt service will be paid from ad valorem property taxes.

## Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters:

- 412.301 - Equipment
- 429 - Road Improvement
- 475.58 3b - Mill/Overlay
- 444 - Utilities
- 475 - General Bonding Authority

**2023 Street Reconstruction Portion:** Because the City is assessing at least 20% of the project costs, this portion of the Bonds may be a general obligation without a referendum and will not count against the City's debt limit. The City intends to levy a total of \$1,050,000 in special assessments to benefitting property owners, of which \$210,000 (20%) is anticipated to be collected in pre-paid assessments (this portion of the Bond issue was reduced accordingly). The remaining \$840,000 of special assessments will be collected in years 2024 to 2038 at a rate of 2% over the True Interest Costs (TIC) of the Bonds. Annual assessments are paid on an equal principal basis.

**Utility Portion:** Chapter 444 allows cities to issue debt without limitation as long as debt service is expected to be paid from water and sewer revenues.

**Mill/Overlay Portion:** The City held a public hearing on March 1, 2022, for the 2022-2026 Street Reconstruction and Overlay Plan (SROP) for the mill and overlay portion of the Bonds, which provides the authority to issue this portion of the Bonds.

**Equipment Certificate Portion:** The City is authorized to issue debt for the purchase of capital equipment. If the amount of equipment certificates being issued is more than .25% of the EMV of taxable property in the City, a public notice must be published, and the issue is subject to reverse referendum. The City's EMV for Pay 2023 is \$2,688,977,400. Currently the City has \$2,110,000 in outstanding equipment certificates. Since the amount of the proposed equipment certificate and existing equipment certificates is below the statutory threshold of \$6,722,444, the certificate may be issued without public notice and voter approval.

Both the Mill / Overlay and the Equipment portion of the Bonds will count towards the City's statutory debt limit, which is 3% of the EMV. Based upon the Pay 2023 EMV noted above, the debt limit is \$80,669,322. As of January 2, 2023, the City had \$21,150,000 subject to the legal debt limit (this amount includes the 2014A (SROP portion), 2015A (SROP Portion), 2016C (Equipment Certificate portion), 2017A (SROP portion), 2018A (SROP and Equipment Certificate portions), 2019A (CIP and SROP portions) and 2020A (Equipment Certificate portion) and 2022A (Equipment Certificate/SROP portion)).

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

### **Term/Call Feature:**

The Bonds are being issued for a term of 16 years. Principal on the Bonds will be due on February 1 in the years 2025 through 2039. Interest is payable every six months beginning February 1, 2024.

The Bonds will be subject to prepayment at the discretion of the City.

### **Bank Qualification:**

Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as "bank qualified" obligations. Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

### **Rating:**

S&P Global Ratings "AA+"

The City's most recent bond issues were rated by S&P Global Ratings. The current rating on those bonds is "AA+". The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

## **Basis for Recommendation:**

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Bonds and long-term financial capacity, as well as the tax status considerations related to the Bonds and the structure, timing and other similar matters related to the Bonds, we are recommending the issuance of Bonds as a suitable option.

## **Method of Sale/Placement:**

We are recommending the Bonds be issued as municipal securities and offered through a competitive underwriting process. We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

## **Premium Pricing:**

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City. The amount of the premium varies, but it is not uncommon to see premiums for new issues in the range of 2.00% to 10.00% of the face amount of the issue. This means that an issuer with a \$2,000,000 offering may receive bids that result in proceeds of \$2,040,000 to \$2,200,000.

For this issue of Bonds we have been directed to work with staff on the day of sale to determine if the city wants to retain the net premium to reduce the size of the issue or increase the net proceeds for the project. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.

The amount of premium can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended impacts with respect to debt service payment. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.

## **Review of Existing Debt:**

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.

## Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

## Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City's specific arbitrage responsibilities will be detailed in the Tax Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Bonds may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

We recommend that the City review its specific responsibilities related to the Bonds with an arbitrage expert in order to utilize one or more of the exceptions listed above.

## Investment of Bond Proceeds:

Ehlers can assist the City in developing a strategy to invest your Bond proceeds until the funds are needed to pay project costs and needed to redeem the refunded obligations. You have retained Ehlers Investment Partners to assist you with managing your bond proceeds.

## Risk Factors:

**Special Assessments:** We have assumed \$210,000 in pre-paid special assessments. If the City receives a significant amount more of pre-paid assessments or does not levy the assessments, it may need to increase the levy portion of the debt service to make up for lower interest earnings than the expected assessment interest rate.

## Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we

have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

**Bond Counsel:** Kennedy & Graven, Chartered

**Paying Agent:** Bond Trust Services Corporation

**Rating Agency:** S&P Global Ratings (S&P)

### **Summary:**

The decisions to be made by the City Council are as follows:

- Accept or modify the finance assumptions described in this report
- Adopt the resolution attached to this report.

## PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by City Council:	January 17, 2023
Due Diligence Call to review Official Statement and Conference Call with Rating Agency:	Week of February 6, 2023
Distribute Official Statement:	Week of January 30, 2023
City Council Meeting to Award Sale of the Bonds:	February 14, 2023
Estimated Closing Date:	March 7, 2023

### Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Resolution Authorizing Ehlers to Proceed with Bond Sale

## EHLERS' CONTACTS

Stacie Kvilvang, Senior Municipal Advisor	(651) 697-8506
Jason Aarsvold, Senior Municipal Advisor	(651) 697-8512
Keith Dahl, Municipal Advisor	(651) 697-8595
Silvia Johnson, Senior Public Finance Analyst	(651) 697-8580
Alicia Gage, Senior Financial Analyst	(651) 697-8551