

**HOPKINS CITY COUNCIL**

**AGENDA**

**Tuesday, July 16, 2024**

**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 July 9, 2024, Regular Meeting Proceedings
2. Resolution Appointing Election Judges for the August 13, 2024, State Primary Election; Domeier
3. Approve Purchase of Fire Engine; Bishop
4. Approve Special Assessments for Diseased Tree Removal and Private Water Service; Bishop
5. Approve Special Assessment Deferral Request; Bishop
6. Amendment to Trailhead Agreement for the Hopkins Depot; Imihy Bean

**V. PUBLIC HEARINGS**

**VI. OLD BUSINESS**

**VII. NEW BUSINESS**

1. Amendment to Capital Improvement Plan for the Depot Remodel; Imihy Bean
2. 2025 General Fund Budget and Tax Levy; Bishop
3. Recognition of Council Member Gerard Balan; Hanlon

**VIII. PUBLIC COMMENT**

**IX. ANNOUNCEMENTS**

- Next City Council Regular Meeting: Monday, August 5 and Tuesday, August 20 at 6:30 p.m.

**X. ADJOURN**

**HOPKINS CITY COUNCIL  
REGULAR MEETING PROCEEDINGS  
JULY 9, 2024**

**CALL TO ORDER**

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, July 9, 2024, at 6:31 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, Garrido, Goodlund, and Hunke attending. Others attending included City Manager Mornson, Assistant City Manager Casella, City Clerk Domeier, Police Chief Johnson, Fire Chief Specken, Sustainability Specialist Larson, City Engineer Klingbeil, Planner Howard and Director of Planning and Economic Development Director Elverum.

**ADOPT AGENDA**

**Motion** by Hunke. **Second** by Goodlund.

**Motion** to Adopt the Agenda.

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

**Nays: None. Motion carried.**

**PRESENTATIONS**

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

Police Chief Johnson introduced Police Officers Rachel Anderson and Sarah Blakenburg. City Clerk Domeier issued the Oath of Office to the officers.

**III.2. Update from Hopkins Raspberry Festival; LouJean Gleason**

LouJean Gleason with the festival committee provided an update on the events.

**III.3. Update from Community Health Alliance; Specken**

Fire Chief Specken along with Amy Lucht provided information on the Community Health Alliance program.

**III.4. Sustainability Workplan; Larson**

Sustainability Specialist Larson and Public Works Intern Olson presented a Sustainability Workplan that shared current and future efforts.

**CONSENT AGENDA**

**Motion** by Hunke. **Second** by Garrido.

**Motion** to Approve the Consent Agenda.

1. Minutes of the June 11, 2024, Regular Meeting Proceedings
2. Ratify Checks Issued in June, 2024; Bishop
3. Resolution Approving Memorandum of Agreement Regarding the Climate Pollution Reduction Grant; Larson
4. Resolution Approving Grant Agreement Regarding the 2024-2026 Water Efficiency Grant; Larson
5. Approval of Proposed Police Department Staffing and Capacity Assessment; Johnson
6. Enter into Joint Powers Agreement for Hwy 7 Safe Road Zone Grant Projects; Johnson

**HOPKINS CITY COUNCIL  
REGULAR MEETING PROCEEDINGS  
JULY 9, 2024**

**Ayes: Balan, Garrido, Goodlund, Hanlon, Hunke  
Nays: None. Motion carried.**

**NEW BUSINESS**

**VII.1. Contract for Consulting Services for an End-of-Trip Facilities Plan and Multimodal Transportation Planning Update; Howard**

Planner Howard summarized City Council Report 2024-083. The contract with Toole Design is for the preparation of a Hopkins End-of-Trip Facilities Plan. The planning process will be funded entirely by a \$15,000 grant awarded to the City of Hopkins by Hennepin County's Active Living Program. Mayor Hanlon and Council Members Garrido and Hunke shared their excitement about the opportunities to connect with South Hopkins, end of trip options and other car optional initiatives. Council Member Goodlund was not as supportive of the car optional initiatives.

**Motion** by Hunke. **Second** by Garrido.

**Motion** to approve a contract between the City of Hopkins and Toole Design for consulting services for the preparation of a Hopkins End-of-Trip Facilities Plan.

**Ayes: Balan, Garrido, Goodlund, Hanlon, Hunke  
Nays: None. Motion carried.**

**ANNOUNCEMENTS**

Mayor Hanlon shared the City Council meeting schedule. Mayor Hanlon shared his condolences with the Don Bates family.

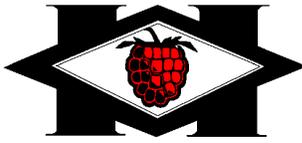
**ADJOURNMENT**

There being no further business to come before the City Council, and upon a motion by Balan, second by Hunke, the meeting was unanimously adjourned at 8:08 p.m.

Respectfully Submitted,



Amy Domeier City Clerk



CITY OF HOPKINS

## City Council Report 2024-087

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

From: Amy Domeier, City Clerk

Date: July 16, 2024

Subject: Resolution Appointing Election Judges for the August 13, 2024, State Primary Election

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### RECOMMENDED ACTION

**MOTION TO** Adopt Resolution 2024-045 Appointing Election Judges for the August 13, 2024, State Primary Election.

### OVERVIEW

Minnesota Election Law 204B.21 requires that the governing body of the municipality appoint election judges to administer the polling places at least 25 days before each election. Staff requests the authority to replace or substitute judges as necessary before Election Day. Election expenses for the judges are included in the adopted 2022 budget. Election judge hourly rates are \$11.25 for Election Judges and \$13.00 for Assistant and Head Judges. In addition, Hennepin County will be acting on behalf of the City of Hopkins as part of our Absentee Ballot Board, so they are included in our appointing resolution.

### SUPPORTING INFORMATION

- Draft Resolution 2024-045

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2024-045**

**RESOLUTION APPOINTING ELECTION JUDGES FOR THE  
AUGUST 13, 2024, STATE PRIMARY ELECTION**

**WHEREAS**, Minnesota Statute 204B.21 requires that persons serving as election judges be appointed by the City Council at least 25 days before the election and Minnesota Statute 203B.21 allows for deputy clerks trained in the processing and counting of absentee ballots to serve on the absentee ballot board.

**BE IT RESOLVED** by the Hopkins City Council that the following election judges are on file in the office of the City Clerk and should be appointed as the Election Judges for the August 13, 2024 State Primary Election:

Jennifer	Allard	Bonita	Kearns
Heidi	Anderson	Jessica	Klugman
Kim	Bachand	Axel	Kornfuehrer
Romaine	Bechir	Mark	Krafve
Sheldon	Berg	Terri	Kruger
Peter	Demarest	Lisa	Lang
Peggy	DeVaun	Peter	Leih
Kent	Dolphay	Rebecca	Luxford
Carol	Dunn	Andrew	Marlow
Patrick	Gambill-Read	Joan	Meath
Susan	Gauthier	Theresa	Melles
James W	Green	Rachel	Molepske
Patrick	Guire	Rosetta	Muhammad
Kristi	Halverson	Karen	Norum
Kristin	Hanneman	Catherine	O'Neil
Jane	Heimerl	David	Specken
Brynn	Hirsch	Lisa	Stroessner
William	Johnson	Patricia	Sykes
Judy	Johnson		

**WHEREAS**, the Hopkins City Council also appoints other individuals and all members appointed to the Hennepin County Absentee Ballot Board as authorized under Minnesota Statute 204B.21, subd 2 under the direction of the Hennepin County Election Manager to serve as members of the Hopkins Absentee Ballot Board; and

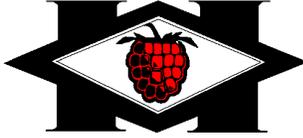
**BE IT FURTHER RESOLVED** that the City Clerk is with this, authorized to make any substitutions or additions as deemed necessary.

Adopted by the City Council of the City of Hopkins this 16th day of July 2024.

\_\_\_\_\_  
Patrick Hanlon, Mayor

ATTEST:

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



Finance Department  
Fire Department

CITY OF HOPKINS

## City Council Report 2024-089

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

From: Nick Bishop, Finance Director  
Dale Specken, Fire Chief

Date: July 16, 2024

Subject: Approve Purchase of Fire Engine

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### RECOMMENDED ACTION

**MOTION TO** approve the purchase of a fire engine at an estimated cost of \$1,299,814.

### OVERVIEW

The City Council approved the 2024-2028 Equipment Replacement Plan (ERP) on November 21, 2023. The approval of the ERP authorized staff to make purchases scheduled in 2024. Years 2025-2028 serve as a long-range plan and purchases were not authorized.

The Fire Pumper (Engine #3) is scheduled to be purchased in 2027 for \$1,500,000. The current truck was purchased in 2006 and will have been in operation for 20 years. The useful life of the new truck in ten years.

Staff have received a proposal based on a cooperative purchasing agreement with an estimated delivery date approximately 46 months out. Signing a purchase agreement would lock in the price and put Hopkins in the queue to receive a truck. Final payment and delivery are estimated to occur in early 2028.

### SUPPORTING INFORMATION

- 01-ERP-0101 Equipment Replacement Plan Detail Sheet

# EQUIPMENT REPLACEMENT PLAN

2024 *thru* 2028

Department Fire  
 Contact Fire Chief  
 Type Equipment  
 Useful Life 10 years  
 Category Vehicles  
 Priority n/a

## City of Hopkins, MN - ERP

Project # 01-ERP-0101  
 Project Name Fire Pumper (Engine 3)

Future

Total Project Cost: \$3,250,000

### Description

1500 GPM fire pumper, fully equipped to respond to all fire situations in the city. Responds to mutual aid calls in other cities.  
 This truck will be pushed back to 2027 and will also be on a 10 year rotation.  
 Current vehicle: 2006 Peterbilt Fire Pumper 357 (#103)

### Justification

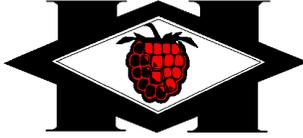
Current unit is a first out pumper. This apparatus construction will require 25 year specifications for life of the apparatus.

Expenditures	2024	2025	2026	2027	2028	Total
Equipment				1,500,000		1,500,000
<b>Total</b>				<b>1,500,000</b>		<b>1,500,000</b>

Funding Sources	2024	2025	2026	2027	2028	Total
Equipment Replacement Fund				1,500,000		1,500,000
<b>Total</b>				<b>1,500,000</b>		<b>1,500,000</b>

### Budget Impact/Other

Variance from 20 year plan - None  
 Estimate salvage/resale value on replaced item: \$2,500



Finance Department

CITY OF HOPKINS

## City Council Report 2024-088

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

From: David Baker, Deputy City Clerk

Date: July 16, 2024

Subject: Approve Special Assessments for Diseased Tree Removal and Private Water Service

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### RECOMMENDED ACTION

**MOTION TO** Adopt Resolution 2024-046 Approving Special Assessments for Diseased Tree Removal on Private Property

**MOTION TO** Adopt Resolution 2024-047 Approving Special Assessments for Private Water Service

### OVERVIEW

Homeowners in Hopkins are required to remove diseased trees from their property based on Hopkins City Code. Entering agreements to have the cost assessed to property taxes is an optional program, three homeowners have signed agreements petitioning the City to remove trees and waiving their right to object to the assessment. As part of the agreement, a 10-year assessment at 4% interest was proposed and agreed to.

The City also requires homeowners to make repairs to private water and sewer service based on Hopkins City Code. Entering into an agreement to have the cost assessed to property taxes is an optional program. Three homeowners have signed agreements petitioning the City for private water repairs and waiving their right to object to the assessment. As part of the agreement, a 10-year assessment at 4% interest was proposed and agreed to.

### SUPPORTING INFORMATION

- Resolution No. 2024-046
- Resolution No. 2024-047

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2024-046**

**APPROVING SPECIAL ASSESSMENTS FOR DISEASED TREE REMOVAL ON  
PRIVATE PROPERTY**

**WHEREAS**, In 2024 certain property owners signed agreements for the removal of diseased trees. The properties and amounts are identified as follows:

Address	Property Identification Number	Amount
416 Murphy Avenue	19-117-21-11-0041	\$3,581.33
134 Oak Glen Drive	24-117-22-41-0063	\$3,857.74
726 7 <sup>th</sup> Avenue S	25-117-22-42-0055	\$2,170.50

**WHEREAS**, the owners have insufficient funds to remove the tree; and

**WHEREAS**, as part of the agreement the owners waives the right to object to the assessment,

**NOW THEREFORE BE IT RESOLVED**, that the City Council of the City of Hopkins hereby orders the assessment to be placed on the taxes of the properties listed above for a 10-year period with an interest rate of 4%.

Adopted by the City Council of the City of Hopkins this 16<sup>th</sup> day of July, 2024.

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

ATTEST:

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

**CITY OF HOPKINS  
HENNEPIN COUNTY, MINNESOTA**

**RESOLUTION 2024-047**

**APPROVING SPECIAL ASSESSMENT FOR  
PRIVATE WATER REPAIR**

**WHEREAS**, In 2024 certain property owners signed agreements for private water repair as identified below:

Address	Property Identification Number	Amount
110 7 <sup>th</sup> Avenue N	24-117-22-42-0112	\$3,780.00
133 7 <sup>th</sup> Avenue N	24-117-22-42-0147	\$4,180.00
37 7 <sup>th</sup> Avenue N	24-117-22-42-0041	\$3,980.00

**WHEREAS**, the owners have insufficient funds to perform the repairs; and

**WHEREAS**, as part of the agreement the owner waives the right to object to the assessment,

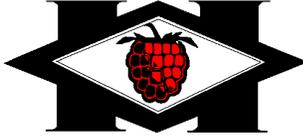
**NOW THEREFORE BE IT RESOLVED**, that the City Council of the City of Hopkins hereby orders the assessment to be placed on the taxes of the properties listed above for a 10-year period with an interest rate of 4%.

Adopted by the City Council of the City of Hopkins this 16<sup>th</sup> day of July, 2024.

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

ATTEST:

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



Finance Department

CITY OF HOPKINS

## City Council Report 2024-089

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

From: David Baker, Deputy City Clerk

Date: July 16, 2024

Subject: Special Assessment Deferral Request, 133 7<sup>th</sup> Avenue N, PID 24-117-22-42-0147, 2023-010 Street Improvement Project

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### RECOMMENDED ACTION

**MOTION TO** Approve the application for Deferral of Special Assessment for Colleen M. Jensen of 133 7<sup>th</sup> Avenue N. for as long as they meet the eligibility requirements.

### OVERVIEW

City Code Section 2-120 allows for deferment of special assessments upon request for any homestead property owned by a person who has attained the age of 65, or has not attained the age of 65, but is retired as a result of a permanent and total disability, and it is determined to be a hardship for said owners to make the payments. Hearing notices for Project 2023-010 stated the procedures to apply for such a deferment are available from the Assessment Clerk. It was not necessary to file an appeal at the assessment hearing. Ms. Jensen has now applied for the deferment.

Ms. Jensen has attained the age of 65 and indicates it is a hardship to pay the special assessment. Ms. Jensen's 2024 income falls below the income limit set in Section 2-120.

### SUPPORTING INFORMATION

- Application for Deferral of Special Assessment
- Hopkins City Code 2-120 – Deferment of Special Assessment
- MN Statutes 435.193 Hardship Assessment for Seniors, Disabled, or Military Persons
- MN Statutes 435.195 Termination of Right to Deferred Payment



State of Minnesota  
County of Hennepin

# APPLICATION AND AUTHORIZATION FOR DEFERRAL OF SPECIAL ASSESSMENTS

M.S. 435.193-4

DATE May 24, 2024

PROPERTY ID NO. 24-117-22-42-0147

**APPLICANT:** Submit 4 notarized copies of this application to your municipality or taxing district

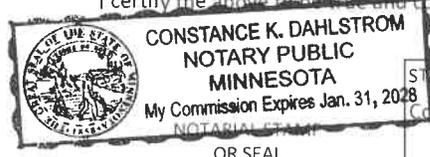
To be completed by APPLICANT

I, the undersigned declare under penalties of perjury:	PRINT OR TYPE NAME Colleen M Jensen
That the address of my property is: <u>133 7th Ave North, Hopkins, MN 55343</u>	
That I own and occupy the above property above as my homestead legally described as:	
LEGAL DESCRIPTION <b>WEST MINNEAPOLIS SECOND DIVISION LOT: 021 BLOCK: 082</b>	PLEASE SELECT ONE <input checked="" type="checkbox"/> That I am at least 65 years of age and that my date of birth is: <u>01/01/1957</u> <input type="checkbox"/> That I am retired because of permanent and total disability
<input checked="" type="checkbox"/> ABSTRACT <input type="checkbox"/> TORRENS	
That my ownership of the above property was acquired on: <u>NOVEMBER, 1987</u> and is as follows: <input checked="" type="checkbox"/> Sole Ownership <input type="checkbox"/> Joint Tenancy – Held with _____ <input type="checkbox"/> Other - Please specify _____	

That the special assessment charges duly adopted by ordinance which have been allocated against the subject property would create undue personal hardship on my behalf and I respectfully request that payment be delayed and that such taxes are deferred.

APPLICANT: Please complete the special assessment details below					
Levy Number	Project Number (if Available)	Date of First Annual Payment	Total Levy Amount	Remaining Amount of Levy	Interest Rate of Levy
25045	PROJ 2023-010	2025	\$6,977.75	\$6,977.75	5.685%
	PRIVATE WATER	2025	\$4,180	\$4,180	4.00%

I certify the above to be true and correct Colleen M Jensen SIGNATURE OF APPLICANT DATE 5/24/24



STATE OF MINNESOTA  
County of Hennepin The foregoing instrument was acknowledged before me this 24<sup>th</sup> day  
of May 20 24 Constance K. Dahlstrom Hennepin  
SIGNATURE OF NOTARY PUBLIC COUNTY, MN  
My commission expires 1/31/28

To be completed by MUNICIPALITY

**AUTHORIZATION**

I, \_\_\_\_\_ Clerk of \_\_\_\_\_  
in Hennepin County, State of Minnesota, do hereby certify that this application has been duly reviewed in accordance with the minutes of official record in said chambers was duly  APPROVED  DENIED as of \_\_\_\_\_. That in accordance with approval granted, that the affiants subject property levied for collection as described should be so deferred in the TOTAL AMOUNT OF \$ \_\_\_\_\_ and compounded at the additional interest rate of \_\_\_\_\_ % until such time as it is deemed the applicant no longer qualified or the property loses its eligibility.

\_\_\_\_\_  
DATE OF APPROVAL                      CLERK OR AUTHORIZED DEPUTY

To be completed by HENNEPIN COUNTY

**ORDER OF DEFERRAL**

I certify that I have reviewed this application and that it has been duly approved and that the assessment charges levied for special assessments under the subject ordinance have been officially deferred as stipulated by the above subdivision and recorded in the Register of Deeds office in this county as noted, and it is so ordered.

\_\_\_\_\_  
DATE OF ORDER                      COUNTY AUDITOR

**ORDER OF TERMINATION**

The above order terminated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

REASON: \_\_\_\_\_

\_\_\_\_\_  
DATE OF ORDER                      COUNTY AUDITOR

## Sec. 2-120. - Deferment of special assessment.

- (a) *Discretionary deferral.* The city council may, in its discretion, defer the payment of any special assessment on homestead property owned by a person who is 65 years of age or older, or who is retired by virtue of permanent and total disability. Such deferment shall be based on the property owner demonstrating he meets the following standards:
- (1) The applicant must apply for the deferment not later than 90 days after the assessment is adopted by the council;
  - (2) The applicant must be 65 years of age, or older, or retired by virtue of permanent disability;
  - (3) The applicant must be the owner of the property;
  - (4) The applicant must occupy the property as a principal place of residence; and
  - (5) The applicant's income from all sources does not exceed the low-income limit as established by the department of housing and urban development as used in determining the eligibility for section VIII housing.
- (b) *Eligibility.* The deferment will be granted for as long a period of time as the hardship exists and the conditions as aforementioned have been met. The applicant must notify the administrator of any change in applicant's status that would affect eligibility for deferment.
- (c) *Interest on deferred assessments.* Deferred assessments shall accrue simple interest during the deferment period at the rate established for payment of assessments at the time the assessment roll was adopted.
- (d) *End of deferment.* The entire amount of deferred special assessments is due within 60 days after loss of eligibility by the applicant. If the special assessment is not paid within 60 days, the administrator must add thereto interest at the applicable rate for the bond issue for the project. If there is no bond issue for the project, interest will be fixed by resolution of the council. The total amount of principal and interest from the due date through December 31 of the following year must be certified to the county auditor for collection with taxes the following year. If the applicant demonstrates, to the satisfaction of the council, that full repayment of the deferred special assessment would cause the applicant particular undue financial hardship, the council may order that the applicant pay within 60 days a sum equal to the number of installments of deferred special assessments outstanding and unpaid to date (including principal and interest) with the balance thereafter paid according to the terms and conditions of the original special assessment.
- (e) *Renewal and termination of deferment.* The certification of deferment shall be renewed annually by the owner during the term of the deferment and all required supporting documents or information delivered to the city not later than September 30 of each year. The deferment shall terminate upon failure to renew the deferment certification or upon:

- (1) The death of the owner, provided that the surviving or successor owner is otherwise not eligible for the deferment;
- (2) The sale, transfer or of the property or any part thereof;
- (3) The loss for any reason of the homestead status of the property; or
- (4) Determination by the city that there would be no hardship to require immediate or partial payment.

Upon termination of the deferment, and the city clerk shall promptly certify to the county auditor the amount of the deferred assessment including interest to be inserted on the tax rolls and collected in the period of time remaining in the original assessment or in full if the property was sold or the period of time for repayment of the original assessment has expired.

- (f) *Collection of delinquent assessments.* In addition to the city's authority to certify amounts due to the county for collection with property taxes, the city may also charge delinquent accounts to a property owner's taxes as service fees as authorized pursuant to M.S.A. §§ 429.101, 415.01, 366.011, and 366.012. These fees shall be charges on the property owners' taxes, which shall be in addition to and distinct from any pending special assessments levied pursuant to state law.

(Code 1986, §§ 703.01, 703.03, 703.05)

**435.193 HARDSHIP ASSESSMENT DEFERRAL FOR SENIORS, DISABLED, OR MILITARY PERSONS.**

(a) Notwithstanding the provisions of any law to the contrary, any county, statutory or home rule charter city, or town, making a special assessment may, at its discretion, defer the payment of that assessment for any homestead property:

(1) owned by a person 65 years of age or older or retired by virtue of a permanent and total disability for whom it would be a hardship to make the payments; or

(2) owned by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in section 190.05, subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments.

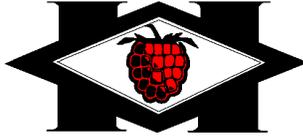
(b) Any county, statutory or home rule charter city, or town electing to defer special assessments shall adopt an ordinance or resolution establishing standards and guidelines for determining the existence of a hardship and for determining the existence of a disability, but nothing herein shall be construed to prohibit the determination of hardship on the basis of exceptional and unusual circumstances not covered by the standards and guidelines where the determination is made in a nondiscriminatory manner and does not give the applicant an unreasonable preference or advantage over other applicants.

**History:** 1974 c 206 s 7; 1976 c 195 s 3; 1981 c 80 s 1; 2008 c 154 art 2 s 28

**435.195 TERMINATION OF RIGHT TO DEFERRED PAYMENT.**

The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest, shall become due upon the occurrence of any of the following events: (a) the death of the owner, provided that the spouse is otherwise not eligible for the benefits hereunder; (b) the sale, transfer or subdivision of the property or any part thereof; (c) if the property should for any reason lose its homestead status; or (d) if for any reason the taxing authority deferring the payments shall determine that there would be no hardship to require immediate or partial payment.

**History:** *1974 c 206 s 9*



Administration

CITY OF HOPKINS

## City Council Report 2024-086

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

From: PeggySue Imihy, AICP, Special Projects and Initiatives Manager

Date: July 16, 2024

Subject: Amendment to Trailhead Agreement for the Depot

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### RECOMMENDED ACTION

**MOTION TO** approve agreement amending the trailhead agreement for the Hopkins Depot.

### OVERVIEW

In 2007, Hennepin County Regional Railroad Authority (“HCRRA”) entered into the Agreement with the City of Hopkins and the Three Rivers Park District (TRPD) for the use of the Depot building for community recreation and education purposes. In 2018, the Metropolitan Council acquired the Premises from HCRRA for the METRO Green Line Extension Project and entered into an agreement with the City and TRPD which is set to expire on June 30, 2026. The agreement did not expressly permit the City from sub-leasing the building to another operator should the City decide to do so.

Given significant delays in LRT construction, and the City’s initial desire to bring in a third-party operator into the space, the City approached the Met Council about updating the agreement. This update will allow the City to bring in another operator, as well as amends the agreement to be extended to the first date of revenue service operations for LRT. This provides a more flexible and accurate timeline for the sunseting of this agreement.

Tonight Staff recommends approving the attached agreement, which will then be signed by the Met Council and TRPD.

### SUPPORTING INFORMATION

- Amendment Number One to Permit Agreement (Trailhead Agreement Hopkins Depot 2007)

**AMENDMENT NUMBER ONE**  
**to**  
**PERMIT AGREEMENT**  
**(TRAILHEAD AGREEMENT HOPKINS DEPOT 2007)**

This First Amendment (“First Amendment”) to Trailhead Agreement – Hopkins Depot 2007 (“Agreement”) is made effective April 1, 2024 (the “Effective Date”), by and between the City of Hopkins (“City”), Three Rivers Park District (“Park District”), and the Metropolitan Council (“Council”).

**RECITALS**

1. In 2007, Hennepin County Regional Railroad Authority (“HCRRA”) entered into the Agreement with the City and the Park District for the construction of a trailhead and continued use of the “Premises,” as defined in HCRRA Contract No. 73-32103, for community recreation and education purposes.
2. The Park District completed all construction activities outlined in the Agreement and will not perform additional construction activities on the Premises.
3. The Agreement permits the City to use the Premises for community recreation and education purposes, and related public uses, including operation of the Depot Coffee-House.
4. In 2018, the Council acquired the Premises from HCRRA for the METRO Green Line Extension Project (“Project”). The acquisition included assignment by HCRRA and assumption by the Council of the Agreement. The Council has substantially completed Project construction activities on the Premises and will return the Premises to the Project pre-construction condition, subject to the provisions outlined herein.
5. The Council reserves the right to continue to use the Premises during the term of this First Amendment for Project activities. The Premises will be reconveyed by the Council to HCRRA no later than 30 days following revenue service operations of the Project.
6. The Agreement expires on June 30, 2026, and does not expressly permit subleasing of the coffee shop to a third-party operator.
7. The City has requested an extension of the Agreement termination date and consideration of subleasing the coffee shop operations to a third-party operator. The Council agrees to these changes subject to the provisions outlined herein.

**AGREEMENT**

1. Section 6 is deleted, and the following is inserted in its place:

Term. The term of this Agreement begins on September 18, 2007, and will terminate upon the Council’s conveyance of the Premises to HCRRA, unless terminated sooner pursuant to Section 7.

2. Section 8(C) is deleted, and the following is inserted in its place:

Neither HCRRA nor the Council shall be liable to either the Park District or City or those claiming by, through or under them, for any injury, death, or property damage occurring in, on, or about the Premises, including, without limitation, loss or damage which may be sustained about or adjacent to the Premises by reason of the present or future condition of repair of the Premises, or for loss or damage arising from the actions or omissions of the Park District, City, sublessees, or other occupants.

Neither HCRRA nor the Council shall be liable for any loss or damage which may be sustained by the Park District, City, sublessees, or others for any reason whatsoever, including but not limited to by reason of freezing, bursting, overflowing, or defect of any water, sewer, gas or steam pipes, closets, or sinks in, about or adjacent to the Premises, nor for any loss or damage which directly or indirectly may be sustained because of water, ice or snow from roof, skylights, trap doors or otherwise.

3. Section 9(A) is deleted, and the following is inserted in its place:

Park District Liability and Indemnification. The Park District shall defend, indemnify and hold harmless HCRRA, City, and the Council, their officers, agents, representatives, volunteers, and employees from any liability, claims, cause of action, judgements, damages, losses, costs or expenses; including reasonable attorneys' fees, resulting directly or indirectly from any act or omission of the Park District, its contractors, subcontractors, sublessees, anyone directly or indirectly employed by the Park District or its sublessees, customers or invitees or anyone for whose acts it may be liable, in the performance of this Agreement, including any and all claims arising from the use or condition of facilities or improvements constructed or maintained by the Park District, to the them current limits of liability applicable to the claim(s) in question for municipal corporations contained in Minnesota Statutes Chapter 466. The provisions of this Section 9 are not intended and shall not be interpreted to waive any of the Park District's defenses, immunities or other limitations on liability granted by statute or common law, or otherwise create rights in third parties.

4. Section 9(B) is deleted, and the following is inserted in its place:

City Liability and Indemnification. The City shall defend, indemnify and hold harmless HCRRA, Park District, and the Council, their officers, agents, representatives, volunteers, and employees from any liability, claims, cause of action, judgements, damages, losses, costs or expenses; including reasonable attorneys' fees, resulting directly or indirectly from any act or omission of City, its contractors, subcontractors, sublessees, anyone directly or indirectly employed by the City or its sublessees, customers or invitees or anyone for whose acts it may be liable, in the performance of this Agreement, including any and all claims arising from the use or condition of facilities or improvements constructed or maintained by the City, to the them current limits of liability applicable to the claim(s) in question for municipal corporations contained in Minnesota Statutes Chapter 466. The provisions of this Section 9 are not intended and shall not be interpreted to waive any of the City's defenses, immunities or other limitations on liability granted by statute or common law, or otherwise create rights in third parties.

5. Section 9(D) is deleted, and the following is inserted in its place:

City Insurance. In order to protect HCRRA, the Council, and those listed above under Section 9(B), the City agrees at all times during the term of this Agreement to have and keep in force the following insurance coverages:

<b>Insurance Coverage</b>	<b>Limits</b>
1. Commercial General Liability on an occurrence basis with contractual liability coverage:	\$2,000,000
General Aggregate (to apply on a per location basis, ISO form CG 25 04)	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
1(d) Each Occurrence – Combined Bodily Injury and Property Damage	\$1,000,000
2. Automobile Liability – Combined Single limit each occurrence for bodily injury and property damage covering owned, non-owned, and hired automobiles.	\$1,000,000
3. Workers’ Compensation and Employer’s Liability: a. Workers’ Compensation. If the contractor is based outside the state of Minnesota, coverage must apply to Minnesota laws. b. Employer’s Liability. Bodily injury by: Accident – Each Accident Disease – Policy Limit Disease – Each Employee	<p style="text-align: center;">Statutory</p> <p style="text-align: right;">\$500,000 \$500,000 \$500,000</p>

If the contractor is based outside the state of Minnesota, coverage must apply to Minnesota laws.

- a. Employer’s Liability. Bodily injury by:
  - Accident – Each Accident
  - Disease – Policy Limit
  - Disease – Each Employee

6. Section 9(E) is deleted, and the following is inserted in its place:

Optional Commercial Property Insurance.

- 1. City and Park District may, at their respective options, purchase insurance to cover improvements to the Depot, and any personal property located on the Premises. In no event shall HCRRA or the Council be liable for theft, damage to

or loss of property belonging to or in possession of City or Park District, their officers agents, employees, contractors, licensees, or invitees, whether or not City or Park District is insured. Insurance on the personal property of City or Park District shall include a waiver of subrogation clause, if the insurance does not allow the insured to waive rights of recovery against others prior to loss.

2. City and Park District may, at their respective options, purchase business income, business interruption, extra expenses or similar coverage as part of this commercial property insurance, and in no event shall HCRRA or the Council be liable for any business interruption or other consequential loss sustained by City, Park District or the Depot Coffee House, whether or not it is insured.
3. HCRRA, the Council, City and Park District hereby waive any recovery of damages against each other (including their employees, officers, directors, agents, or representatives) for loss or damage to the building, improvements and betterments, fixtures, equipment, and any other personal property to the extent covered by the commercial property insurance. If any commercial property insurance purchased by City or Park District does not allow the insured to waive rights of recovery against others prior to loss, City or Park District, as the case may be, shall cause the policy to be enforced with a waiver of subrogation as required above.

An umbrella or excess liability policy over primary liability coverages is an acceptable method to provide the required liability insurance limits.

The above establishes minimum insurance requirements. It is the sole responsibility of the City and Park District, respectively, to determine the need for and to procure additional insurance that may be needed in connection with this Agreement. All insurance policies shall be open to inspection by HCRRA and/or Council, and copies of insurance policies shall be submitted to HCRRA and/or Council upon written request.

City and Park District shall obtain the required insurance and file with HCRRA and the Council a properly executed certificate(s) of insurance which clearly evidences required insurance coverages.

The certificate(s) shall:

Name Hennepin County Regional Railroad Authority and the Metropolitan Council as certificate holders and as additional insureds for the Commercial General Liability coverage with respect to operations covered under the Lease (as defined in the Permit Agreement).

Name Hennepin County Regional Railroad Authority and the Metropolitan Council as insureds for the Commercial Property Insurance coverage.

Show that the Hennepin County Regional Railroad Authority and the Metropolitan Council will receive 30 days' prior written notice in the event of cancellation, nonrenewal, or material change in any described policies.

City and Park District shall furnish to HCRRA and the Council updated certificates during the term of this Lease as insurance policies expire. If the City or Park District fails to furnish proof of insurance coverages, HCRRA and/or the Council

may pursue any rights or remedy allowed under this Agreement and First Amendment, law, equity, and/or statute.

7. Section 10 is deleted, and the following is inserted in its place:

Notice. Any and all notices and demands by any Party hereto to any other Party, required or desired to be given hereunder shall be in writing and shall be validly given or made only if (a) personally delivered with a receipt obtained from the person receiving the notice, (b) via email followed by mail notice, or (c) if made by Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries. Any notice required or permitted shall properly addressed as follows:

If to City: City Manager  
City of Hopkins  
1010 First Street South  
Hopkin, MN 55434

If to Park District: Superintendent  
Three Rivers Park District  
3000 Xenium Lane  
Plymouth, MN 55441-1248

If to HCRRA: Executive Director  
Hennepin County Regional Railroad Authority  
A-2300, Government Center  
300 South Sixth Street  
Minneapolis, MN 55487

If to the Council: Regional Administrator  
Metropolitan Council  
390 Robert Street N.  
St. Paul, MN 55101

8. Section 13 is deleted, and the following is inserted in its place:

Assignment and Subleasing or Sub-permitting. The Benefits and obligations of this Agreement shall extend to and shall bind the heirs, administrators, executors, leases, successors or assigns of the Parties hereto, but no interest in this Agreement shall be assigned, nor said Premises or any part thereof be sub-permitted, used or occupied by any Party other than Park District and City, without the express written permission of the Council. The Council reserves the right to review and approve the terms of subleases or sub-permits.

9. Section 14(b) is deleted, and the following is inserted in its place:

City shall not create or permit any condition of the Premises that could present a threat to human health or to the environment. City shall bear the expense of all practices, or work, preventative, investigative or remedial, which may be required because of any conditions of the Premises introduced by City, its sub-permittees or invitees during City's period of use, including conditions introduced by City, sub-permittees, or invitees which affect other lands. City expressly agrees that the obligations it hereby assumes shall survive cancellation of this Agreement.

10. Section 14(c) is deleted, and the following is inserted in its place:

HCRRA and the Council shall have the right, but not the duty, to enter upon the Premises from time to time as set forth below to inspect the Premises for environmental contamination and in the course thereof to conduct soil and groundwater testing and to perform environmental investigation, remediation or mitigation. HCRRA or the Council may enter the Premises if HCRRA or the Council reasonably believes that an emergency exists on the Premises. HCRRA or the Council shall conduct' any such inspections or testing so as to minimize interference with Park District and City operations.

11. Section 16 is deleted, and the following is inserted in its place:

Conditional Premises Inspection. Park District and City herein, accept the Premises in an "AS IS" condition with no express or implied representations or warranties by HCRRA or the Council as to the physical condition or fitness or suitability for any particular purpose, express or implied. Park District and City are responsible for and has had ample opportunity to inspect the Premises, are familiar with-the same, and have determined to their respective satisfaction the fitness of the Premises for their respective intended uses.

12. Section 19 is deleted, and the following is inserted in its place:

Assumption and Acceptance. Park District and City acknowledge and assume all risks associated with the proximity of the Premises to the light rail and railroad right of way adjacent to the Premises and to any light rail and railroad operations thereon including, but not limited to, operations of the Council and the Twin Cities & Western Railroad Company. City and Park District understand that the Premises is a former railroad right of way and may contain contamination that may be hazardous to human health. City and Park District accept the Premises with the full knowledge that this potential hazard may exist. The City and Park District shall not conduct any activities within 50 feet of the freight rail corridor.

13. Counterparts. This First Amendment may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be entered into as of the Effective Date.

**CITY OF HOPKINS**

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

Printed Name:

Title:

**METROPOLITAN COUNCIL**

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

Printed Name:

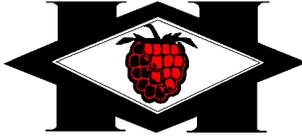
Title: Regional Administrator

**THREE RIVERS PARK DISTRICT**

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

Printed Name:

Title:



Administration

CITY OF HOPKINS

## City Council Report 2024-090

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

From: PeggySue Imihy, AICP, Special Projects and Initiatives Manager

Date: July 16, 2024

Subject: Amendment to Capital Improvement Plan for the Depot Remodel

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### RECOMMENDED ACTION

**MOTION TO** Amend the Capital Improvement Plan to upgrade and remodel the Depot.

### OVERVIEW

For more than 25 years, the City of Hopkins with its partners, the Hopkins School District, Three Rivers Parks District (TRPD) and the City of Minnetonka have operated a Youth Advisory Board and coffee shop at the Depot building, owned initially by Hennepin Co. Railroad Authority and currently owned by the Met Council, located at 9451 Excelsior Boulevard. [On March 4, 2024](#), Staff brought forward an update on this project which detailed the history of the property and the staff recommendation to move operations of the facility to the Art Center. This would expand programming, resume the ability to generate revenue through rental reservations, allow the re-opening of the space as a trailhead, and continue operations for the Youth Advisory Board.

Since March, Staff have worked to estimate costs related to the renovations, and propose to amend the Capital Improvement Plan (CIP) to allow for two phases of construction occurring in 2024 and 2025. Following the refresh, operations could begin in October 2024.

Funding for these improvements would come from American Rescue Plan Act Grants which were previously allocated for the Depot and partners have also agreed to help fund these improvements. The remaining costs would be paid by a fund balance in the Capital Improvement Fund. In September, as a part of the budget process, staff will bring back a more detailed picture of revenue and operations for 2025. An estimate of these numbers can be found in the aforementioned March 4, 2024, packet.

Staff recommends approving an amendment to the Capital Improvement Plan to remodel the Depot. Tonight, a member of the Youth Advisory Board will also share about the upcoming Annual Freight Fest event on July 20<sup>th</sup>.

### SUPPORTING INFORMATION

- CIP Request for the Depot Remodel

# CAPITAL or EQUIPMENT REQUEST 2024-2028

Blank

Department \_\_\_\_\_

Depot/Ace Program \_\_\_\_\_

Responsible Person \_\_\_\_\_

Management Analyst \_\_\_\_\_

**PROJECT #** 24-CIP-DP001

**PROJECT NAME** Depot Remodel and Upgrade Project

**CATEGORY** Bldg: Depot

**Improvement** X or **Equipment** \_\_\_\_\_

**PRIORITY** 2 (1 High...5 Low)

**Useful Life** 15 Years

**DESCRIPTION**

The Depot building is a renovated train Depot that has been operated as a coffee house and music venue. This remodel project would revitalize the building use by the Youth Advisory Board for programming and events, trailhead access, rentable space, music events and movie nights.

Phase 1: 2024

Phase 2: 2025

- Equipment (\$4,000)
- Window Treatments & Furniture (\$10,000)
- Signage (\$5,000)
- Painting (\$9,000)
- Entry Door Replacement (\$22,000)
- Remodel Freight Room (\$4,500)
- Remodel Kitchen Area (\$2,300)

- New Tables & Chairs (\$7,040)
- Entry Door Replacement (\$29,222)
- Landscaping (\$5,000)
- Outdoor Furniture (\$4,000)

**JUSTIFICATION**

For 25 years, Hopkins, Minnetonka, Hopkins School District and Three Rivers Park District have operated a Youth Advisory Board and coffee shop at the Depot building. Even with financial contributions from all entities the coffee house operations have not been financially stable due to a number of factors including Highway 169 construction, METRO Green Line Extension Construction and the COVID-19 Pandemic. The building is still routinely used for Advisory Events, students in the community in addition to bikers who desire access to the buildings a Trailhead. The project described above would allow for the space to be utilized for expanded Art Center programming, additional rental spaces, regular hours for Youth Advisory Board Programming and provide limited trailhead access.

**Expenditure Schedule**

	2024	2025	2026	2027	2028	TOTAL	FUTURE TOTAL
Construction	37,800	34,222				72,022	
Equipment	19,000	11,040				30,040	
Totals	56,800	45,262	-	-	-	102,062	

**Funding Sources**

	2024	2025	2026	2027	2028	TOTAL	FUTURE TOTAL
Federal Grant Revenue (ARPA)	35,000					35,000	
Other Governmental Unit	21,800	13,200				35,000	
Capital Improvement Fund		32,062				32,062	
Totals	56,800	45,262	-	-	-	102,062	

**OPERATIONAL IMPACT/OTHER**

Hopkins currently has \$35,000 of American Rescue Plan Act Grants funds that were previously allocated to the Depot that could be utilized for this project. Staff is working with Partners on additional financial contributions.



Finance Department

CITY OF HOPKINS

## Memorandum

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

From: Nick Bishop, Finance Director

Date: July 16, 2024

Subject: 2025 General Fund Budget and Tax Levy

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### PURPOSE

To provide input and guidance for the 2025 General Fund Budget and Tax Levy.

### INFORMATION

#### *2025 General Fund Budget and Tax Levy*

During the January 5, 2024 Goal Setting event, City Council directed staff to prepare budget proposals with a 9%, 7% and 5% tax levy increase when compared to 2024. The following proposals were prepared based on existing positions, general fund budget submissions & requests, preliminary equipment/capital requests, initial budgets for special revenue funds and debt service needs.

The 2025 Budget includes salary and benefit increases for current positions. Other additions with tax levy impacts are:

- Additional City Contribution to the Fire Relief - \$96,000
  - The City makes an annual contribution to the Hopkins Fire Department Relief Association. The contribution is deposited into a pension trust fund and used for retirement, disability or death benefit payments. An increased City Contribution would allow for an increase to retirement benefits. This is a retention and recruitment tool for paid on-call firefighters.
  - Budget request from Fire Chief is attached

- Youth Social Worker Contract with Hennepin County - \$88,000
  - This is a current contract that has been funded through ARPA grant funds.
- Tax Levy Support for Parking Fund Operations - \$75,000
  - The parking ramp fund was historically supported by parking permits and other user fees. Revenue has dropped significantly since the COVID-19 pandemic. A tax levy is needed to support parking operations in 2025.
- Tax Levy Support for the Communications Fund - \$40,000
  - The Communications Fund has operated at a loss for several years due to declining cable franchise revenue. A tax levy is needed to support the Communications fund in 2025.
- New City Logo - \$35,000
  - One-time costs to redesign the City's Logo to reflect the dynamic and diverse community Hopkins is.
  - Budget request from Assistant City Manager is attached
- Planner Position - \$40,000
  - This is a current position that has been funded through ARPA grant funds.
  - The budget increase represents 1/3 of the position costs. The remaining cost is proposed to be split between the Economic Development and Sustainability Funds.
- Maintenance Worker for Forestry/Parks Division - \$30,000
  - This position was funded in the 2024 Budget with a May 1<sup>st</sup> start date. Additional costs are for the annual salary/benefit cost.

Proposed Reductions for an 8.46% Levy Increase are:

- Use surplus fund balance in the general fund - \$400,000
- Increase estimated Inspections revenue - \$200,000
  - The City has typically used a very conservative approach to budgeting for revenue. However, any of the current development projects could bring in revenue to meet this budget including Cassia Chapel View Care Center and any of the remaining buildings at 325 Blake.
- Mainstreet Banner Pole Installation - \$130,000
  - The City currently has agreements to mount banners on private buildings, which have caused expensive repairs that the City was responsible for. The City may not have the ability to install banners on Mainstreet without this request.
- Use ARPA grant funds for police officer position in 2025
  - The City can use unexpended ARPA funds and "obligate" the cost of newly created positions into 2025 and 2026.
- Increase Insurance Deductibles - \$30,000
  - The City's general liability and property insurance deductible is \$20,000 per occurrence and \$40,000 aggregate. The estimated costs savings to increase to \$50,000/\$100,000 deductible is approximately \$60,000. The remaining cost savings would be allocated to the City's enterprise funds. The City's insurance risk fund has a balance of approximately \$275,000 that can be used for the increased deductible.

Proposed Reductions for a 6.88% Levy Increase are:

- Everything above
- Phase Pavilion Door Replacement over Three Years - \$92,500
  - Initial CIP requests include a \$185,000 project to replace aging entry doors at the Pavilion. The project could be phased over 2025-2027.
- Move cost of Police Officer Association (POA) Contract - \$85,000
  - The 2024-2026 POA contract was settled at a higher rate than budgeted in 2024. Move the additional cost to the Minnesota Public Safety Fund.
- Reduce City Contributions to Fire Relief - \$48,000
  - Increase the City Contribution to the Fire Relief by ½ of the request
- Phase Street Light Upgrades - \$75,000
  - The 2024-2028 CIP includes \$240,000 for street lighting upgrades. The project can be sized based on budget availability.
- End Contract with Lockridge Grindal Nauen for Lobbyist Services - \$20,000

Proposed Reductions for a 5.26% Levy Increase Are:

- Everything above
- Delay all street light upgrades – \$165,000
- Reduce City Contribution to Fire Relief - \$48,000
  - Fire Relief will still receive a City Contribution based on 2024 Budget + Inflation or \$69,000
- New City Logo - \$35,000
- Diversity Equity Inclusion (DEI) Budget - \$25,000
  - Reduce the DEI Budget from \$100,000 to \$75,000
- Contingency Budget - \$25,000
  - Reduce the Contingency Budget from \$50,000 to \$25,000
- Use DEI Funds for All Gender Bathroom Remodel - \$10,000
  - Initial CIP requests include design work for an all-gender bathroom at the Activity Center. Use DEI funds for this purpose.

*Financial Management Plan (FMP) Projections*

During the spring of 2024 the FMP and staffing needs were reviewed internally. The attached FMP summary includes the addition of 17 new positions between 2025-2029. Six of these positions have been previously authorized by City Council and have temporary funding sources through the American Rescue Plan Act and Minnesota Public Safety Aid but will require permanent funding. The six firefighter positions are based on the recently completed Fire Staffing Study. Three additional police officer positions have been added as placeholders while the Police Staffing Study is completed. The remaining additions are new requests. A more detailed overview will be provided during the July 16<sup>th</sup> meeting.

## **FUTURE ACTION**

A budget information session will be held on August 12 from 5-6 PM at City Hall. Details will be posted on the City's website: <https://www.hopkinsmn.com/466/City-Budget-Process>.

A preliminary levy must be adopted by September 30<sup>th</sup> of each year. The preliminary levy is planned to be approved at the September 2<sup>nd</sup> City Council Meeting. The preliminary levy will be the maximum allowable amount for 2025 and can only be reduced.

A final levy must be adopted by December 31<sup>st</sup> of each year at or below the preliminary levy amount. A Truth and Taxation hearing is planned for Monday, December 2<sup>nd</sup>. The final levy is planned to be approved at the December 3<sup>rd</sup> City Council Meeting.

**City of Hopkins**  
**General Fund Revenue Budget**  
**For the Year Ending December 31, 2025**

DRAFT (8.46% Levy Increase)  
July 16, 2024

Department	2024 Budget	2025 Budget	% Increase (Decrease)
<b>Property Taxes</b>	<b>14,511,326</b>	<b>15,613,880</b>	<b>7.60%</b>
<b>Intergovernmental Revenue</b>			
Local Government Aid	1,081,012	1,084,775	
Intergovernmental Revenue - Other	797,000	810,000	
<b>Total Intergovernmental Revenue</b>	<b>1,878,012</b>	<b>1,894,775</b>	<b>0.89%</b>
<b>Licenses, Permits &amp; Fines</b>			
Court Fines & Penalties	176,000	176,000	
Building Permits & Inspections	563,000	693,500	
Inspection Fines & Citations	3,000	3,000	
City Clerk - Business Licenses	8,900	12,400	
PD - Liquor, Animal Licenses & Penalties	101,800	110,150	
Fire - Licenses & Permits	4,000	4,000	
Public Works - Licenses & Permits	19,615	19,615	
Planning & Zoning - Licenses & Permits	2,000	4,000	
<b>Total Licenses, Permits &amp; Fines</b>	<b>878,315</b>	<b>1,022,665</b>	<b>16.43%</b>
<b>Charges for Service</b>			
Finance Department	8,500	8,600	
Inspections	175,450	274,775	
Police	35,000	35,000	
Fire	10,500	10,500	
Public Works	3,150	3,000	
Activity Center	118,500	154,500	
Planning & Zoning	-	16,000	
<b>Total Charges for Service</b>	<b>351,100</b>	<b>502,375</b>	<b>43.09%</b>
<b>Miscellaneous Revenue</b>			
Franchise Fees	346,200	380,600	
Miscellaneous	25,250	45,000	
Finance Department	3,000	3,000	
Police	500	500	
Fire	3,500	3,500	
Public Works	10,600	8,000	
Activity Center	14,000	14,000	
<b>Total Miscellaneous</b>	<b>403,050</b>	<b>454,600</b>	<b>12.79%</b>
<b>Total Revenues</b>	<b>18,021,803</b>	<b>19,488,295</b>	<b>8.14%</b>

**City of Hopkins**  
**General Fund Expenditure Budget**  
**For the Year Ending December 31, 2025**

DRAFT (8.46% Levy Increase)  
July 16, 2024

<b>Department</b>	<b>2024 Budget</b>	<b>2025 Budget</b>	<b>% Increase (Decrease)</b>
City Council	133,033	156,598	17.71%
Administrative Services	536,656	698,990	30.25%
Information Technology	644,926	718,226	11.37%
Diversity, Equity & Inclusion	133,530	132,000	-1.15%
Finance	732,254	623,879	-14.80%
Legal	250,000	265,000	6.00%
Municipal Building	404,690	407,462	0.68%
City Clerk	339,242	327,542	-3.45%
Inspections	1,208,270	1,265,343	4.72%
Police	7,185,841	7,604,164	5.82%
Fire	1,709,014	1,982,178	15.98%
Public Works	3,858,812	4,289,317	11.16%
Recreation	276,441	276,735	0.11%
Activity Center	554,334	636,049	14.74%
Planning & Zoning	196,248	248,455	26.60%
Community Development	129,312	125,357	-3.06%
Tuition Reimbursement	19,200	19,200	0.00%
Contingency	50,000	50,000	0.00%
Transfer to Depot/ACE Program	60,000	61,800	3.00%
<b>Total Expenditures</b>	<b>18,421,803</b>	<b>19,888,295</b>	<b>7.96%</b>

**City of Hopkins  
Tax Levy  
For the Year Ending December 31, 2025**

DRAFT  
July 16, 2024

Purpose	Actual FY2024	Draft FY 2025		
		8.46% Increase	6.83% Increase	5.26% Increase
General Operations				
General Fund	14,426,326	15,528,880	15,375,880	15,277,880
Capital Levy	-	455,000	455,000	445,000
Arts Center	345,000	380,000	380,000	380,000
Pavilion Fund	440,000	541,000	448,500	448,500
Equipment Replacement	360,000	250,000	250,000	250,000
Permanent Improvement	-	290,000	215,000	50,000
Communications	-	75,000	75,000	40,000
Parking	-	75,000	75,000	75,000
Total General Operations	15,571,326	17,594,880	17,274,380	16,966,380
Debt Levy	4,107,613	3,748,530	3,748,530	3,748,530
Total Levy	19,678,939	21,343,410	21,022,910	20,714,910

**Preliminary Tax Calculation for a Median Value Home**

	Actual FY2024	Draft FY 2025		
		8.46% Increase	6.83% Increase	5.26% Increase
City Taxes	\$ 2,191	\$ 2,312	\$ 2,273	\$ 2,236
Dollar Increase	\$ 3	\$ 121	\$ 82	\$ 45
Percentage Increase	0.14%	5.52%	3.74%	2.05%

# City of Hopkins

## 2025 Operating Budget Request

Budget Request Title:	Additional City Contribution to the Fire Relief
Department:	Fire Department
Division:	
Contact Person:	Fire Chief, Dale Specken
Duration:	<input type="checkbox"/> One-Time <input checked="" type="checkbox"/> On-Going
Type:	Additional Support for Existing Service or Program
Item Description:	The City makes an annual contribution to the Hopkins Fire Department Relief Association. The contribution is deposited into a pension trust fund and used for retirement, disability or death benefit payments. An increased City Contribution would allow for an increase to retirement benefits.
Item Justification:	The City's paid on-call firefighters currently receive a payout of \$8,400 per year of service at retirement. They receive a relatively low hourly wage (\$18.28/hour in 2024) with the retirement payout representing approximately 50% of total compensation. An increased City Contribution would allow for increases to retirement benefits that are comparable to other Cities. (Minnetonka's current payout is \$12,000/year)
Estimated Cost:	\$165,000 Total Cost in 2025, Increase of \$96,000
Estimated Revenue (if any):	None
Impact on Stakeholders: (Individuals involved in our work, businesses, residents, visitors or other departments)	Paid On-Call Firefighters are highly trained employees that are needed to provide 24 hour station coverage. They are local community members making a positive difference in the community by providing high quality fire response, prevention services, emergency medical, hazardous material handling and supporting educational events.
Impact on Personnel: (Please describe any personnel changes associated with this request)	Potential to attract new firefighters and keep current firefighters for a longer period of time. By keeping these firefighters it will mean the department will have more experienced personnel.
Impact on IT: (Please describe any implementation requirements, necessary software or ongoing support)	None
How does the item relate to the City's Mission and Vision?	Paid On-Call Firefighters help create a spirit of community where people enjoy exceptional government services.
How does the item relate to the City's Goals?	Paid On-Call Firefighters preserve the hometown feel of Hopkins by maintaining high quality public safety services.
Other Information or Comments:	N/A

# City of Hopkins

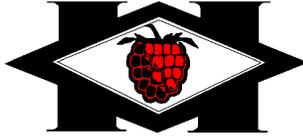
## 2025 Operating Budget Request

Budget Request Title:	Refresh City of Hopkins Logo
Department:	Administration
Division:	Communications
Contact Person:	Kelsey Baumann, Communications Manager
Duration:	<input checked="" type="checkbox"/> One-Time <input type="checkbox"/> On-Going
Type:	Other (Describe Below)
Item Description:	Request for one-time cost to redesign the City's logo. Ongoing costs to implement and replace the old logo would be separate costs from this request. Staff suggests a rolling implementation replacing logos as items come up for replacement, which could take up to 5 years.
Item Justification:	The City of Hopkins has grown and evolved significantly over the past few years. The current logo, while once effective, could use improvement to capture the dynamic and diverse community Hopkins is. A refreshed logo will encapsulate our current values, mission, and vision, ensuring that visual identity aligns with the organizational growth and direction.
Estimated Cost:	\$35,000
Estimated Revenue (if any):	None
Impact on Stakeholders: (Individuals involved in our work, businesses, residents, visitors or other departments)	Following the City's mission, the redesign process would include community input during the design phase.
Impact on Personnel: (Please describe any personnel changes associated with this request)	No personnel changes. Approximately 6 months of project oversight and organization from the Communications Manager/Assistant City Manager.
Impact on IT: (Please describe any implementation requirements, necessary software or ongoing support)	Implementation would require IT to make digital changes to replace the logo picture.
How does the item relate to the City's Mission and Vision?	Branding logos are a significant aspect of the feel and reputation of the community. This process incorporates the Inspire and Involve mission by incorporating stakeholders in the process. The project also relates to the mission that diversity is celebrated and our representation is aligned to our mission.
How does the item relate to the City's Goals?	Preserve the hometown feel of Hopkins - A logo is often the first and most thought about symbol of a city. It has potential to enhance community visibility and pride within residents, and promote Hopkins to a broader audience. It creates a sense of place and identity for Hopkins and increases the competitive edge within a competitive market for new residents and businesses. A well-designed logo is crucial for brand recognition.
Other Information or Comments:	The \$35,000 is only for the logo redesign process. Implementation and replacement costs would be separate. Budget allocation is a critical decision, especially for initiatives that might not seem immediately urgent. However, investing in the City's visual identity is an investment in future growth and success, such as increased brand value and enhanced organizational reputation.

**City of Hopkins**  
**Financial Management Plan Update**  
**Executive Summary**

Proposed  
July 16, 2024

Tax Levy	2024 Final	2025	2026 Projected	2027	2028	2029
General Fund	14,426,326	15,429,880	16,828,235	17,308,849	17,869,440	18,847,227
Capital Improvements	-	455,000	125,000	350,000	400,000	400,000
PIR/Streetlight	-	290,000	240,000	90,000	225,000	200,000
Arts Center	345,000	380,000	345,000	375,000	375,000	375,000
Pavilion	440,000	541,000	450,000	450,000	450,000	450,000
Equipment Replacement	360,000	250,000	150,000	250,000	250,000	400,000
Communications		75,000	78,000	81,120	84,365	87,740
Parking		75,000	78,000	81,120	84,365	87,740
Debt Service	4,107,613	3,748,530	4,011,972	4,595,592	5,009,988	5,569,482
<b>Total City Levy</b>	<b>19,678,939</b>	<b>21,244,410</b>	<b>22,306,207</b>	<b>23,581,681</b>	<b>24,748,158</b>	<b>26,417,189</b>
% Increase	6.28%	7.96%	5.00%	5.72%	4.95%	6.74%
<b>Council Approvals from Other Funding Sources</b>						
American Rescue Plan Act				-	-	
Police Officer 1	-	-	126,000	131,040	136,282	141,733
Youth Social Worker	-	60,000	62,400	64,896	67,492	70,192
Planner (33.3%)	-	39,000	40,560	42,182	43,870	45,624
Minnesota Public Safety Aid						
Assistant Fire Chief	-	-	153,000	159,120	165,485	172,104
Police Officer 2	-	-	126,000	131,040	136,282	141,733
Police Officer 3	-	-	126,000	131,040	136,282	141,733
<b>Current Requests/Additions</b>						
Firefighter SAFER Grant - 1	-	-	-	-	113,500	118,040
Firefighter SAFER Grant - 2	-	-	-	-	113,500	118,040
Firefighter SAFER Grant - 3	-	-	-	-	113,500	118,040
Firefighter SAFER Grant - 4	-	-	-	-	113,500	118,040
Firefighter SAFER Grant - 5	-	-	-	-	113,500	118,040
Firefighter SAFER Grant - 6	-	-	-	-	113,500	118,040
Police Officer 4	-	-	-	131,040	136,282	141,733
Police Officer 5	-	-	-	-	136,282	141,733
Police Officer 6	-	-	-	-	-	141,733
I.T. Technician	-	-	-	-	80,000	83,200
Increased I.T. Costs	-	-	65,000	67,600	70,304	73,116
Human Resource Position	-	-	100,000	104,000	108,160	112,486
Compensation Plan	-	-	-	-	30,000	-
Increase PT Hours of Community Connectors	-	-	-	25,000	26,000	27,040
Increase Multimedia Communication Assistant to F	-	-	-	-	40,000	41,600
Permitting/Planning/Financial Software	-	-	100,000	100,000	100,000	100,000
Activity Center PT Position	-	-	-	38,000	40,000	41,600
Comprehensive Plan, Professional Services	-	-	-	-	100,000	-
<b>Levy Required</b>	<b>-</b>	<b>99,000</b>	<b>898,960</b>	<b>1,124,958</b>	<b>2,233,719</b>	<b>2,325,600</b>
<b>Total City Levy w/ Additions</b>	<b>19,678,939</b>	<b>21,343,410</b>	<b>23,205,167</b>	<b>24,706,639</b>	<b>26,981,877</b>	<b>28,742,790</b>
% Increase	4.86%	8.46%	8.72%	6.47%	9.21%	6.53%
<b>Taxes on Median Value Home</b>						
<b>\$ Increase</b>	<b>\$ 2,191.00</b>	<b>\$ 2,312.00</b>	<b>\$ 2,420.00</b>	<b>\$ 2,522.00</b>	<b>\$ 2,685.00</b>	<b>\$ 2,807.00</b>
<b>% Increase</b>	<b>0.14%</b>	<b>5.52%</b>	<b>4.67%</b>	<b>4.21%</b>	<b>6.46%</b>	<b>4.54%</b>



**CITY OF HOPKINS**

**CITY COUNCIL**

## **Memorandum**

To: Council Members  
Mike Mornson, City Manager

From: Patrick Hanlon, Mayor

Date: July 16, 2024

Subject: Recognition of Council Member Gerard Balan

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### **PURPOSE**

It is my honor to recognize Council Member Gerard Balan for his service to the City of Hopkins. Together we will thank Gerard for the part he played in maintaining our commitment to excellence to Inspire, Educate, Involve and Communicate.