

MAYOR & COUNCIL COMMUNICATION

DATE: March 18, 2014 CONSENT ITEM # 7

- AGENDA ITEM: 2014 Seal Coat Project Project Agreement for Joint Services with Baytown Township
- SUBMITTED BY: Ryan Stempski, Assistant City Engineer
- **THROUGH**: Dean A. Zuleger, City Administrator
- **REVIEWED BY:** Jack Griffin, City Engineer Mike Bouthilet, Public Works Cathy Bendel, Finance Director

SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):

POLICY RECOMMENDER: Engineering.

FISCAL IMPACT: Cost savings of \$3,000 to \$12,000.

Through a joint project effort, it's anticipated that the project cost savings can be realized through an economy of scale and sharing in project expenses for preparation of plans and specifications, bidding, and construction administration. In addition staff believes that by combining the project work for multiple communities, we can continue to promote a more favorable bidding environment that may result in lower overall construction costs.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving the Baytown Township Joint Services Agreement for the 2014 Seal Coat Project. If removed from the consent agenda, the recommended motion for this action is as follows:

"Move to approve the Baytown Township Joint Services Agreement for the 2014 Seal Coat Project."

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

Staff has prepared a Joint Services Agreement with Baytown Township in preparation of the 2014 Seal Coat Project. Staff is recommending that the city include Baytown Township to join their current partnership with West Lakeland Township to perform seal coating for routine maintenance of city and township streets. The agreement identifies the terms and conditions upon which the City of Lake Elmo prepares and administrates a contract for the 2014 Seal Coat Project to be completed on streets within both the city and township. Each jurisdiction pays its portion of the construction costs and shares in the engineering design, bidding and construction administration costs. The construction services would be contracted directly by each jurisdiction.

The City of Lake Elmo is defined as the lead entity and prepares the plans and specifications with input from the township. The city bids the project and enters into a contract with the selected contractor for all the work. Baytown will pay a fee to the city in the amount of \$3,000 to reimburse the city for the design, bidding and construction administration services related to the project. The township will reimburse the city within 30 days of receiving contractor invoices for the work performed by the contractor on Baytown streets.

<u>RECOMMENDATION</u>:

Staff is recommending that the City Council consider approving, *as part of the Consent Agenda*, the Baytown Township Joint Services Agreement for the 2014 Seal Coat Project. If removed from the consent agenda, the recommended motion for this action is as follows:

"Move to approve the Baytown Township Joint Services Agreement for the 2014 Seal Coat Project."

ATTACHMENT(S):

1. Baytown Township Joint Services Agreement for the 2014 Seal Coat Project.