

MAYOR & COUNCIL COMMUNICATION

DATE: February 24, 2015 CONSENT ITEM # 8

- AGENDA ITEM: 2015 Seal Coat Project West Lakeland Township Joint Services Agreement
- 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.

<u>FISCAL IMPACT</u>: Cost savings of \$3,000 in engineering and administration services. Seal coat unit price reduction also anticipated based on economy of scale at the time of construction bids.

Through a joint project effort, it is anticipated that project cost savings can be realized through an economy of scale and sharing in project expense for preparation of plans and specifications, bidding, and construction administration. In addition, staff believes that by combining the project work for both 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 West Lakeland Township Joint Services Agreement for the 2015 Seal Coat Project. If removed from the consent agenda, the recommended motion for this action is as follows:

"Move to approve the West Lakeland Township Joint Services Agreement for the 2015 Seal Coat Project."

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

Staff has reviewed and updated the Joint Services Agreement with West Lakeland Township in preparation of the 2015 Seal Coat Project. Staff is recommending that the city continue to work jointly 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 2015 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. West Lakeland 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 West Lakeland streets.

<u>RECOMMENDATION</u>:

Staff is recommending that the City Council consider approving, *as part of the Consent Agenda*, the West Lakeland Township Joint Services Agreement for the 2015 Seal Coat Project. If removed from the consent agenda, the recommended motion for this action is as follows:

"Move to approve the West Lakeland Township Joint Services Agreement for the 2015 Seal Coat Project."

ATTACHMENT(S):

1. West Lakeland Township Joint Services Agreement for the 2015 Seal Coat Project.