



MAYOR & COUNCIL COMMUNICATION

DATE: February 2, 2016

CONSENT

ITEM # 6

AGENDA ITEM: Downtown Phase 1 Improvements – Approve Washington County Cooperative Agreement Payment No. 1

SUBMITTED BY: Chad Isakson, Project Engineer

THROUGH: Clark Schroeder, Interim City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Cathy Bendel, Finance Director

SUGGESTED ORDER OF BUSINESS *if removed from the Consent Agenda*:

- Questions from Council to Staff Mayor Facilitates
- Public Input, if Appropriate.....Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion Mayor Facilitates

POLICY RECOMMENDER: Engineering.

FISCAL IMPACT:

None. Partial payment is proposed in accordance with Cooperative Agreement No. 9660 with Washington County for the Downtown Phase 1 Improvements.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving, *as part of the Consent Agenda*, payment to Washington County in the amount of \$498,866.35 per the attached invoice and per section G.2 of Cooperative Agreement No. 9660 with Washington County for the Downtown Phase 1 Improvements. Per the agreement the first payment is due on January 15, 2016 in the amount equal to 10% of the Estimated Phase 1 Total City Cost. The County has extended the payment due date in order to allow the City to process payment approval at the February 2, 2016 council meeting and after reviewing additional supporting documentation.

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

In June 2015, the City of Lake Elmo entered into Cooperative Agreement No. 9660 with Washington County to formalize the County as the project lead agency for the Downtown Phase 1 and Phase 2 Improvements, including preliminary design, final design, right-of-way acquisition, construction inspection/administration, and construction costs. The agreement further identifies the estimated cost participation by the City and payment thereof.

The City's payment schedule, as identified in section G.2 of the Cooperative Agreement is summarized as follows:

1. January 15, 2016 – an amount equal to 10% of the Estimated Phase 1 Total City Cost. The agreement identifies the estimated amount of \$495,309.
2. June 15, 2016 – an amount equal to 90% of the Estimated Phase 1 Total City Cost. The agreement identifies the estimated amount of \$4,457,781.
3. January 15, 2017 – an amount equal to 20% of the Estimated Phase 2 Total City Cost. The agreement identifies the estimated amount of \$764,272.
4. June 15, 2017 – an amount equal to 80% of the Estimated Phase 2 Total City Cost. The agreement identifies the estimated amount of \$3,057,088.

Washington County recently submitted the first invoice per this agreement in the amount of \$498,866.35 which varies slightly with the estimated amount at the time the agreement was executed. The following is a summary for the revised payment amount per staff discussions with the County:

- Invoice #1 is 10% of the original estimated cost data used in the Cooperative Agreement with a few minor adjustments as follows:
 - Costs for R/W for Upper 33rd St, 36th Street and Laverne Avenue have been listed as actual Job-to-Date (JTD) at \$89,452.10. Per the detail sheet this represents costs through 12/07/2015 and may not be a final cost.
 - Costs for R/W for the Regional Drainage Pond has been listed as actual Job-to-Date (JTD) at \$427,406.65. This represents costs incurred to date but not final.
 - Costs for Construction Inspection/Administration have been listed as the original Cooperative Agreement estimates with additional costs added for precondition survey work by Multivista and Braun. The invoice does not reflect costs incurred to date and is not an indication in regards to the Estimate at Completion (ETC) for these services.
 - Preliminary/Final Design and Construction costs have been listed as the original Cooperative Agreement estimates with no change. The invoice does not reflect costs incurred to date and is not an indication in regards to Estimate at Completion (ETC) for these services. The County and City staff are aware of several Work Orders resulting in increased construction costs, however these increases have not been formally processed and are therefore not reflected in Invoice #1.

RECOMMENDATION:

Staff is recommending that the City Council approve, *as part of the Consent Agenda*, payment to Washington County in the amount of \$498,866.35 per the attached invoice and per section G.2 of Cooperative Agreement No. 9660 with Washington County for the Downtown Phase 1 Improvements. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve payment to Washington County in the amount of \$498,866.35 per the attached invoice and per section G.2 of Cooperative Agreement No. 9660 with Washington County for the Downtown Phase 1 Improvements.”

ATTACHMENT(S):

1. Washington County Invoice No. 82378 and supporting detail.



WACO PUBLIC WORKS DEPT
 11660 MYERON RD N
 STILLWATER MN 55082

| <i>Invoice</i> | |
|---------------------------|----------|
| Invoice Number: | 82378 |
| Account Number: | 20498 |
| Due Date | 1/15/16 |
| Amount Enclosed: | \$ _____ |
| Federal Tax Id:41-6005919 | |

To: LAKE ELMO CITY
 3800 LAVERNE AVEN
 LAKE ELMO MN 55042-9629

Please return top portion with payment. Thank You.

| Invoice | | | | | | |
|--|--------|---------|----------|-----------------------------|----------------------|--------------|
| Date | Number | Type | Due Date | Remark | Amount | |
| 12/9/15 | 82378 | Invoice | 1/15/16 | CSAH 17 (Lake Elmo Avenue) | \$498,866.35 | |
| | | | 1/15/16 | Phase I invoice for Initial | | |
| | | | 1/15/16 | 10% of estimated Project | | |
| | | | 1/15/16 | Cost | | |
| | | | 1/15/16 | ***** | | |
| | | | 1/15/16 | Due Date: January 15, 2016 | | |
| | | | 1/15/16 | ***** | | |
| | | | 1/15/16 | City/County Cooperative | | |
| | | | 1/15/16 | Agreement No. 9660 | | |
| | | | 1/15/16 | ***** | | |
| | | | 1/15/16 | 41411703.525020.CITY | | |
| I declare under the penalties of law that this account claim or demand, is just and correct and no part of it has been paid. Please make check payable to Washington County and mail to the address above. | | | | | Invoice Total | \$498,866.35 |
| | | | | | Sales Tax | |
| | | | | | Balance Due | \$498,866.35 |

| PHASE I - COST SUMMARY FOR INVOICE #1 - CITY/COUNTY AGREEMENT #9660 | | | | | | |
|---|--|------------------------------------|-------------|--------------------------------|-------------|-----------------------|
| | Estimated Total Cost (from Coop Agree) | Current Estimated Total Cost | City Cost % | Current Estimated City Cost | Initial 10% | Amount Due 1/15/16 |
| <i>Right-of-Way and Easements</i> | | | | | | |
| Upper 33rd St. N, 36th St. N. and Laverne Avenue | \$ 80,693.00 | \$ 89,452.10 | 100% | \$ 89,452.10 | 10% | \$ 8,945.21 |
| Regional Drainage Pond | \$ 434,074.00 | \$ 427,406.65 | 50% | \$ 213,703.33 | 10% | \$ 21,370.33 |
| <i>Engineering</i> | | | | | | |
| Preliminary Design | \$ 131,600.00 | \$ 131,600.00 | 91.2% | \$ 120,019.20 | 10% | \$ 12,001.92 |
| Final Design | \$ 233,460.00 | \$ 233,460.00 | 91.2% | \$ 212,915.52 | 10% | \$ 21,291.55 |
| Construction Inspection/Administration | \$ 295,200.00 | \$ 323,060.00 | 91.2% | \$ 294,630.72 | 10% | \$ 29,463.07 |
| <i>Construction</i> | | | | | | |
| | \$ 4,449,499.00 | \$ 4,449,498.52 | 91.2% | \$ 4,057,942.65 | 10% | \$ 405,794.27 |
| TOTAL | \$ 5,624,526.00 | \$ 5,654,477.27 | | \$ 4,988,663.52 | | \$ 498,866.35 |

