



## MAYOR & COUNCIL COMMUNICATION

**DATE:** June 21, 2016

**CONSENT**

**ITEM #** 7

**AGENDA ITEM:** Downtown Phase 1 Improvements – Approve Washington County Cooperative Agreement Payment No. 2

**SUBMITTED BY:** Chad Isakson, Project Engineer

**THROUGH:** Kristina Handt, 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:**

No additional fiscal impact. Partial payment is proposed in accordance with Cooperative Agreement No. 10196 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 \$5,047,169.46 per the attached invoice and per section G.2 of Cooperative Agreement No. 10196 with Washington County for the Downtown Phase 1 Improvements. Per the agreement the second payment is due on June 23, 2016 in the amount equal to estimated remainder of the Phase 1 Total City Cost.

**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 Cooperative Agreement was revised as Cooperative Agreement No. 10196 at the May 3, 2016 meeting to address project changes in scope and costs that had occurred through the construction of the Phase 1 Improvements and the final design for the Phase 2 Improvements. The agreement further addresses the updated cost participation estimates by the City and payment schedule thereof.

The City's payment schedule, as identified in Section G.1 of Cooperative Agreement No. 10196 is summarized as follows:

1. January 15, 2016 – an amount equal to 10% of the Estimated Phase 1 Total City Cost. Payment 1 made in the amount of \$498,866.35.
2. June 15, 2016 – an amount equal to 90% of the Estimated Phase 1 Total City Cost. The agreement identifies the estimated amount of \$5,058,047.65.
3. January 15, 2017 – an amount equal to 20% of the Estimated Phase 2 Total City Cost. The agreement identifies the estimated amount of \$951,788.
4. June 15, 2017 – an amount equal to 80% of the Estimated Phase 2 Total City Cost. The agreement identifies the estimated amount of \$3,807,154.

Washington County recently submitted the second invoice per this agreement in the amount of \$5,047,169.46 which reflects the most accurate information available at the time of the invoice. This amount is slightly less than the estimated amount in the agreement but the project construction and subsequent costs have not been finalized. The Cooperative Agreement identifies a final "clean up" invoice to be generated once the project is closed out and all costs are known.

**RECOMMENDATION:**

Staff is recommending that the City Council approve, *as part of the Consent Agenda*, payment to Washington County in the amount of \$5,047,169.46 per the attached invoice and per Section G.2 of Cooperative Agreement No. 10196 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 5,047,169.46 per the attached invoice and per Section G.2 of Cooperative Agreement No. 10196 with Washington County for the Downtown Phase 1 Improvements.”***

**ATTACHMENT(S):**

1. Washington County Invoice No. 88142 and supporting detail.