



## **MAYOR & COUNCIL COMMUNICATION**

**DATE:** January 3, 2017

**CONSENT**

**ITEM #** 10

**AGENDA ITEM:** Downtown Phase 1 & 2 Improvements – Approve Phase 1 Final Reconciliation Payment and Approve Phase 2 Cooperative Agreement Payment No. 1

**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. Payment is proposed in accordance with Cooperative Agreement No. 10196 with Washington County including final payment for the Downtown Phase 1 Improvements and partial payment No. 1 for the Downtown Phase 2 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 \$886,086.22 which includes a \$32,189.19 credit for the Phase 1 Improvements final reconciliation and \$918,275.40 for partial payment No. 1 for the Downtown Phase 2 Improvements. Payments are being processed per the attached invoices and per section G.2 of Cooperative Agreement No. 10196 with Washington County. Per the agreement the Phase 2 Improvements second payment will be due on June 15, 2017.

**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.

With the final cost reconciliation for the Phase 1 Improvements, the total project costs for the City share are \$7,696.85 less than the total costs used at the time of the assessment determinations. The partial payment No. 1 invoice by Washington County reflects a total project cost for the Phase 2 Improvements to be projected to be under budget by \$167,564.98 for the City cost share.

**RECOMMENDATION:** Staff is recommending that the City Council approve, *as part of the Consent Agenda*, payment to Washington County in the amount of \$886,086.22 which includes a \$32,189.19 credit for the Phase 1 Improvements final reconciliation and \$918,275.40 for partial payment No. 1 for the Downtown Phase 2 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 \$886,086.22 for Final credit for the Phase 1 Improvements and for partial payment No. 1 for the Downtown Phase 2 Improvements per the attached invoices and per Section G.2 of Cooperative Agreement No. 10196 with Washington County.”***

**ATTACHMENT(S):**

1. Washington County Invoice No. 99203 and supporting detail.



WACO PUBLIC WORKS DEPT  
11660 MYERON RD N  
STILLWATER MN 55082

<b>Invoice</b>	
Invoice Number:	99203
Account Number:	20498
Due Date	1/15/17
Amount Enclosed:	\$ _____
Federal Tax Id:41-6005919	

To: LAKE ELMO CITY  
3800 LAVERNE AVE N  
LAKE ELMO MN 55042-9629

*Please return top portion with payment. Thank You.*

Invoice					
Date	Number	Type	Due Date	Remark	Amount
12/15/16	99203	Invoice	1/15/17	CSAH 17 (Lake Elmo Avenue)	\$886,086.22
			1/15/17	Phase II	
			1/15/17	City/County Cooperative	
			1/15/17	Agreement No. 10196	
			1/15/17	Invoice includes 20% of	
			1/15/17	estimate cost for Phase II and	
			1/15/17	\$32,189.19 credit for the	
			1/15/17	final Phase I costs.	
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 <b>Washington County</b> and mail to the address above.				<b>Invoice Total</b>	\$886,086.22
				<b>Sales Tax</b>	
				<b>Balance Due</b>	\$886,086.22

Lake Elmo Old Village  
Invoice Summary  
12/9/2016

PHASE I - COST SUMMARY FOR PHASE 1 - CITY/COUNTY AGREEMENT #10196								
	Estimated Total Cost (from Coop Agree)	Total Amount to Date	City Cost %	Current City Cost	Amount Paid Invoice #1	Amount Paid Invoice #2	Amount Due Invoice #3	Note:
<i>Right-of-Way and Easements</i>								
Upper 33rd St. N, 36th St. N. and Laverne Avenue	\$ 91,902.00	\$ 91,902.10	100%	\$ 91,902.10	\$ 8,945.21	\$ 82,956.89	\$ -	Attachment A
Regional Drainage Pond	\$ 1,154,190.00	\$ 1,158,325.00	50%	\$ 579,162.50	\$ 21,370.33	\$ 557,792.17	\$ -	Attachment A
<i>Engineering</i>								
Preliminary Design	\$ 131,600.00	\$ 131,600.00	91.2%	\$ 120,019.20	\$ 12,001.92	\$ 108,017.28	\$ -	Attachment B
Final Design	\$ 233,460.00	\$ 233,460.00	91.2%	\$ 212,915.52	\$ 21,291.55	\$ 191,623.97	\$ -	Attachment B
Construction Inspection/Administration	\$ 295,200.00	\$ 295,200.00	91.2%	\$ 269,222.40	\$ 29,463.07	\$ 235,499.30	\$ 4,260.02	Attachment C
Precondition Survey	\$ 27,133.00	\$ 21,173.25	91.2%	\$ 19,310.00	\$ -	\$ 19,310.00	\$ -	Attachment D
<i>Construction</i>	\$ 4,668,601.00	\$ 4,623,766.15	91.3%	\$ 4,221,314.90	\$ 405,794.27	\$ 3,851,969.85	\$ (36,449.21)	Attachment E
<b>TOTAL</b>	<b>\$ 6,602,086.00</b>	<b>\$ 6,555,426.50</b>		<b>\$ 5,513,846.62</b>	<b>\$ 498,866.35</b>	<b>\$ 5,047,169.46</b>	<b>\$ (32,189.19)</b>	

PHASE II - COST SUMMARY FOR PHASE 2 - CITY/COUNTY AGREEMENT #10196								
	Estimated Total Cost (from Coop Agree)	Total Amount to Date	City Cost %	Current City Cost	Amount Paid Invoice #1	Amount Paid Invoice #2	Amount Due Invoice #3	
<i>Right-of-Way and Easements</i>								
CSAH 17 (Lake Elmo Ave)	\$ 284,760.00	\$ 294,872.75	55.0%	\$ 162,180.01			\$ 32,436.00	Attachment F
30th Street N.	\$ 147,550.00	\$ 125,677.88	100%	\$ 125,677.88			\$ 25,135.58	Attachment F
35th St. N, & 36th St. N	\$ 55,000.00	\$ 34,053.98	100%	\$ 34,053.98			\$ 6,810.80	Attachment F
<i>Engineering</i>								
Preliminary Design	\$ 189,400.00	\$ 189,139.45	56.1%	\$ 106,107.23			\$ 21,221.45	Attachment B
Final Design	\$ 461,000.00	\$ 512,110.83	56.1%	\$ 287,294.18			\$ 57,458.84	Attachment B
Construction Inspection/Administration	\$ 578,200.00	\$ 578,200.00	56.1%	\$ 324,370.20			\$ 64,874.04	Attachment G
Precondition Survey	\$ 27,173.00	\$ 27,173.00	56.1%	\$ 15,244.05			\$ 3,048.81	Attachment H
Construction Materials Testing		\$ 60,733.50	56.1%	\$ 34,071.49			\$ 6,814.30	Attachment I
<i>Construction</i>	\$ 6,593,389.00	\$ 6,331,740.91	53.1%	\$ 3,502,377.99			\$ 700,475.60	Attachment J
<b>TOTAL</b>		<b>\$ 8,153,702.30</b>		<b>\$ 4,591,377.02</b>			<b>\$ 918,275.40</b>	

<b>INVOICE TOTALS</b>	<b>\$ 498,866.35</b>	<b>\$ 5,047,169.46</b>	<b>\$ 886,086.22</b>
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