



**Request for City Council Committee Action
From the Department of Public Works**

Date: December 16, 2008
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: **Supplemental Agreement for Water Main Construction**

Recommendation:
Authorize appropriate City Officials to execute Supplemental Agreement with MNDot for State reimbursement of costs related to past relocation of City-owned water mains.

Previous Directives:
None

Prepared by: Peter Pfister, PE, Professional Engineer (4906)

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Shahin Rezania, PE, Director, Water Treatment & Distribution Services

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

- Neighborhood Notification: Not Applicable
- City Goals: Not Applicable
- Comprehensive Plan: Not Applicable
- Zoning Code: Not Applicable

Background/Supporting Information

Public Works – Water Division entered into an agreement with the Minnesota Department of Transportation (MNDOT) in 1998 to relocate City-owned water mains and related facilities as required for the State's reconstruction of University Avenue between 25th and 37th Avenues NE. The agreement provided for the State to reimburse the City for specific work items at a City estimated cost of \$216,714.00. As part of the original agreement, any additional work items and/or costs exceeding the estimate would require a Supplemental Agreement.

Prior to or during the project, it was discovered that additional work would be necessary. An estimate of \$91,502.00 was prepared for this work by the City and that estimate was provided to the State. The additional work was performed without an executed Supplemental Agreement, and to date, no Supplemental Agreement was executed since that time. As a consequence, none of the additional costs have been reimbursed by the State to the City. State officials have indicated willingness to reimburse the City (please refer to attached letter dated October 15, 2008), but this requires the execution of the Supplemental Agreement at this time. It is recommended that the City Council grant authorization to the proper City officials to enter into the Supplemental Agreement.

Attachment: MnDOT Letter