



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

**Date:** November 5, 2009

**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

**Subject:** **Amendment to Contract C-26627, Contract for Professional Services for the Downtown Business Improvement Special Service District to include Maintenance of Marquette/2<sup>nd</sup> Avenue Bus Shelters and Real Time Devices (RTDs)**

### **Recommendation:**

- a. Authorize the proper City officers to negotiate and execute a contract amendment with the Minneapolis Downtown Improvement District for the provision of operations, cleaning and maintenance services for the Marquette/2<sup>nd</sup> Avenue bus shelters and real time devices (RTDs)
- b. Authorize the proper City officers to negotiate and execute an interagency agreement with Metro Transit (Metropolitan Council) for funding for the operations, cleaning and maintenance of the Marquette/2<sup>nd</sup> Avenue bus shelters and real time devices (RTDs)

### **Previous Directives:**

- October 2, 2009 – Downtown Business Improvement Special Service District: approved operating plan which includes special services and budget cost estimates in the lump sum total of \$6,187,500 for 2010; approve service charges and the lists of service charges (assessments) in the lump sum total of \$6,113,505.45 for 2010; direct the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; direct the City Engineer to proceed with the work
- June 12, 2009 – Authorize an amendment to the UPA Subrecipient Agreement with the Metropolitan Council to increase the total award amount by \$1,900,000 for the transit shelters capital costs and amend the capital appropriated budget for Marquette Ave and 2<sup>nd</sup> Ave to match the amended UPA Subrecipient Agreement by increasing the federal amount by \$1,520,000 and increasing the state bond local match by \$380,000.
- May 22, 2009 – Accept low responsive bid of Meisinger Construction Company, Inc. (OP 7143) for an estimated expenditure of \$1,583,000 for transit shelters and a prototype for the Marquette and 2<sup>nd</sup> Avenue UPA Transit Project; authorize the execution of a contract for this project in accordance with the specifications including, but not limited to, bid alternatives #1 and #2 subject to prototype, operating, and maintenance implications; and return to the June 2 T&PW Committee with details and parameters related to overall project funding, ownership, operations and maintenance parameters.
- March 27, 2009 – Downtown Business Improvement Special Service District: approved operating plan which includes special services and budget cost estimates in the lump sum total of \$3,065,520 for 2009; approve service charges and the lists of service charges (assessments) in the lump sum total of \$3,003,521 for 2009; direct the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; direct the City Engineer to proceed with the work; and direct the City Finance Officer to administer the invoicing and cash collection process for 2009 service charges.

- December 12, 2008 – Approve ordinance amending Title 17 of the Minneapolis Code of Ordinances relating to *Streets and Sidewalks* by adding a new Chapter 465 relating to *Special Service Districts* establishing the Downtown Business Improvement Special Service District; authorize the proper City officers to negotiate and execute a contract with the Minneapolis Downtown Council, its subsidiary, or an approved assignee (District Entity) for the management and service provision in the proposed District; and authorize the proper City officers to negotiate a Memorandum of Understanding with the District Entity regarding the current level of City services provided in downtown.

**Prepared by:** Jon Wertjes, Director, Traffic and Parking Services  
Mike Kennedy, Director, Transportation Maintenance and Repair

**Approved by:**

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

**Presenters:** Jon Wertjes, Director Traffic and Parking Services  
Mike Kennedy, Director, Transportation Maintenance and Repair

**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**

- Costs for Downtown Improvement District special services on Marquette and 2<sup>nd</sup> Avenues will be paid for as established in the existing contract between the City and the Minneapolis Downtown Improvement District Corporation.
- Cost for operation, maintenance and cleaning of transit shelters and real time devices on Marquette and 2<sup>nd</sup> Avenues will be borne by Metro Transit through an interagency agreement between the City and the Metropolitan Council

**Community Impact**

- City Goals: A premier destination; visitor investment and vitality; city’s infrastructure will be well-maintained
- Strategic Direction: Cleaner, greener, safer downtown
- Comprehensive Plan
- Zoning Code: Not Applicable

**Background/Supporting Information**

Downtown Improvement District

The City Council approved an ordinance amending Title 17 of the Minneapolis Code of Ordinances relating to *Streets and Sidewalks* by adding a new Chapter 465 relating to *Special Service Districts* establishing the Downtown Business Improvement Special Service District (commonly known as the Downtown Improvement District or “DID” and herein; the DID District). In accordance with Chapter 465, City contract C-26627 was executed with a Minnesota Non-Profit Corporation called the Minneapolis Downtown Improvement District (herein; the DID Contractor) for the management and provision of special services in the DID District. The DID District is operational and the DID Contractor is currently performing services. The costs of these extraordinary services are recovered through the annual assessment of service charges on properties within the DID District. Marquette and 2<sup>nd</sup> Avenues are located in what has been designated as the core, or highest service level area of the DID District.

### Marquette & 2nd Avenues

The reconstruction of Marquette and 2<sup>nd</sup> Avenues, which is nearing completion, was funded primarily by federal funds provided through the Urban Partnership Agreement. Part of the condition of these funds was the provision of facilities for transit including transit shelters, real-time information signs, and other passenger amenities. However, this federal funding does not include funds for operations and maintenance. Both the transit shelters and real time devices along Marquette and 2<sup>nd</sup> Avenue are considered special facilities and, therefore, the cleaning and maintenance of these elements is not included in the services currently provided by the DID Contractor.

It was originally anticipated that the transit shelters on Marquette and 2<sup>nd</sup> Avenues would be provided, operated and maintained through the Coordinated Street Furniture program. Due to the economic recession, the preferred contractor opted not to continue negotiations; the City chose to decline all bids, and the Coordinated Street Furniture program is not currently being implemented. Negotiations are underway with CBS Outdoor to extend their contract to provide operations and maintenance services for existing transit shelters throughout the city. These Marquette and 2<sup>nd</sup> Avenue shelters are not included in the CBS Outdoor contract.

Discussions have been underway for several months among Public Works, Metro Transit, and the DID Contractor regarding the operation, cleaning and maintenance of the transit shelters and real time devices along Marquette and 2<sup>nd</sup> Avenues. In general, the following agreements have been reached:

- Metro Transit will initially own the transit shelters due to the funding source.
- All parties agree that it is desirable and cost-effective to have daily cleaning and maintenance services provided by the DID Contractor.
- Metro Transit has agreed to provide funding up to \$65,000/year for transit shelter regular cleaning and maintenance plus provisions for regular/replacement parts as needed through an interagency agreement – a draft agreement has been prepared by Metro Transit and is being reviewed by staff.
- The DID Contractor has agreed to provide services, if funding is provided, and discussions are underway on the services to be provided – it is their desire that the agreement be handled as an amendment to their current contract with the City.

The transit shelters will be installed by mid-December. It is important that an agreement for cleaning and maintenance be in place as soon as possible so that cleaning and maintenance services are provided when the shelters are operational. Transit service will return to Marquette and 2<sup>nd</sup> Avenues on December 14. At this time, Public Works is working with Metro Transit and the Downtown Improvement District Contractor to resolve any remaining issues and identify appropriate funding.

Public Works is seeking authorization to execute a contract amendment with the Downtown Improvement District and to execute an interagency agreement with Metro Transit for the reimbursement funds of cleaning and maintenance services for the Marquette and 2<sup>nd</sup> Avenue transit shelters and real time devices.

Cc: Councilmember Lisa Goodman, 7<sup>th</sup> Ward  
Gary Warnberg  
Gary Winter