



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

**Date:** February 24<sup>th</sup>, 2009

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

**Referral:** Honorable Paul Ostrow, Chair Ways & Means Committee

**Subject:** **Northstar Corridor/LRT Extension Utility Agreement Amendment**

**Recommendation:**

1. Authorize city officials to amend the construction agreement between the City of Minneapolis and MnDOT (City contract C-23472) to be increased by \$312,000 from \$1,088,000 to \$1,400,000 to allow for final reimbursement of city utility relocation costs.

**Previous Directives:**

- February 25, 2008 - Authorize city officials to amend the construction agreement between the City of Minneapolis and MnDOT to be reimbursed for temporary signal work at the intersection of 5<sup>th</sup> Street North and 1<sup>st</sup> Avenue North
- September 1, 2006 – Authorize proper city officials to finalize an agreement with the Minnesota Department of Transportation (MnDOT) to reimburse the City of Minneapolis for project construction work.
- September 1, 2006 – Authorize proper city officials to amend the construction agreement between the City of Minneapolis and MnDOT to redesign sewer and water utility locations.
- May 12, 2006 – Authorize proper city officials to enter into an agreement with the Northstar Corridor Development Authority (NCDA) to reimburse the City of Minneapolis for project design work and construction work relating to utility relocation.

**Prepared by:** Donald Pflaum, Transportation Planner 673-2129

**Approved by:**

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

**Presenters:** Donald Pflaum, Transportation Planner, Department of Public Works,  
Transportation Planning and Engineering

## 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)

Action requires an appropriation increase to the Capital Budget

## Community Impact

Neighborhood Notification: Not Applicable

City Goals: Movement: Minneapolis will continue to aggressively pursue transit improvements in corridors which serve major transit origins and destinations, with the eventual goal of a region wide rail system, including Light Rail Transit (LRT) and commuter rail.

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

## Background/Supporting Information

In September of 2006, the City of Minneapolis entered into an agreement with MnDOT to perform utility relocations along 5<sup>th</sup> Street North for the Northstar Corridor/LRT extension project. This work entailed the relocation of a water main and the improvement of sanitary sewer and stormwater systems along the corridor from 1<sup>st</sup> Avenue North to 6<sup>th</sup> Avenue North. This work was necessary to move utilities from underneath the track zone so that regular utility maintenance would not interfere with LRT operations. Both Surface Water and Sewers and Water Treatment and Distribution staff worked with the Northstar Project Office to develop cost estimates and plan sheets for this work within the cost parameters set up by MnDOT and the Federal Transit Administration (FTA).

Soon after the original agreement was established and the sewer and water designs completed, the Northstar Project Office decided to reduce the utility setback from the proposed tracks to allow for much of the existing sewer system to remain in place. This new proposal was estimated to have saved the project a significant amount of money, but would require the water plans to be adjusted and sewer plans to be redrawn altogether. The city agreed to this proposal and entered into Amendment #1, which reduced the original construction contract amount from \$1,270,000 to \$1,088,000.

Utility relocation work started in Fall 2006 after the sewer and water plans were resubmitted. In order to efficiently coordinate utility relocations between the City of Minneapolis, Xcel Energy, CenterPoint Energy, and Minnegasco, weekly meetings were held at the Northstar Project Office. Although much of the work was completed before winter, work was slow during the first three months of 2007 and resulted in higher than expected costs for the city. Coordinating with other utilities also proved to be time consuming as utilities had to perform work one at a time since the majority of the relocation work was confined to a 2 block stretch. All city work (except for sewer lining) was completed by April 2007, the deadline that was originally given to all utilities to keep the project on schedule. After utility relocation work was completed, street and track work was able to commence in the 2007 and 2008 construction seasons. Currently, the tracks are in place, concrete work is completed, and much of the paving work along 5<sup>th</sup> Street North is done. In 2009, signal work will be completed, the paving wear course will be placed, and trains will be tested before the anticipated November 2009 opening.

Amendment #2 to the Utility Relocation Agreement was authorized in February of 2008 to allow for a temporary signal to be installed at the intersection of 1<sup>st</sup> Avenue North and 5<sup>th</sup> Street North. The amendment allows for the City of Minneapolis to be reimbursed for costs incurred for that installation. An action to create a project number for the city to be reimbursed for signal controller work along the 5<sup>th</sup> Street North corridor is currently being considered.

The purpose of this action is to authorize proper city officials to enter into Amendment #3, which will increase the contract amount from \$1,088,000 to \$1,400,000. Currently the City of Minneapolis has expended \$1,516,189.27 on this project, however, there is still an estimated \$68,520 required to complete corridor sewer lining for a total estimated cost of \$1,584,709.27. The sewer lining work has been bid and is expected to be completed in Spring 2009. Since many of the aforementioned expenses are considered betterments, they are not eligible for reimbursement, which is why the City of Minneapolis has only billed \$1,307,228.17 to date. The Northstar Project Office has agreed to pay the maximum budgeted amount of \$1,400,000 to reimburse the city for all utility construction efforts. The City of Minneapolis must complete the sewer lining to be eligible for the maximum amount. If \$1,400,000 of the total cost of \$1,584,709.27 is reimbursed, the City of Minneapolis will have contributed a total of \$184,709 toward this project. This amount has been funded through the use of existing sewer and water budgets.

Betterments such as a larger water main and sewer upgrades completed along this corridor will save the city money in the long term by taking advantage of construction mobilization, street closures, and cheaper unit prices that occurred as part of this project.

Attachments:

Attachment #1 – Funding Table

Cc: Bryan Dodds – Northstar Project Office  
Lisa Cerney – Director PW - Surface Water and Sewers  
Shahin Rezania – Director PW – Water Treatment and Distribution