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

Date: May 23, 2002
To: Transportation and Public Works Committee
Referral to: Ways and Means/Budget Committee

Subject: Light Rail Transit - Amendment #2 to the Construction Cooperation Agreement between the City, Met Council, and Minnesota Department of Transportation: Utility Construction between 26th Street to 54th Street and High-Load Crossings

Recommendation:
Public Works recommends that the proper City Officials be authorized to execute Amendment #2 to the Construction Cooperation Agreement between the City, Met Council, and MnDOT, which provides for reimbursement to the City for its costs to relocate City utilities (water main and sewer) between 26th Street and 54th Street as required by the Hiawatha Light Rail Transit Project and provides for a High-load crossing of the LRT tracks at 11th Avenue rather than Portland Avenue. Amendment #2 will increase the amount of the Agreement by $1,800,000.00 to an amount not to exceed $9,293,437.30.

Public Works further recommends Passage of a Resolution amending the 2002 Capital Appropriation by increasing the PW – Sewer Construction Capital appropriation by $1,664,127.00 (7300-932-9322) and increasing the revenue budget for the reimbursements from MNDOT by $1,664,127.00 (7300-932-9322-3210). Funding of $135,873 for the water main work will be provided from funds appropriated by the Council on June 8, 2001.

Previous Directives:
June 9, 2000 - City Council authorized execution of the Construction Cooperation Agreement between the City, Met Council, and MnDOT.
June 8, 2001 – City Council authorized an appropriation of $300,000 for water main work required by the Light Rail Transit Project to be reimbursed by the Minnesota Department of Transportation.
July 13, 2001 - City Council authorized execution of Amendment #1 to the Construction Cooperation Agreement.

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Approved: David J. Sonnenberg, P. E., City Engineer, Director of Public Works
Presenters in Committee: Heidi Hamilton

Financial Impact (Check those that apply)
___ No financial impact (If checked, go directly to Background/Supporting Information)

_X_ Action requires an appropriation increase to the Capital Budget
___ Action requires an appropriation increase to the Operating Budget
_X_ Action provides increased revenue for appropriation increase
___ Action requires use of contingency or reserves
___ Other financial impact (Explain):
___ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

In June 2000 the City Council authorized execution of the Construction Cooperation Agreement between the City, Met Council, and MnDOT. This Agreement identifies that the State would reimburse the City its costs to prepare design plans and specifications for relocation of its utilities along the LRT Corridor between the Nicollet Mall and 54th St, to relocate City utilities in Downtown Minneapolis between the Nicollet Mall and Chicago Avenue, and for traffic operations expenses required by the Hiawatha Light Rail Project. The original Agreement included authorization for MnDOT to pay the City for up to $6,531,801.00. High-load crossing of the LRT alignment are also designated in this Agreement to ensure that the overhead catenary wires are constructed with minimum clearance heights that will accommodate high-loads in designated locations (26th Street, 38th Street, and Portland Avenue in original Agreement).

On June 8, 2001 the City Council authorized an appropriation of $300,000 for water main work required by the Light Rail Transit Project to be reimbursed by the Minnesota Department of Transportation. This funding was authorized in order to permit work to proceed prior to the execution of the next funding agreement amendment.

Amendment #1 to the Construction Cooperation Agreement was authorized by the City Council on July 13, 2001. The amendments provides for reimbursement to the City for its cost to relocate City utilities (water main and sewer) between Chicago Avenue and 26th Street, amending the Agreement for a total cost not to exceed $7,493,437.30.

Proposed Amendment #2 to the Construction Cooperation Agreement specifies that the State will fund an additional $1,800,000 to the City for utility construction work between 26th Street and 54th Street. The actions recommended as part of this Committee Report includes an adjustment to the Public Works Sewer Construction Fund to reflect the expenses and reimbursements that will be incurred as part of this Agreement. The Water Construction Fund is not being adjusted because the funding appropriated on June 8, 2001 is an adequate appropriation to account for the work.

City engineers currently estimate the total cost for utility construction work along the LRT corridor between 26th Street and 54th Street to be $1,925,868.00. In fall 2001 the Met Council authorized adding $1,800,000 to the Construction Cooperation Agreement

for this work per earlier estimates. Since City utility work between Nicollet Mall and 26th Street, which is nearly complete, is projected to cost at least $125,868 less than originally estimated, this amendment adds only $1,800,000 to the Agreement. Funding above this amount is projected to be available from the funds that were budgeted for work between Nicollet Mall and 26th Street.

Water Works and Engineering Services have completed all design work related to relocating the City water mains, sanitary and storm sewers. Field Services is completing all sewer construction work. A contractor to the Hiawatha Project Office is completing all remaining water main construction, and the City is providing inspection and testing services for all City utility construction work.

High-Load Crossings
Early in the LRT project design the City determined that 11th Avenue should replace Portland Avenue as the high-load route on the east side of downtown. The LRT has been designed to accommodate this change. The Construction Cooperation Agreement is now being modified to accurately reflect this revised high-load route.

cc: Corey Conover
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