

**City of Carson City
Agenda Report**

Date Submitted: December 2, 2010

Agenda Date Requested: December 16, 2010

Time Requested: Consent

To: Mayor and Board of Supervisors

From: Public Works - Transportation

Subject Title: Action to approve amendment number one to agreement number PR212-03-030 between Carson City and the Nevada Department of Transportation in the amount of \$181,154.50 to be reimbursed to Carson City for inspection fees related to the utility relocations at Lompa Field and Butti Way. (Patrick Pittenger)

Summary: Amendment number one to agreement PR212-03-030 would release the City of the responsibility of the voluntary betterment costs from the original agreement with the Nevada Department of Transportation in the amount of \$133,403, as the sewer lines were not constructed per specifications and an increased capacity was not realized. The amendment would also increase the reimbursement to the City, for the cost of inspection fees to \$181,154.50, an increase from the original estimated cost of \$60,000.

Type of Action Requested:

Resolution

Ordinance

Formal Action/Motion

Other ()

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to approve amendment number one to agreement number PR212-03-030 between Carson City and the Nevada Department of Transportation in the amount of \$181,154.50 to be reimbursed to Carson City for inspection fees related to the utility relocations at Lompa Field and Butti Way.

Explanation for Recommended Board Action: On April 30, 2003, Carson City and the Nevada Department of Transportation (NDOT) entered into an agreement for the relocation of sewer lines, owned by Carson City, located at Lompa Field and Butti Way necessary for the construction of the Carson City freeway. The agreement stated that NDOT was to hire, supervise, and pay for the contractor on the project and the City would hire an inspector to verify that the work was being performed to specifications. NDOT would then reimburse the City up to \$60,000 for inspection services and the City would in turn reimburse the State in the amount of \$133,403 for the voluntary betterment received by the City for the increased capacity in the sewer line. However, the work was not performed by the contractor per the specifications and the contractor took longer to perform the work than expected. Because of this, the City did not receive the increased capacity/functionality of the sewer line and the City had to pay more inspection fees than originally estimated. A total of \$181,154.50 was paid by Carson City for inspection fees. NDOT reimbursed the City in November 2010 in the amount of \$60,000, which was the maximum amount allowed under the original agreement. Approval of this amendment will allow NDOT to release an additional, final payment of \$121,154.50 to the City.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: An increase to the sewer fund in the amount of \$181,154.50

Explanation of Impact: The recommended action would increase sewer fund 515-0000-334-9200 in the amount of \$181,154.50. Of this amount, Carson City Public Works has received \$60,000, for the inspection fees agreed upon in the original agreement from the Nevada Department of Transportation. The remaining \$121,154.50 would be received upon approval of the amendment.

Funding Source: N/A

Alternatives: Do not approve the amendment.

Supporting Material: Amendment no. 1 to agreement no. PR212-03-030; and the original agreement no. PR212-03-030.

Prepared By: Patrick Pittenger, Transportation Manager

Reviewed By:



(Public Works Director)

Date: 12-7-10


(City Manager)

Date: 12/7/10



(District Attorney's Office)

Date: 12/7/10



(Finance Director)

Date: 12/7/10

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

Project: SPF-395-1(18)
E.A.: 72154
Carson Freeway,
Lompa Field and Butti Way

AMENDMENT NO. 1 TO AGREEMENT NO. PR212-03-030
FOR THE ADJUSTMENT OF UTILITY FACILITIES

This Amendment to Agreement No. PR212-03-030 for the Adjustment of Utility Facilities, is made and entered into this ____ day of _____, 20____, by and between the STATE OF NEVADA, acting by and through its DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the STATE, and CARSON CITY, NEVADA, a consolidated municipality under Nevada Revised Statutes, whose mailing address is 201 North Carson Street # 2, Carson City, Nevada 89701, hereinafter referred to as the CITY.

WITNESSETH:

WHEREAS, on April 20, 2003, the parties hereto entered into Agreement No. PR212-03-030 for the Adjustment of Utility Facilities, for the purpose of inspection and relocation of utility facilities owned by the CITY, with said inspections and relocations to be undertaken in connection with the STATE'S construction of Project SPF-395-1(18), E.A.72154, hereinafter referred to as AGREEMENT; and

WHEREAS, the AGREEMENT provides that the total estimated cost for performing inspections and the relocation of the CITY'S utility facilities is TWO MILLION TWO HUNDRED ELEVEN THOUSAND THREE HUNDRED TWENTY AND NO/100 DOLLARS (\$2,211,320.00), with ONE HUNDRED THIRTY THREE THOUSAND FOUR HUNDRED THREE AND NO/100 DOLLARS (\$133,403.00) of said sum attributable to voluntary betterments to be undertaken by the CITY; and the STATE agrees to pay the CITY the estimated inspection fees of SIXTY THOUSAND AND NO/100 DOLLARS (\$60,000.00) for performing or having performed inspection on said sewer line construction. CITY agrees to reimburse STATE the remainder of the betterments cost (\$133,403.00) minus inspection fees for a total cost of \$73,403.00; and

WHEREAS, (a) the aforesaid sums set forth within the AGREEMENT constitute estimated costs for the relocation of the CITY'S utility facilities; (b) the CITY has provided the STATE with documentation sufficient to show that the compensable actual inspection and relocation costs exceeded those estimated costs set forth within the AGREEMENT by ten percent (10%) or more; (c) the CITY is therefore entitled to the reimbursement of certain actual costs incurred in the relocation and inspection of the CITY'S utility facilities, which certain actual costs exceed those estimated costs set forth within the AGREEMENT; and

WHEREAS, this Amendment shall set forth that amount to be paid by the STATE to the CITY in reimbursement of the CITY'S compensable costs incurred in the relocation and inspection of the CITY'S utility facilities.

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 6 is amended by deleting it in its entirety and inserting in its place:

"6. The total estimated cost for performing the adjustments by the STATE'S contractor is \$2,211,320.00. \$0.00 is attributable to salvage credits. The total actual inspection cost is ONE HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED FIFTY FOUR AND 50/100 DOLLARS (\$181,154.50). The amount of ZERO AND NO/100 DOLLARS (\$-0-) is attributable to voluntary betterments. The CITY shall be reimbursed by the DEPARTMENT for the inspection cost of ONE HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED FIFTY FOUR AND 50/100 DOLLARS (\$181,154.50), which reimbursement shall be made by the DEPARTMENT with Federal funds, and which reimbursement shall constitute the total amount to be paid by the DEPARTMENT to the CITY in reimbursement for the CITY'S cost incurred for inspection during the relocation of its utility facilities."