



## Legislation Text

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**File #:** 17-713, **Version:** 1

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### **City Council Meeting Date:**

**To:** Mayor and City Council

**From:** Ben Martig, City Administrator

Review of NAFRS Fire Station Upgrade Project Agreements.

### **Action Requested:**

Discussion only.

### **Summary Report:**

At the January 17, 2017 City Council meeting, the City Council approved a Resolution Affirming Support for the Fire Station Upgrade. The resolution is attached for your information.

Northfield Area Fire and Rescue Services (NAFRS) and City staff have been working since that time on the next step of the process which includes the following agreements that are proposed for review at this worksession as follows:

#### Pre-Construction Cost Agreement

This agreement will provide for costs incurred prior to construction by the City of Northfield to be recovered through future bonding. In the event the project doesn't move forward, these expenses would be reimbursed by NAFRS by the end of 2018. This agreement was reviewed by Jenny Boulton with Kennedy & Graven, Jim Strommen with Kennedy & Graven and City Attorney Chris Hood. Additionally, City Administrator Martig and Finance Director Lammers were also involved with the structure. Mr. Martig will highlight the details of the agreement at the meeting.

#### Project Management Agreement

This agreement will establish some authorities of the NAFRS Board related to the project. In accordance with Section 17a of the Joint Powers Agreement, "Any maintenance, alterations or improvements shall be the financial responsibility of NAFRS, and the NAFRS shall be responsible for managing and overseeing such maintenance, alterations or improvements." This contract grants some of the project advisory oversight to NAFRS.

This agreement was reviewed by Jenny Boulton with Kennedy & Graven, Jim Strommen with Kennedy & Graven and City Attorney Chris Hood. Additionally, City Administrator Martig and Finance Director Lammers were also involved with the structure. Mr. Martig will highlight the details of the agreement at the meeting.

#### Architect Agreement

The proposed architect agreement is in process for final completion. I expect to receive it on Friday and will send to the Council when available. The final adjustment relates to the additions of the costs. This agreement was reviewed by Jenny Boulton with Kennedy & Graven, Jim Strommen with Kennedy & Graven and City Attorney Chris Hood. Additionally, City Administrator Martig and Finance Director Lammers were also involved with the structure. Mr. Martig will highlight the details of the agreement at the meeting.

#### Construction Manager Agreement

The proposed construction management agreement is in process for final completion. I expect to receive it on Friday and will send to the Council when available. The final adjustment relates to the additions of the costs. This agreement was reviewed by Jenny Boulton with Kennedy & Graven, Jim Strommen with Kennedy & Graven and City Attorney Chris Hood. Additionally, City Administrator Martig and Finance Director Lammers were also involved with the structure. Mr. Martig will highlight the details of the agreement at the meeting.

City Administrator Martig will be explaining the roles and responsibilities of the project management at the meeting along with explanation of the various project steps in the future.

#### **Alternative Options:**

Not applicable.

#### **Financial Impacts:**

The pre-construction expenses are estimated to be between \$150,000 and \$200,000. The costs will mostly be related to architectural fees and legal fees for the project. Following Council approval of the agreements, staff will create a special project fund for related expenditures. The City would utilize temporary use of cash reserves for payment with future bonding to reimburse these costs.

Some additional details of the proposed financing will also be presented to the City Council at the worksession.

#### **Tentative Timelines:**

- The four agreements currently under review are scheduled for NAFRS Board consideration of related approvals or recommendations for Council approval on Thursday, March 16.
- Pending related approvals and recommendation by the NAFRS, the four agreements will be presented to the City Council on March 21.
- See attached updated overall project schedule.