

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Approve Payment to SEH for Add'l \$900 for TH52 Highway Safety Assessment Report

DATE: July 1, 2015

BACKGROUND

We received our final invoice from SEH for their work on the TH52 safety study. This project was initially approved with a cost of \$33,436 split 50/50 with MnDOT (\$16,718 each).

Early in the process it was discovered that SEH made an error in the cost spreadsheet that increased the study's budget by \$1,813. SEH immediately made staff and MnDOT aware of this, and, as time was of the essence, it was decided to 1. Proceed with the project and make every effort to stay within the contracted budget and increase the budget by \$1,813 if those efforts were not successful, and/or 2. Eliminate the meeting to discuss the Traffic Distribution, and have that discussion in a conference call. This would have reduced the difference to \$1,000. Then as in #1, make every effort to stay within the contracted budget and increase the budget by \$1,000, if those efforts are not successful.

Unfortunately, although SEH met with MnDOT through conference calls, the number of reviews and re-reviews necessary for satisfactory completion of the work didn't allow any cost savings.

The \$1,800 overage was discussed at a meeting with SEH, MnDOT and city staff and after much deliberation, it was decided to recommend approval of the additional \$1,800 with a 50/50 split as was the structure of the entire agreement. MnDOT has approved their \$900.

REQUESTED COUNCIL ACTION

Motion to approve an additional \$900 to SEH for the TH52 Highway Safety Assessment Report.

Attachment(s): N/A