

Memorandum

REPORT TO: City Commission

FROM: Shawn Kohtz, Utilities Director

SUBJECT: Authorize the City Manager to Execute an Agreement with the Montana Department of Transportation (MDT) for Utilities Relocates Associated with MDT Work on North 7th Avenue

MEETING DATE: January 28, 2025

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to execute the attached agreement with the Montana Department of Transportation (MDT) for utilities relocates associated with MDT work on North 7th Avenue.

STRATEGIC PLAN: 1.3 Public Agencies Collaboration: Foster successful collaboration with other public agencies and build on these successes.

BACKGROUND: Montana Department of Transportation allocated federal aid funds to perform asphalt improvements to N. 7th, and this project is a distinct project from the intersection improvements on N. 7th. Pursuant to MDT's attached contract and to mobilize the federal funds allocated by MDT to the project, MDT requires the City to pay 25% of the costs of relocating elements of sewer and water utilities to accommodate the work if the work exceeds \$25,000. The utility relocates work associated with this project is not expected to exceed \$25,000. However, MDT requires an agreement to mobilize the federal funds stating the City will cover 25% of the cost of utility relocates if the utility relocates ultimately cost more than \$25,000, in which case MDT will pay a 75% share of the utility relocate costs. The project will require adjustment of 9 water valve boxes and 2 manhole rims in the water and sewer pipe systems.

UNRESOLVED ISSUES: None

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS: The anticipated fiscal effect to the City is \$0 unless bids are approximately 100% higher than anticipated, in which case the cost to the city would be approximately \$9,000 primarily from the water fund and partially from the sewer fund.

Attachments:
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9477000_EXHIBIT_MARKED
MDT ADDENDUM A
MDT NONDISCRIMINATION 2022

Report compiled on: January 16, 2025