



7800 Golden Valley Road  
Golden Valley, MN 55427

July 10, 2018

Laura Jester, Administrator  
Bassett Creek Watershed Management Commission  
16145 Hillcrest Lane  
Eden Prairie, MN 55346

Subject: Honeywell Pond Expansion Project (City Project No. 14-20)  
BCWMC Project #BC-4  
Reimbursement Adjustment

Dear Ms. Jester:

As a follow up to the reimbursement request granted by the BCWMC on June 21, 2018, the Commission asked the City of Golden Valley to provide additional information regarding the costs incurred by the City that are over and above the BCWMC reimbursement of \$785,623.00.

According to the cooperative agreement for the project executed in August 2015, the City could be reimbursed up to \$810,930 less Commission expenses. At the time, the total project costs were *estimated* to be \$1,260,930 with the City funding the remaining \$450,000 to implement the project.

In December 2015, the Commission approved the Douglas Drive Reconstruction Project through its project review process. The reconstruction project was designed to meet MIDS water quality treatment requirements which were the BCWMC requirements for linear projects at the time. After project approval, and while this project was under construction, the Commission significantly revised its requirements for linear projects.

As part of the approval of the Douglas Drive Reconstruction Project, the Commission agreed to allow the City to take partial credit for the pollutant removals expected from the Honeywell Pond Expansion Project in order to meet MIDS requirements on the adjacent Douglas Drive Project. This was allowed because the City was expected to spend approximately \$795,000 of the estimated \$1,605,000 on the project as listed in the December 17, 2015 BCWMC memo. This contribution allowed the City to take credit for 49.5% of the treatment.

The City has incurred or is expected to incur the following contract costs:

- Feasibility report, final design, construction observation \$ 149,429.74
- Payment to Hennepin County for pond expansion performed by Park Construction (less retainage) \$ 789,166.31
- Contract retainage amount to be paid \$ 28,622.61
- Professional Services amount remaining (punch list items, irrigation/pump refinement and training, as-built surveys, etc) \$ 21,582.26
- Pond vegetation establishment based on City's current native vegetation contract (3 years IPM at \$1,230, plus 1 dormant mow at \$550,

and 1 burn at \$1,450)	\$ 3,230.00
Subtotal	\$ 992,030.92
• Staff time at 10% of costs above	\$ 99,203.09
Estimated cost to City	\$1,091,234.01

Following is a list of additional City contributions to the project as outlined in the December 17, 2015 BCWMC memo:

• Furnish and Install irrigation lines in ball fields	\$ 117,000.00
• Parts and labor to install an additional irrigation zone	\$ 28,000.00
• Connect to pumping system and SCADA system	\$ 25,000.00
• Remove 600 feet of overhead power line and power pole and bury line around pond	\$ 175,000.00
Subtotal	\$ 345,000.00

The total City costs for the Honeywell Pond Expansion Project are as follows:

Contract costs	\$1,091,234.01
+ Additional City contributions	\$ 345,000.00
Total City costs	\$1,436,234.01

Based on the December 17, 2015 BCWMC memo, the City is responsible for 49.5% of the total cost (calculated at \$1,436,234.01 x 49.5% = \$710,935.84) and the BCWMC is responsible for 50.5% of the total cost (calculated at \$1,436,234.01 x 51.5% = \$725,298.17).

The BCWMC provided reimbursement to the City in the amount of \$785,623.00 on June 21, 2018. Based on the cost split detailed above it appears the City received excess funding from the BCWMC. Therefore, the City is requesting that an adjustment of \$60,324.83 be made in favor of the BCWMC.

Reimbursement from BCWMC	\$ 785,623.00
- BCWMC share of project	\$ 725,298.17
Adjustment to BCWMC	\$ 60,324.83

If you have any questions regarding this submission, please contact me at 763-593-8084.

Sincerely,



Eric Eckman  
Development and Assets Supervisor

C: Marc Nevinski, Physical Development Director  
Jeff Oliver, PE, City Engineer  
Sue Virnig, Finance Director