



**REPORT TO MAYOR AND CITY COUNCIL**

AGENDA ITEM

TO: THE HONORABLE MAYOR  
AND CITY COUNCIL

DATE: October 21, 2008

SUBJECT: Reimbursement Agreement between the City and Main & East, LLC  
(M&E) to Widen the North Side of Main Street at East Street

**Report in Brief**

City staff is working with Main & East, LLC (M&E) A.K.A: Petrovich Development Company on their Rite Aid development at 1123 Main Street. The Rite Aid project requires the widening of Main Street fronting the development from one (1) to two (2) lanes under the conditions of approval for Parcel Map number 4929 which was approved by the Planning Commission on October 4, 2007. The project was identified in the Capital Improvement Plan using part of the City proceeds from the Cache Creek Indian Casino mitigation funds.

The road widening project was originally scheduled for construction in 2005 (Project No. 05-09) as part of the Wiseman Company Frontage Improvements (Project No. 03-24). The City intended to construct the westbound road widening but decided to defer the project to be constructed by and concurrently with the Rite Aid project. Conditions of approval for the Rite Aid project require modifications to the City's previous north side road widening design to integrate with the Rite Aid project site plan. The City will only be reimbursing M&E for work related to the City's portion of the road widening project. There are various aspects of the road widening design that are specific to the Rite Aid project and therefore not reimbursable. The proposed reimbursement agreement is attached for City Council review.

Staff recommends City Council approve and authorize the City Engineer to execute the attached Reimbursement Agreement between the City and M&E at a cost not to exceed \$279,500 for reimbursement of proportional design and widening of the north side of Main Street at East Street as described herein.

**Background**

The East & Main Rite Aid Project was conditioned to widen the west bound direction of Main Street to two (2) lanes from East Street to 6<sup>th</sup> Street. This condition was to be partially reimbursable to the applicant based on a comparison between the developer's 2008 engineering design for widening by Borm Associates, Inc and the City's previous 2004 Laugenour and Meikle design for widening.

M&E completed the widening design and intends to begin construction of the Rite Aid building and associated road widening work later this calendar year.

### **Discussion**

The developer and the City must enter into a Reimbursement Agreement to complete the work described herein. A copy of the reimbursement agreement is attached.

Upon determining the road widening scope, the developer and City staff estimated reimbursement as shown in the table below with reimbursements currently estimated not to exceed \$237,000.

<b>Items of Work</b>	<b>Amount</b>
Start Up & Demolition	\$15,340.00
Concrete & Asphalt Civil Work	\$59,409.85
Storm Drain Improvements	\$40,650.00
Miscellaneous	\$46,500.00
Plans & Fees	\$57,997.14
<b>TOTAL CONSTRUCTION COST</b>	<b>\$219,896.99</b>
<b>CONSTRUCTION MANAGEMENT</b>	<b>\$16,189.99</b>
<b>TOTAL</b>	<b>\$236,086.98</b>
<i>CONTINGENCY (10% of total project cost)</i>	<i>\$43,408.41</i>
<i>Total + Contingency</i>	<i>\$279,495.39</i>

Actual reimbursements will be based on supporting documentation of actual costs of reimbursable items and after reimbursable work passes final inspection for acceptance of improvements.

### **Fiscal Impact**

This project is fully approved and funded under PPSS 05-09 in the approved Capital Budget with \$376,000 from the Cache Creek Indian Casino mitigation funds available for this project and other Main and East Street intersection work not included under this project or reimbursement agreement. The remaining \$96,000 of the mitigation funds would be available for other traffic related projects at the intersection including but not limited to projects to address ADA issues and the interconnecting of traffic signals.

### **Public Contact**

The Tentative Parcel Map for the Rite Aid project was noticed and heard at the Planning Commission on October 4, 2007.

**Commission Recommendation**

The Planning Commission did not focus on this specific issue. However, they did meet for approval of the Rite Aid Tentative Parcel Map No. 4929 to allow for the Rite Aid development. The Commission's vote was 7-0 in favor of the Tentative Parcel Map.

**Alternative Courses of Action**

1. Approve and authorize the City Engineer to execute the attached Reimbursement Agreement between the City and M&E at a cost not to exceed \$279,500 for reimbursement of proportional design and widening of the north side of Main Street at East Street as described herein.
2. Do not approve the reimbursement agreement and direct staff to work with the developer to design frontage improvements that do not widen the street, and reevaluate transportation impacts within Downtown Specific Plan area.

**Recommendation for Action**

Staff recommends the City Council approve Alternative No. 1.

Prepared by: Christopher Fong, PE  
Associate Civil Engineer

Reviewed by: Kimberly McKinney  
Finance Sr. Accountant

Reviewed by: Barry Munowitch, AICP  
Assistant City Manager

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Mark G. Deven  
City Manager

Attachment A: Street Exhibit  
Attachment B: Copy of Reimbursement Agreement

**SUPPLEMENTAL IMPROVEMENTS  
REIMBURSEMENT AGREEMENT  
EAST AND MAIN RITE AID NORTH SIDE MAIN STREET WIDENING**

This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the City of Woodland, California ("City"), and Main & East, LLC ("Developer").

**RECITALS**

A. Developer is developing a project known as the East & Main or 6<sup>th</sup> and Main Rite Aid, (the Project), located at 1123 Main Street and,

B. As a condition of developing the Project, the City requested the Developer install certain public improvements which were previously identified to be financed with funds from the Capital Improvement Program Project No. 05-09. The improvements include the widening of the north side of Main Street as described in Exhibit A.

NOW, THEREFORE, the parties mutually agree as follows:

1. The Public Improvements subject to this Agreement are shown on Exhibit "A" and are identified as "the Reimbursable Improvements". Copies of all contracts associated with the Reimbursable Improvements shall be provided to the City prior to, and as a condition of, reimbursement.
2. The City shall reimburse Developer its actual percentage costs of the Reimbursable Improvements after acceptance of the Reimbursable Improvements by the Public Works Department and execution of this agreement. Reimbursement shall require the submission of supporting documentation to the satisfaction of the City Engineer. The total cost of the Reimbursable Improvement is expected not to exceed \$237,000.00. With the City Engineer's approval of a certifiable bid quantity increase or change order, a total contingent expenditure of \$43,000 (up to project maximum cost of \$280,000) is allowed. The Developer agrees that amount is the reasonable value of the Reimbursable Improvements installed by Developer. Payments may be authorized by the City Engineer to be made by the City to Developer after Developer's engineer has submitted a list of completed improvements or related work to the City Engineer and the City Engineer has inspected and approved in writing such payment or release for such improvements or related work.
3. This Agreement shall not be construed to limit the right of the City to enlarge, relocate, alter or extend the Public Improvements, provided the City shall pay for any additional improvement costs in the event the City enlarges or extends the Public Improvements, nor shall it be construed as a grant to the Developer of any right to any exclusive use or specific capacity in or to the improvements.

Supplemental Improvements Reimbursement Agreement  
East & Main Rite Aid North Side Main Street Widening

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4. Each and every provision of this Agreement shall be binding and inure to the benefit of the successors in interest of the parties hereto.
5. It shall be Developer's responsibility to keep City apprised of Developer's address during the term of this Agreement. In the event the City is unable to locate the Developer at the time that any reimbursements are due, the City shall hold such fees for the benefit of the Developer or its successor or assignee until the expiration of this Agreement. Upon the expiration of this Agreement, any fees not reimbursed to the Developer shall escheat to the City and the City shall be free and clear of any forwarding obligation to the Developer.
6. This agreement shall expire one year from the date of acceptance of the reimbursable improvements by the City Council.
7. All Exhibits hereto are incorporated herein.
8. This is an integrated Agreement containing all of the considerations, understandings, promises and covenants exchanged between the parties.
9. In any action to enforce the provisions of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees.

IN WITNESS WHEREOF, this Agreement is executed the day and year first above written, by the parties, as follows:

**CITY OF WOODLAND**

**MAIN & EAST, LLC**

By: \_\_\_\_\_  
Dick Donnelly, PE  
City Engineer

By: \_\_\_\_\_  
\_\_\_\_\_

Its: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

\_\_\_\_\_

**APPROVE AS TO FORM:**

By: \_\_\_\_\_  
Andrew Morris, City Attorney

Supplemental Improvements Reimbursement Agreement  
 East & Main Rite Aid North Side Main Street Widening

**EXHIBIT 'A'**

**Reimbursable Improvements Cost Share Table**

The work consists of widening of the north side of Main Street due to the Rite Aid project and all associated improvements as specified in the City's Major Project Financing Plan (Project No. 05-09).

Total Estimated Cost:

**\$ 236,086.98**

Title: East & Main Rite Aid Site		Date: October 1, 2008							
Address: 1123 Main Street		Prepared by the City of Woodland							
Woodland, CA 95695		Derived from Cost Estimate by BORM Associates, Inc. on 9/4/2008							
		M&E = Main & East, LLC							
				PERCENTAGE %		COST SHARE \$			
Item #	DESCRIPTION OF WORK	QTY.	UNIT	UNIT \$	TOTAL \$	CITY	M&E	CITY	M&E
<b>START UP &amp; DEMOLITION</b>									
1	Pavement Removal	1000	SF	\$ 1.50	\$ 1,500	0.70	0.30	\$1,050.00	\$450.00
2	Side Walk Removal	1500	SF	\$ 0.50	\$ 750	0.70	0.30	\$525.00	\$225.00
3	Curb and Gutter Removal	300	LF	\$ 2.00	\$ 600	0.70	0.30	\$420.00	\$180.00
4	Median Curb Removal	73	LF	\$ 2.00	\$ 146	0.00	1.00	\$0.00	\$146.00
5	Remove Existing Drain Inlet	4	EA	\$ 500.00	\$ 2,000	1.00	0.00	\$2,000.00	\$0.00
6	Remove Existing Utility Boxes	8	EA	\$ 500.00	\$ 4,000	1.00	0.00	\$4,000.00	\$0.00
7	Remove Existing Concrete Swale	165	LF	\$ 2.00	\$ 330	1.00	0.00	\$330.00	\$0.00
8	Abandon / Remove 10" Utility Lines	78	LF	\$ 5.00	\$ 390	1.00	0.00	\$390.00	\$0.00
9	Remove Joint Trench Electrical	225	LF	\$ 25.00	\$ 5,625	1.00	0.00	\$5,625.00	\$0.00
10	Remove Existing Street Lights & Conduits	2	EA	\$ 500.00	\$ 1,000	1.00	0.00	\$1,000.00	\$0.00
					<b>\$16,341</b>			<b>\$15,340.00</b>	<b>\$1,001.00</b>
<b>CONCRETE &amp; ASPHALT CIVIL WORK</b>									
1	Modified HC Ramp @ Intersection	1	LF	\$ 2,000.00	\$ 2,000.00	1.00	0.00	\$2,000.00	\$0.00
2	Sidewalk with Exposed Aggregate Strip	2200	SF	\$ 10.00	\$ 22,000.00	0.60	0.40	\$13,200.00	\$8,800.00
3	4" AC / 8" AB Street Section	3679	EA	\$ 5.00	\$ 18,395.00	0.70	0.30	\$12,876.50	\$5,518.50
4	Curb and Gutter	269	LF	\$ 26.00	\$ 6,994.00	0.70	0.30	\$4,895.80	\$2,098.20
5	Planters with Irrigation Sleeves	3	EA	\$ 500.00	\$ 1,500.00	1.00	0.00	\$1,500.00	\$0.00
6	Median Curb	645	LF	\$ 24.00	\$ 15,480.00	0.00	1.00	\$0.00	\$15,480.00
7	Driveway at Main Entry	1	EA	\$ 1,500.00	\$ 1,500.00	1.00	0.00	\$1,500.00	\$0.00
8	SawCut	1139	LF	\$ 1.50	\$ 1,708.50	0.30	0.70	\$512.55	\$1,195.95
9	Barricade	1	EA	\$ 750.00	\$ 750.00	1.00	0.00	\$750.00	\$0.00
10	Pavement Patch and Utility IMP.	750	SF	\$ 6.00	\$ 4,500.00	1.00	0.00	\$4,500.00	\$0.00
11	Standard Sidewalk	100	SF	\$ 5.00	\$ 500.00	0.70	0.30	\$350.00	\$150.00
12	2" Grind and Overlay of Main Street	9000	SF	\$ 2.75	\$ 24,750.00	0.70	0.30	\$17,325.00	\$7,425.00
					<b>\$ 100,077.50</b>			<b>\$59,409.85</b>	<b>\$40,667.65</b>
<b>STORM DRAIN IMPROVEMENTS</b>									
1	18" Ductile Iron Pipe	112	LF	\$ 200.00	\$ 22,400.00	1.00	0.00	\$22,400.00	\$0.00
2	Curb Inlet	3	EA	\$ 1,500.00	\$ 4,500.00	1.00	0.00	\$4,500.00	\$0.00
3	Modified Shallow Man Hole	2	EA	\$ 6,000.00	\$ 12,000.00	1.00	0.00	\$12,000.00	\$0.00
4	Connect to Existing Man Hole	1	EA	\$ 1,000.00	\$ 1,000.00	1.00	0.00	\$1,000.00	\$0.00
5	SW Channel Drain ( Match On Site )	1	EA	\$ 750.00	\$ 750.00	1.00	0.00	\$750.00	\$0.00
					<b>\$ 40,650.00</b>			<b>\$40,650.00</b>	<b>\$0.00</b>
<b>MISCELLANEOUS</b>									
1	LIGHTING/CONDUIT/PEDESTAL/CONNECTION	1	LS	\$ 40,000	\$ 40,000.00	0.70	0.30	\$28,000.00	\$12,000.00
2	SIGNAL MODIFICATION	1	LS	\$ 25,000	\$ 25,000.00	0.00	1.00	\$0.00	\$25,000.00
3	SIGNING AND STRIPING	1	LS	\$ 20,000	\$ 20,000.00	0.30	0.70	\$6,000.00	\$14,000.00
4	LANDSCAPING	1	LS	\$ 7,500	\$ 7,500.00	0.00	1.00	\$0.00	\$7,500.00
5	MOBILIZATION	1	LS	\$ 10,000	\$ 10,000.00	0.20	0.80	\$2,000.00	\$8,000.00
6	EROSION CONTROL / SWPPP	1	LS	\$ 10,000	\$ 10,000.00	0.50	0.50	\$5,000.00	\$5,000.00
7	TRAFFIC CONTROL	1	LS	\$ 11,000	\$ 11,000.00	0.50	0.50	\$5,500.00	\$5,500.00
					<b>\$ 123,500.00</b>			<b>\$46,500.00</b>	<b>\$77,000.00</b>
<b>SUBTOTAL HARD COSTS</b>									
					<b>\$ 280,568.50</b>			<b>\$161,899.85</b>	<b>\$118,668.65</b>
Construction Management (10% of subtotal)					<b>\$ 28,056.85</b>			<b>\$ 16,189.99</b>	<b>\$ 11,866.87</b>
<b>PLANS &amp; FEES</b>									
8	SURVEYING AND STAKING	1	LS	\$ 15,000	\$ 15,000.00	0.70	0.30	\$10,500.00	\$4,500.00
9	BONDING	1	LS	\$ 6,200	\$ 6,200.00	0.40	0.60	\$2,480.00	\$3,720.00
10	CONTRACTOR INSURANCE	1	LS	\$ 8,000	\$ 8,000.00	0.40	0.60	\$3,200.00	\$4,800.00
11	CIVIL PLANS	1	LS	\$ 50,000	\$ 50,000.00	0.35	0.65	\$17,500.00	\$32,500.00
12	SIGNAL PLANS	1	LS	\$ 11,520	\$ 11,520.00	0.00	1.00	\$0.00	\$11,520.00
13	ELECTRICAL PLANS	1	LS	\$ 2,800	\$ 2,800.00	0.70	0.30	\$1,960.00	\$840.00
14	MATERIAL INSPECTIONS	1	LS	\$ 3,200	\$ 3,200.00	0.70	0.30	\$2,240.00	\$960.00
15	PERMIT FEES	1	LS	\$ 135	\$ 135.00	0.70	0.30	\$94.50	\$40.50
16	TOTAL PLAN CHECK/INSPECTION (of \$308,625.35)*	1	LS	\$ 28,604	\$ 28,603.77	0.70	0.30	\$20,022.64	\$8,581.13
<b>SUBTOTAL SOFT COSTS</b>					<b>\$ 125,458.77</b>			<b>\$ 79,997.14</b>	<b>\$ 67,461.63</b>
* Cost used to calculate PW-1 Fee									
<b>ESTIMATED OFF-SITE TOTAL (Hard &amp; Soft Costs)</b>					<b>\$434,084.12</b>			<b>\$236,086.98</b>	<b>\$197,997.15</b>

