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CITY COUNCIL COMMUNICATION:

02-110

AGENDA:

MARCH 4, 2002

SUBJECT:

AUTHORIZE THE CITY MANAGER AND LEGAL DEPARTMENT TO NEGOTIATE THE FIRST AMENDMENT TO SKYWALK AGREEMENT BETWEEN THE CITY OF DES MOINES AND FEDERAL HOME LOAN BANK

TYPE:

RESOLUTION ORDINANCE RECEIVE/FILE

SUBMITTED BY:

JEB E. BREWER, P.E. CITY ENGINEER

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

SYNOPSIS -

On March 28, 2001, by Roll Call No. 01-926, the City Council approved a Skywalk Agreement with Federal Home Loan Bank (FHLB) which includes Skywalk Bridge 9C-9D over Walnut Street to be constructed under a City contract. FHLB is to construct a skywalk corridor from the west side of their building to the east side of the 10th Street right-of-way.

The Skywalk Agreement stipulates that a separate heating, venting, and air conditioning (HVAC) unit will be provided for the heating and cooling needs of the skywalk bridge and that those costs would be included in the City's construction contract. WA Architecture, the design consultant for both the City and FHLB, has determined that a single HVAC system serving both the City's bridge and the FHLB corridor would be more economical for both parties. Under the proposed amendment to the Skywalk Agreement, the City's portion of the initial costs of the equipment will be based on a ratio of the heating and cooling needs of the skywalk bridge and the FHLB corridor. Other items, including a plenum and roof drainage system, for the skywalk bridge that extend into the corridor will be constructed by FHLB, and the City will reimburse FHLB for those costs. This amendment will also provide for the City to pay FHLB a fixed amount plus an inflation factor for the replacement of the HVAC unit by FHLB, thus fulfilling the City's obligation for any capital improvements to the HVAC unit serving the skywalk bridge.

FISCAL IMPACT -

The proposed amendment to the Skywalk Agreement is for a lump sum amount for the City's portion of the initial cost to install the equipment. This cost will be offset by reducing the amount of the construction contract for the skywalk bridge. The annual payment for providing heating and cooling for the skywalk bridge will fulfill the City's responsibility for capital improvements on the HVAC unit.

Funding is available from Capital Improvement Program (CIP) Index

Code 389445, Account 543010, Fund CP038, Organization ENG990000, Project SID094 - Skywalk Improvements.

RECOMMENDATION -

Authorize the City Manager and Legal Department to negotiate the First Amendment to Skywalk Agreement between the City of Des Moines and FHLB.

BACKGROUND -

On March 28, 2001, by Roll Call No. 01-926, the City Council approved a Skywalk Agreement with FHLB.

This skywalk bridge is one section of the skywalk system, which will provide a connection to the Allied Campus at 10th and Walnut Streets.