

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 11, 2013
	Agenda Item No.	12
	Roll Call No.	<u>13-0186</u>
	Communication No.	<u>13-056</u>
	Submitted by:	Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Approving Professional Services Agreement with Springsted Incorporated for professional services to update the Right-of-Way Management Fee Study, not to exceed \$55,530.

SYNOPSIS:

Recommend approval of the Professional Services Agreement with Springsted Incorporated, Nicholas Dragisich, P.E., Executive Vice President, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, for a total cost not to exceed \$55,530, based on lump sum, to provide professional services to update the Right-of-Way Management Fee Study.

FISCAL IMPACT:

Amount: \$55,530

Funding Source: 2012-2013 Operating Budget, Page 68, Engineering Department, Traffic and Transportation—Right-of-Way Management, Fund SP360, ENG100421.

ADDITIONAL INFORMATION:

In 2007 Springsted Inc. conducted a Franchise Fee Study for the City of Des Moines in conjunction with the legal case of Kragnes v. City of Des Moines. That study analyzed the City’s then current fee structure to determine what right-of-way impact costs were being recovered. Since that time, a ruling has been made on the Kragnes v. City of Des Moines case which clearly outlines what impacts due to activities within the right-of-way are eligible for cost recovery. The proposed study will review the City’s current actual costs associated with the management of the right-of-way and the current fee structure for recovering these costs. This review will identify any deficit between City costs to manage the right-of-way and fees collected from right-of-way users to support this management function. The study will also recommend a revised right-of-way management fee schedule to address any deficit in recoverable costs associated with right-of-way management. A final report will be presented at a City Council Workshop. If approved by City Council, the revised fee schedule is anticipated to generate significant additional cost recovery from non-franchisee right-of-way users. There will be no impact to statutory franchise fee users.

Springsted Inc. was selected based on their previous work with the City of Des Moines fee study including the development of the computer model, their detailed knowledge of the Kragnes v. City of Des Moines decision, and the allowable recoverable costs outlined in that decision. This previous

knowledge, analysis, and profound knowledge results in Springsted providing the highest quality analysis at the lowest cost and ensures the study will be compliant with previous court rulings.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Consideration of new Right-of-Way Management fee schedule.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.