### **AGENDA ITEM**

TO: Mayor McNeill, Lansing City Council

FROM: Tim Vandall, City Administrator

DATE: February 22, 2022

SUBJECT: Contract for BASE Grant-Joint Funding Agreement

**Explanation:** The State's new BASE (Building a Stronger Economy) grant program was released the first week of February and is intended for projects that create a positive economic impact throughout the State <a href="https://www.kansascommerce.gov/basegrant/">https://www.kansascommerce.gov/basegrant/</a>. Lansing staff has been in contact with Leavenworth County about a joint grant application to fund the sewer line to McIntyre Road. The Board of County Commissioners has committed to funding the project up to \$500,000 and slated the Lansing project as their number one priority among grant applications in the county.

Sewer begets growth. A sewer line to McIntyre Road along the K7 corridor immediately makes nearly 300 acres in the southeastern portion of Lansing more developable.

Policy Consideration: The contract has been reviewed by Gregory Robinson, ESQ.

**Financial Consideration:** Based on the most recent cost projection, the McIntyre sewer interceptor is estimated at \$4,495,000 with a 40% contingency for inflation. Based on this estimate, a 65% grant from the State of Kansas, and the County's financial commitment, a tentative breakdown of the grant is below:

- \$2,921,750 State of Kansas BASE Grant
- \$500,000 Leavenworth County
- \$1,073,250 City of Lansing
- \$4.495,000 Total

**Action:** Approval of the contract with Leavenworth County to move forward with BASE Grant application to construct a sewer line to McIntyre Road.

# CONTRACT FOR THE EXTENSION OF PUBLIC SANITARY SEWER FACILITIES IN THE CITY OF LANSING, KANSAS

#### Between

## CITY OF LANSING, KANSAS, A MUNICIPAL CORPORATION AND CITY OF THE SECOND CLASS

and

### THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF LEAVENWORTH, KANSAS

#### RECITALS

Whereas, the City of Lansing, Kansas, a Municipal Corporation and city of the second class under the laws of the State of Kansas, hereinafter, the "City" and the Board of County Commissioners of the County of Leavenworth, Kansas, hereinafter, the "County", desire to cooperate in improvements to public infrastructure in order to improve the quality of life and foster economic growth in the County and City through the accomplishment of the extension of public sanitary sewer facilities in the City, Specifically those extensions identified in the South Sewer Study dated February 10, 2021; and

Whereas, the County has the opportunity to apply for and receive federally provided funds through the Building A Stronger Economy Act ("BASE"); and

Whereas, the City has conducted a study of the extension of the sanitary sewer facilities of the City into an area of the City now unserved by those facilities ("South Sewer Study"); and

Whereas, the extension of the sanitary sewer facilities of the City into the now unserved area identified in the South Sewer Study will encourage and foster the development of that area, providing an economic benefit to the City and to the citizens of the County; and

Whereas, K.S.A. 12-2908 provides that any municipality may contract with any other municipality, county or township to perform any governmental service, activity or undertaking which each contracting municipality, county and township is authorized by law to perform:

**NOW THEREFORE**, in consideration of the mutual promises and covenants hereinafter contained, the parties agree as follows:

- **Section 1.** Recitals. The recitals are hereby incorporated by reference as if fully set forth herein.
- **Section 2.** Authority. Pursuant to K.S.A. 12-2908, the parties hereto enter into this Contract as authorized by the Governing Body of the City of Lansing, Kansas, and the Board of

County Commissioners of the County of Leavenworth, Kansas, for the purposes set forth below.

- **Section 3.** Purposes. The purpose for which the parties enter into this contract are to cause certain extensions to be made to the existing sanitary sewer facilities of the City, those extensions having been identified by the City in the South Sewer Study dated February 10, 2021, and to be referred to as the "Project".
- **Section 4.** Contingency. The obligations of the City and County, as recited and agreed to within this contract are wholly contingent upon the receipt by the County of federally provided funds obtained through application by the County for such funds through the BASE Act. The County agrees to timely make application for such funds and to exercise due diligence in working towards being awarded such funds. The parties explicitly understand and agree that should such federally provided funds not be awarded to the county that the mutual obligations created herein shall become null and void.
- **Section 5.** <u>Terms and Conditions</u>. Under terms of this Contract, the City and the County agree to the following:

#### A. Design and Construction of the McIntyre Sewer Extension Project.

- (1) The City shall timely cause to be prepared an engineered design plan for the construction of the Project, place the same for public bid and select the contractor for the Project. The city shall be responsible for all aspects of the construction of said Project to include, but not be limited to, the design of the Project, the acquisition of all necessary easements and right of way for the construction of the Project, the acquisition of all necessary permits, state and federal, the selection of a contractor for the Project and the supervision of the contractor through the full completion and final acceptance of the Project by the city. The city represents that is has secured, or will secure, sufficient funding for its share of the cost of the project. A conceptual plan for the project is attached hereto as Exhibit "A".
- (2) The City shall submit an RFP or request for bids to the County to review prior to issuance. The County shall move will all expediency to review and return comments to the City. The parties agree to work in good faith to resolve any concerns with the specifications prior to the issuance of the RFP or request for bids.
- (3) The City shall advertise for any RFP or bids for each phase of the project for the improvement for a time period of not less than 30 days and award and manage the contracts and processes related to the project. The City shall comply with all applicable state and federal laws, rules and regulations in the bidding process for the project.
- (4) The County shall contribute funding in an amount equal to 12.5% of the total cost of the Project. Provided, however, that the financial obligation of the county created herein shall not exceed \$500,000.00. The funding for the Project will be administered by the County.

The City shall be responsible for reimbursing the county for all obligated costs within thirty days of the pay application being submitted and processed by the County. Should, for whatever reason, the Project not be completed, the financial obligation of the County created herein shall be limited to the proportionate share of the County for the work on the Project completed.

(5) Upon final acceptance of the project by the City, the City shall present to the County an accounting of the cost of the project and shall timely provide to the County all documentation as may be required by receipt of funding through the BASE Act.

# B. Responsibility of the City for the future maintenance and repair of improvements made through the Project.

This contract shall not, at any time, or under any condition, be interpreted to create any obligation upon the County for the future maintenance and repair of the improvements made through the Project, that obligation resting solely upon the City.

#### Section 6. Additional Contingency.

Both the County and the City agree that if the Project is not under contract for construction and completion within any time deadline created by the receipt of funds by the County under the BASE Act, any funding obligation or duty of the County for the Project shall become null and void.

**Section 7.** <u>Termination.</u> Once the Contract has been approved by both parties, and federally provided funds for the Project under the BASE Act are received by the County, the parties may not terminate the contract unless mutually agreed upon in writing

#### Section 8. Approval.

- A. This Contract is effective upon being signed by the appropriate representatives of the City and the County. It may be periodically reviewed and amended or supplemented as may be mutually agreed upon in writing.
- B. Each of the parties warrants and represents by the execution of this Contract, that it has been approved by its governing body and by its legal counsel as to form and legality, that the execution, delivery and performance of this Contract by such party has been authorized by resolution duly adopted by its governing body, and that this Contract constitutes a legal, valid, and binding obligation of such party enforceable in accordance with its terms.
- **Section 9.** Applicable Law. This Contract shall be governed and interpreted in accordance with the laws of the State of Kansas.
- **Section 10.** Severability. If any section, subsection, paragraph, sentence, clause or phrase of this Contract should be determined by a court of competent jurisdiction to be invalid for any reason

whatsoever, such decision shall not affect the remaining provisions of this Contract, which shall remain in full force and effect; and to this end the provisions of this Contract are hereby declared to be severable and shall be presumed to have been agreed upon knowing that the various provisions of this Contract are severable.

- Section 11. <u>Contract</u>. This Contract is entered into between the City and the County pursuant to K.S.A. 12-2908 as a Contract and shall be construed as such under the laws of the state of Kansas. Each party represents that full and adequate consideration necessary to affect the creation of a contract between them exists under the terms of this contract.
- **Section 12.** <u>Time of the Essence</u>. In discharging the duties and obligations set forth in this contract each party shall act to promptly undertake such official acts as are necessary on their respective parts in order to discharge those duties and obligations.
- **Section 13. Full Agreement.** The parties agree that the terms set forth in this contract constitutes the entirety of the agreement between them and that all other writings and representations outside of this agreement are null and void.
- **Section 14.** Amendment. The terms of this agreement may be amended or modified upon the agreement by the parties. Any such amendment or modification shall be reduced to writing and adopted by the parties in the same manner as this agreement. No amendment or modification to this agreement shall have force or effect unless so adopted.

**IN WITNESS WHEREOF,** the Parties hereto have caused this Contract to be executed and made effective as of the date when fully executed herein.

#### ON BEHALF OF LEAVENWORTH COUNTY, KANSAS.

This Contract	t is appi	roved as	authorize	d by the	Board	of Comn	nissioners	of the	County	of
Leavenworth,	Kansas,	and on th	ie luth	day of 🗜	bruaru	, 2033				

Mike Smith, Chair, Board of County Commissioners	
Attest:  Janet Klasinski, County Clerk	
ON BEHALF OF THE CITY OF LANSING, KANSAS.  This Contract is a represed as outborized by the Coverning Body of the City of Landing Body of Landing Body of the City of Landing Body of the City of Land	ncina Vangag a
This Contract is approved as authorized by the Governing Body of the City of Latthe day of	nsing, Kansas oi

Mayor, City of Lansing	
Attest:	
City Clerk	