



CITY OF PORTLAND
ENVIRONMENTAL SERVICES



1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204-1912 ■ Sam Adams, Commissioner ■ Dean Marriott, Director

EXHIBIT A

June 28, 2012

Oregon Department of Transportation (ODOT)
123 NW Flanders Street
Portland, OR 97209

Attention: Jane Estes

RE: US26: Sylvan – I-405 SES: Reimbursement for Utility Adjustment

Dear Ms. Estes:

ODOT and the Bureau of Environmental Services (BES) have identified 24 BES manhole adjustments and three inclinometer abandonments required during the aforementioned project.

The ODOT' contract bid price for a minor manhole adjustment is \$2,000 (including lowering prior to grinding and raising after paving). ODOT estimates the unit price for more extensive manhole adjustments (requiring greater than 12" of excavation to reset grade rings and reset manhole frame or replace manhole frame due to damage or improper type) will be \$3,000. Given the uncertainty of the actual number of each type of adjustment, BES will estimate the 24 adjustments at the \$3,000/adjustment cost.

BES has estimated the inclinometer abandonments at \$2,000/abandonment.

BES requests that ODOT include the cost of the manholes adjustments and inclinometer abandonments in their contract and to have ODOT's contractor perform the work. The BES reimbursement for the ODOT contract work will be paid based on the actual type of manhole adjustment and at \$2,000 per inclinometer abandonment.

Given this is a preliminary assessment of BES facilities within the ODOT project, BES is including a 20% contingency in the reimbursement budget for unforeseen additional work.

Therefore, the total amount of this work is estimated at \$93,600.

Sincerely,

Rob Cozzi, P.E.
SW District Engineer
BES Maintenance Engineering



Oregon

John A. Kitzhaber, Governor

Department of Transportation
Right of Way Section
 4040 Fairview Industrial Drive SE MS#2
 Salem, OR 97302-1142
 503-986-3600
 Fax 503-986-3625

July 5, 2012

Bureau Environmental Services

Attn: Rob Cozzi
 1120 SW Fifth Ave, Rm 1000
 Portland OR 97204-1912

SUBJECT: Add Work Letter Agreement
PROJECT: US26:SYLVAN TO I-405 (PORTLAND)
KEY#: 16141

Dear Mr. Cozzi:

This letter serves as an agreement between the Bureau of Environmental Services (BES) and the Oregon Department of Transportation (ODOT) for utility relocation work that is to be added to the above titled Oregon Transportation Commission project. This agreement sets forth the provisions for including utility work into the ODOT project.

For the utility work to be included in the above mentioned project, BES will be responsible for paying 100% of the relocation/installation costs. BES requested to add the work to the contract in a letter dated, June 28, 2012.

The estimated cost to accommodate BES relocation work is shown in Exhibit A attached and summarized below:

Item Description	Item Code	Unit	Quantity	Estimated Unit Price	Cost Split %	Cost
MINOR ADJUSTMENT OF MANHOLES	0490.0120000 E	EACH	UNK	\$2,000.00	100%	\$
MAJOR ADJUSTMENTS OF MANHOLES	0490.0121000 E	EACH	24	\$3,000.00	100%	\$72,000
Inclinometer Abandonments		EACH	UNK	\$2,000.00	100%	
Total						\$93,600.00

With regard to the payment of funds, the Oregon Constitution states that the revenue collected from taxes on motor vehicle use and fuel are used exclusively for highway purposes. Highway trust funds cannot be utilized for non-highway purposes, i.e., non-reimbursable utility work. Therefore, funds covering the cost of non-highway construction must be deposited with the agency administering the highway construction contract in advance of the actual construction. Since ODOT will administer the contract for this project, BES will be required to make a deposit of monies to ODOT for the non-reimbursable work included in the contract.

All work added to the project will comply with Buy America requirements as described in Section 10.340 (5) of Chapter 10 of the Right of Way Manual http://www.oregon.gov/ODOT/HWY/ROW/docs/row_manual_chapter_10.pdf. Should BES supply materials to the ODOT contractor, those materials will also comply with Buy America requirements.

At this time, no payment of funds is due. A letter will be sent by our Active Transportation Section, prior to the bid opening, requesting the above stated payment. Please note that the bid costs could vary substantially from the estimated costs. You should be advised that the execution of this agreement means that the non-reimbursable utility work cannot be removed from ODOT's construction contract, even if the cost of the bid items exceeds the estimate. BES will be responsible for paying its entire share of the charges for the above work.

When construction has been completed, verification will be made of the expenditures involved in the ODOT contract. BES will be billed for any costs that exceed the bid amount or a refund will be issued for any excess funds that were collected.

BES is required to pay actual costs as per 23 CFR 645.117 (Code of Federal Regulations). To view the awarded contract bid prices, precede to http://www.oregon.gov/ODOT/CS/CONSTRUCTION/Bid_Award.shtml.

If the terms set forth above are acceptable to BES, please sign in the space provided on the following page and return the original to this office by *July 13, 2012*. If you have any questions, please do not hesitate to contact me at 503-986-3658.

Sincerely,



Heather Howe
State Utility Liaison
4040 Fairview Industrial Dr SE MS#2
Salem, OR 97302-1142

Cc: Jane Estes, Region Utility Specialist
Wayne Statler, Project Manager
Martin Ebner, Assistant PM
Don Wolsborn, BES
Dave Nunamaker, BES

By signing this letter agreement, you agree to the conditions of the letter and acknowledge that Bureau of Environmental Services (BES) is responsible for the cost of the non-reimbursable utility work. BES will compensate ODOT for that portion of non-reimbursable utility work added to ODOT's contract, including any administrative costs ODOT incurs that are associated with the work.

Print name and title of the authorized BES representative then sign and date as provided below.

APPROVED:

Name _____

Signature _____

Title _____

Date _____
