

**COOPERATIVE AGREEMENT
FOR
BASSETT CREEK MAIN STEM RESTORATION**

This Agreement is made as of this ____ day of _____, 2011, by and between the Bassett Creek Watershed Management Commission, a joint powers watershed management organization (hereinafter the “Commission”), and the City of Minneapolis, a Minnesota municipal corporation (hereinafter the “City”).

WITNESSETH:

WHEREAS, the Commission adopted the Bassett Creek Watershed Management Commission Watershed Management Plan on September 16, 2004 (the “Plan”), a watershed management plan within the meaning of Minn. Stat., § 103B.231; and

WHEREAS, the Plan, as amended, includes a capital improvement program (“CIP”) that lists a number of water quality project capital improvements; and

WHEREAS, the water quality projects identified in the CIP include a stream bank restoration project described as the Restoration of the Main Stem of Bassett Creek from Irving Avenue North in Minneapolis to Golden Valley Road in the City of Golden Valley, as more fully described in the feasibility report for the Project prepared by Barr Engineering Company, entitled Feasibility Report for Bassett Creek Main Stem Restoration Project – Golden Valley Road to Irving Avenue North, which is attached and made a part hereof (the “Project”); and

WHEREAS, the Plan specifies that the Projects will be funded by a County tax levy under Minn. Stat., § 103B.251; and

WHEREAS, on September 15, 2011, the Commission adopted a resolution ordering the Project, directing that it be constructed by the City; and

WHEREAS, it is expected that Hennepin County will levy taxes throughout the watershed in 2011 for the Project for collection and settlement in 2012; and

WHEREAS, the City is willing to construct the Project on the terms and conditions hereinafter set forth.

NOW, THEREFORE, ON THE BASIS OF THE PREMISES AND MUTUAL COVENANTS HEREINAFTER SET FORTH, THE PARTIES AGREE AS FOLLOWS:

1. The Project will consist of the stream bank restoration improvements from Irving Avenue North in Minneapolis to Golden Valley Road in Golden Valley.

2. The City will design the Project and prepare plans and specifications for construction of the Project. Plans and specifications, and any changes to such plans and specifications, are subject to approval by the Commission's consulting engineer.
3. The City will advertise for bids and award contracts in accordance with the requirements of law. The City will award the contract and supervise and administer the construction of the Project to assure that it is completed in accordance with plans and specifications. The City will require the contractor to provide all payment and performance bonds required by law. The City will require that the Commission be named as additional insured on all liability policies required by the City of the contractor. The City will require that the contractor defend, indemnify, protect and hold harmless the Commission and the City, their agents, officers, and employees, from all claims or actions arising from performance of the work of the Project conducted by the contractor. The City will supervise the work of the contractor. However, the Commission may observe and review the work of the Project until it is completed. The City will display a sign at the construction site stating "Paid for by the Taxpayers of the Bassett Creek Watershed".
4. The City will pay the contractor and all other expenses related to the construction of the Project and keep and maintain complete records of such costs incurred.
5. The Commission will reimburse One Hundred Seventy-Seven Thousand One Hundred One Dollars (\$177,101) of Project expenses from its Capital Improvement Program Closed Project Account. The Commission will use its best efforts to secure payment from the County in accordance with Minn. Stat., § 103B.251 in the amount of Six Hundred Seventy-Eight Thousand Eight Hundred Ninety-Nine Dollars (\$678,899) by tax levy in 2011 for collection in 2012. The total reimbursement will be up to Eight Hundred Fifty-Six Thousand Dollars (\$856,000).

Out-of-pocket costs related to the Project, incurred and paid by the Commission for publication of notices, securing County tax levy, preparation of contracts, review of proposed contract documents and administration of this contract shall be repaid from funds received in the tax settlement from Hennepin County. All funds in excess of such expenses are available for reimbursement to the City for costs incurred by the City in the design and construction of the Project. Reimbursement to the City will be made as soon as funds are available provided a request for payment has been received from the City providing such detailed information as may be requested by the Commission to substantiate costs and expenses.

6. Reimbursement to the City will not exceed the amount specified above from the Capital Improvement Program Closed Project Account and the amount received from the County for the Project less any amounts retained by the Commission for Commission expenses. Reimbursement will not exceed the costs and expenses incurred by the City for the Project, less any amounts the City receives for the Project as grants from other sources. All costs of the Project incurred by the City in

excess of such reimbursement shall be borne by the City or secured by the City from other sources.

7. All City books, records, documents, and accounting procedures related to the Project are subject to examination by the Commission.
8. The City will secure all necessary local, state, or federal permits required for the construction of the Project and will not proceed with the Project until any required environmental review is completed. Upon completion of the Project, the City will assume responsibility for its maintenance.
9. The City will enter into an agreement with the City of Golden Valley, in the form attached hereto as Attachment Two, to address all issues related to the fact that the Project is located partially within the City of Golden Valley. Amendments to the agreement between the City and the City of Golden Valley must be approved by the Commission or the Commission's legal counsel.
10. This Agreement will be effective only upon execution by an authorized representative of the City of Golden Valley of an acknowledgment that the City of Golden Valley has received a copy of this Agreement and approves of its terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on behalf of the parties as of the day and date first above written.

**BASSETT CREEK WATERSHED
MANAGEMENT COMMISSION**

By: _____

And by: _____

Its Secretary

CITY OF MINNEAPOLIS

By: _____

Its _____

And by: _____

Its _____

ACKNOWLEDGMENT AND APPROVAL

The undersigned, as a duly authorized representative of the City of Golden Valley, acknowledges receipt of a copy of this Agreement and approves of its terms.

CITY OF GOLDEN VALLEY

By: _____

Its: _____