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## COMMUNITY DEVELOPMENT

Planning,  
Zoning,  
Building Safety,  
Construction Inspection Services,  
Public Health,  
Housing Inspections,  
Code Enforcement

## MEMORANDUM

**TO:** Mayor DeWayne Hopkins  
Muscatine City Council  
Gregg Mandsager, City Administrator

**FROM:** Steve Boka, Community Development Director

**DATE:** January 22, 2014

**RE:** Amendment No. 3 to DERA Grant

**INTRODUCTION:** Request to re-allocate grant funding to match current project status.

**BACKGROUND:** The City Council previously approved a grant agreement with the Iowa Department of Natural Resources (IDNR) to purchase diesel emission reduction equipment for transit buses and street department vehicles. Pre-testing was conducted on 17 vehicles. As a result, 6 eligible vehicles were equipped with diesel oxidation catalysts and 7 were retrofitted with crankcase ventilation systems. Once work was completed on all eligible vehicles in the city fleet, the remaining funds were authorized (Amendment No. 2) to purchase 2 new buses for the Muscabus Transit System.

**RECOMMENDATION/RATIONALE:** The remaining grant funding being offered is \$174,387.38. This amount provides \$18,398.92 more than the \$155,988.46 authorized in Amendment No. A02. By prior action, the City Council also authorized the issuance of a purchase order for 2 new buses at a cost of \$94,374.00 each or \$188,748 for both buses. The City Council agreed to fund the difference between the cost for the new buses and the grant funds offered through the DERA Grant; or \$14,360.62, which is equivalent to 92.4% grant to 7.6% local funding. It is recommended that the City Council approve Amendment No. A03 with the IDNR for the Diesel Emissions Reduction Act (DERA).

**BACKUP INFORMATION:** Amendment No. A03

**"I remember Muscatine for its sunsets. I have never seen any  
on either side of the ocean that equaled them" — Mark Twain**

**IOWA DEPARTMENT OF NATURAL RESOURCES**

**Amendment Number A03 to  
CONTRACT NUMBER 13S-ESDAQB0001-7260CIAM**

**Between**

**IOWA DEPARTMENT OF NATURAL RESOURCES  
And  
CITY OF MUSCATINE**

IN WITNESS THEREOF, the parties hereto have executed this Contract Amendment on the day and year last specified below.

**DEPARTMENT OF NATURAL RESOURCES**

By: \_\_\_\_\_  
Bruce Trautman, Deputy Director

Date: \_\_\_\_\_

**CITY OF MUSCATINE**

By: \_\_\_\_\_  
Steve Boka, Development Director

Date: \_\_\_\_\_

**For DNR use only:**

- 1 Retain the original contract in the project file and send a hardcopy with the first invoice.
- 2 a) Fax contract to 515-281-8895 (check one box below before faxing)

OR

b) Email scanned copy to your Division's Contract Rep:

<b>DIVISION</b>	<b>DIVISION CONTRACT REP</b>
<input type="checkbox"/> Conservation & Recreation	Kim.Rasler@dnr.iowa.gov
<input type="checkbox"/> Director's Office	Karen.Fynaardt@dnr.iowa.gov
<input checked="" type="checkbox"/> Environmental Services	Jerah.Sheets@dnr.iowa.gov
<input type="checkbox"/> Management Services	Jennifer.StJohn@dnr.iowa.gov

If you do not have faxing or scanning/emailing capabilities, you may mail a copy of the contract to IA DNR, Wallace State Office Building, Attention: (your respective bureau's contract rep), 502 East 9<sup>th</sup> Street, Des Moines, IA 50319.

This Contract Amendment is entered in between the Iowa Department of Natural Resources (DNR) and the City of Muscatine (Muscatine). The parties agree as follows:

### **Section 1 STATEMENT OF PURPOSE**

**1.1 Purpose.** The purpose of the Contract Amendment is to revise the amount of compensation for Task 4 and to identify the actual expended compensation of Tasks 1 and 2, without extending the time of performance previously allowed or increasing the overall total amount of the Original Contract.

### **Section 2 DURATION OF CONTRACT AMENDMENT**

**2.1 Term of Contract Amendment.** The term of this Contract Amendment shall be from February 10, 2014 through April 15, 2014 unless terminated earlier in accordance with the Termination section of the Original Contract. However, this Contract Amendment shall not begin until it has been signed by both parties and the DNR has received written notice from EPA that the grant award has been approved.

**2.2 Approval of Contract Amendment.** If the amount of compensation to be paid by DNR according to the terms of the Original Contract together with this Contract Amendment is equal to or greater than \$25,000.00 and the Contract was never approved by the Environmental Protection Commission (Commission); or if this Contract Amendment increases the original value of the Original Contract by \$25,000 or by more than 10% of the Original Contract value, whichever is greater, then performance shall not commence unless by September 1, 2013 this Contract Amendment has been approved by the Commission.

### **Section 3 COMPENSATION**

**3.1** The budget as identified in the Original Contract item 7.4, and Amendment 02 item 4.2 is replaced with the following:  
**Budget.** The budget for this Contract shall be as follows:

Task	Amount of compensation per Task	Invoice Due
<b>Task 1: Pre-test &amp; Maintenance</b> Pre-test & Maintenance on 17 vehicles (\$100.00/vehicle)	Not to exceed \$ 1,700.00	Submitted 1/10/14
<b>Task 2: Crankcase Ventilation Systems and Diesel Oxidation Catalysts</b> 6 Diesel Oxidation Catalysts (\$1,548.18/vehicle) 7 Crankcase Ventilation Systems (\$483.23/vehicle) Installation (\$771.43/vehicle)	Not to exceed \$ 18,071.70 \$ 9,289.08 \$ 3,382.62 \$ 5,400.00	Submitted 1/10/14
<b>Task 3: Invoice and Documentation - (Phase 1)*</b>	\$0.00	N/A
<b>Task 4: Replacement Buses</b> 2 transit buses	Not to exceed \$ 174,387.38	4/15/14
<b>Task 5: Bus Scrappage or Remanufacturing Verification - (Phase 2)*</b>	\$0.00	N/A
<b>Task 6: Invoice and Documentation - (Phase 2)*</b>	\$0.00	N/A
<b>Task 7: Progress Reporting – Quarterly*</b>	\$0.00	N/A
<b>Task 8: Progress Reporting – FINAL*</b>	\$0.00	N/A
<b>Total</b>	<b>Not to exceed \$194,159.08</b>	

\*Payment for completion of Tasks 1, 2 & 4 where specific payment is allotted shall be dependent upon the timely completion of corresponding items required by Tasks 3, 5, 6, 7 & 8 where no specific payment is allotted.

### **Section 4 EFFECT OF AMENDMENT ON ORIGINAL CONTRACT PROVISIONS**

All provisions of the Original Contract shall remain in full force and effect unless specifically changed by this Contract Amendment.