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# Cost Estimates and City Agreements

**Design Manual**  
**Chapter 4**  
**Drainage**

Originally Issued: 09-01-95

Revised: 07-27-21

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Prior to the letting of a project, the designer will need to prepare cost estimates and provide drainage information for the city agreement. This section provides details about what information is needed, when it is needed, and to whom the information must be provided.

## Cost Estimates

When the public hearing is held, the storm sewer design should be sufficiently complete to provide a cost estimate to the city. Especially on large projects, the city's cost will be quite high. The city will therefore need the estimated costs to secure the money for the project from the city budget.

Costs are divided into three categories which are allocated according to the following:

- 100 percent state costs:
  - All transverse storm sewer under mainline pavement on primary highways
  - All intakes on mainline pavement on primary highways
  - All drainage structures which carry 100 percent state right-of-way water, including storm sewer pipe and intakes
- 100 percent city costs:
  - All intakes that pick up 100 percent city water (areas outside state right-of-way)
  - All storm sewers which carry 100 percent city water
  - All additional work requested by the city on city storm sewer
- Participating costs:
  - Longitudinal storm sewer (except when water is 100% from state right-of-way)
  - Utility accesses on longitudinal storm sewer (except when water is 100% from state right-of-way)
  - Outfall storm sewer (sewer used to drain water from the project)
  - Utility accesses on outfall storm sewer

Generally, participating costs are for appurtenances that carry water from both state right-of-way and city property. The requirements for assigning costs are found in rule 761-150.3(1)d of the Iowa Administrative Code (IAC). Refer to this rule if specific information is required.

For Interstate projects, the state is responsible for all storm sewer related costs within access control limits. Outside of access control limits, storm sewer related costs are allocated as above. The requirements for assigning costs for interstate projects are found in rules 761-150.2(1)b and c of the Iowa Administrative Code (IAC). Refer to this rule if specific information is required.

## City Agreements

When the final plans for letting are being completed, the city and the Department must prepare and sign a city agreement that details which of the storm sewer's costs will be paid by the city. For the preparation of this agreement, the designer must provide storm sewer tabulations and drainage maps to the Agreements Section (Office of Local Systems). Along with the designer, the Agreements Section will determine the category for each intake, utility access, and storm sewer pipe, as well as the percentage of participation by the city and the state. Participating costs will generally be distributed according to the following formulas:

$$\text{State Participation} = \frac{\text{Iowa DOT right-of-way area along the project}}{\text{Total area draining onto project limits}} \times 100\%$$

$$\text{City Participation} = 100\% - \text{State Participation}$$

The city agreement will contain a tabulation of all storm sewer to be paid for by the city. This includes 100 percent city costs and participating city costs. A cost estimate prepared by the Agreements Section may be included in the city agreement depending on estimated letting prices. The designer should check these tabulations to make sure they are correct when reviewing the city agreement before the final submittal to the city for approval.

# Chronology of Changes to Design Manual Section:

## 004A-011 Cost Estimates and City Agreements

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|------------|--|
| 7/27/2021  | Revised<br>Changed "federal control limits" to "access control limits".  |
| 5/15/2014  | Revised<br>Added in information that the state is responsible for all storm sewer related costs within federal control limits. This is in 761-150.2 (306) of the Iowa Administrative Code. |
| 3/23/2011  | Revised<br>Replace "Office of Development Support" with "Office of Local Systems"  |
| 10/29/2010 | Revised<br>Material from old 4A-9.   |