**Date:** July 21, 2026
**Department:** Clerk/Treasurer
**Presenter:** Monica L. Chenault, Clerk/Treasurer
**Subject:** AMI Radio Read Project Pay Applications and Final Contractor Payment

**Purpose**

Council is being asked to review and approve the attached AMI Radio Read Project pay applications and authorize payment of the remaining balance due to Core and Main, LP after applying the credit for parts invoices previously paid directly by the Town.

**Background**

The attached pay applications represent the contractor and equipment costs necessary to complete the AMI Radio Read Project, with the exception of Town staff labor to install meters and project engineering costs. Project engineering costs are billed separately and include the engineering time needed to reconcile and correct the project invoicing and pay application documentation.

During project implementation, certain parts were billed directly to the Town account rather than being processed through the contractor pay application process. This appears to have resulted from a misunderstanding regarding how the parts should be charged and tracked for the project. Those invoices were reviewed and approved for payment at the time, and the Town has already paid those direct parts invoices.

Because the Town paid those invoices directly, the payments must be applied as a credit against the total contractor project cost shown in the pay applications. The attached pay applications identify the following requested payment amounts:

| Item | Amount |
|---|---:|
| Pay Application No. 1 | $437,342.24 |
| Pay Application No. 2 | $166,062.21 |
| Pay Application No. 3 | $24,896.51 |
| Pay Application No. 4 | $38,766.95 |
| **Total Pay Applications** | **$667,067.91** |
| **Less Direct Parts Invoices Previously Paid by Town** | **($286,111.01)** |
| **Remaining Balance Due to Contractor** | **$380,956.90** |

The difference between the total pay applications and the direct invoices already paid by the Town is the remaining amount due to Core and Main, LP.

**Alternatives**

Option A - Approve the pay applications and authorize payment of the remaining balance due to Core and Main, LP after applying the Town's direct payment credit.

Benefits Include: Allows the Town to reconcile and close out the contractor payment portion of the AMI Radio Read Project, apply the credit for parts already paid directly by the Town, pay only the remaining balance due to the contractor, and move forward with grant reimbursement in accordance with the grant agreement. Jorgensen Associates, Inc. has reviewed the project costs, compiled the supporting documentation, and certified the pay applications for payment. Town staff have also reviewed the information and are in agreement with the engineer's assessment.

Challenges Include: The project invoicing was administratively complicated because some project materials were billed directly to the Town and already paid. However, those payments have been identified and are being applied as a credit against the contractor's payment amount.

Option B - Table the pay applications for additional review.

Benefits Include: Allows additional time for Council to review the payment documentation, project costs, credits, and grant reimbursement process before taking action.

Challenges Include: This item is time-sensitive because the Town has an October 1 reimbursement submittal deadline. Additional review would likely need to be completed by the project engineers and the Town Attorney, which may result in additional professional services costs. Delaying approval may also risk the Town's ability to submit the reimbursement request timely and could jeopardize reimbursement under the grant agreement. If Council chooses this option, Council will need to provide direction to staff regarding what additional review is requested and how staff should proceed.

Option C - Do not approve payment at this time.

Benefits Include: Avoids authorizing payment at this time.

Challenges Include: Failure to approve the pay applications would prevent the Town from completing the contractor payment process and may prevent or delay the Town's ability to submit for grant reimbursement under the grant agreement. Because the reimbursement submittal deadline is October 1, this could place reimbursement at risk. It would also leave the project closeout unresolved despite engineer-certified payment applications and staff agreement with the engineer's assessment. If Council chooses this option, Council will need to provide direction to staff regarding how to proceed with the contractor payment applications, project closeout, and grant reimbursement process.

**Fiscal Impact**

The total of the four attached pay applications is $667,067.91. The Town has already paid direct parts invoices totaling $286,111.01. After applying that amount as a credit, the remaining balance due to the contractor is $380,956.90.

This amount represents the contractor/equipment portion of the AMI Radio Read Project reflected in the attached pay applications. Town staff labor for meter installation and project engineering costs are separate project costs and are not included in the remaining contractor payment amount. Project engineering costs include the time required to assist with review, reconciliation, and correction of the project invoicing and pay application documentation.

**Strategic or Community Impact**

The AMI Radio Read Project improves the Town's ability to read meters more efficiently and accurately, supports utility billing operations, and reduces the amount of staff time required for manual meter reading. Completion and reconciliation of the project costs also supports accurate grant, budget, and project accounting.

**Key Questions**

1. Does Council wish to approve the attached pay applications as the contractor/equipment cost to complete the AMI Radio Read Project, with the exception of staff labor and project engineering costs?

2. Does Council understand that the Town has already paid direct parts invoices totaling $286,111.01 and that this amount is being applied as a credit against the total pay applications?

3. Does Council wish to authorize payment of the remaining balance of $380,956.90 to Core and Main, LP?

4. Does Council want any additional review before payment is authorized?

**Suggested Motion**

I move to approve the AMI Radio Read Project pay applications in the total amount of $667,067.91, apply a credit of $286,111.01 for direct parts invoices previously paid by the Town, and authorize payment of the remaining balance due to Core and Main, LP in the amount of $380,956.90, with project engineering and Town staff labor costs accounted for separately.