



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 12/4/2024
Agenda Section: Other Business

Department Origination: Public Works

Agenda Item: Approve the Knife River Corporation – North Central Partial Pay Estimate No. 7 in the amount of \$140,078.19 for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424

Approval Required: Simple Majority Vote

BACKGROUND

On May 7, 2024, the City Council awarded the project to Knife River Corporation – North Central in the amount of \$3,843,672.50.

Article 15 of the Standard General Conditions of the Construction Contract outlines the process for making progress payments to the Contractor. Progress payments for unit price contracts are made based on the number of units completed during the pay period. The application is reviewed and approved by the Contractor and Engineer prior to submittal to the City for processing.

Pay Estimate 7 is presented in the amount \$140,078.19. The payment includes \$39,237.13 of unit price work completed during this pay period along with \$100,841.06 of retainage being released. The retainage is being reduced from 5% to 2.5%, there will be enough retainage left to address any turf issues and outstanding items in the spring.

FINANCIAL IMPLICATIONS

The Contractor has earned \$3,574,715.36 to date which represents 88.6% contract value. The total previous payments to the contractor totals \$3,333,796.11. The retainage has been reduced from 5% to 2.5% of the revised contract value (\$100,841.06) which results in a total payment of \$140,078.19.

Budget Update

The current project budget is \$4,831,465.49. The table below breaks down of the change orders, current expenditures to date and the final projected project cost.

Budget Line Item	Project Budget	Added / Modified Items	Current Expenditures	Projected Final
Construction:	\$3,713,800.40		\$3,419,925.85	\$3,419,925.83
Change Order 1:		\$58,796.62	\$23,281.28	\$58,796.62
Change Order 2:		-	-	-
Change Order 3:		\$12,242.67	\$12,242.67	\$12,242.67
Change Order 4:		\$23,808.52	\$24,143.52	\$24,143.52
Change Order 5:		\$27,290.39	\$27,290.39	\$27,290.39
Change Order 6:		\$67,831.65	\$67,831.65	\$67,831.65
Projected/Possible Additional				\$143,852.23
Contingencies	\$185,690.02			
Engineering	\$756,498.00		\$577,301.90	\$756,498.00
Bonding, Finance Admin., Mics.	\$175,477.07			\$168,933.73
Total	\$4,831,465.49	\$189,969.84	\$4,152,017.26	\$4,679,514.63

The final projected cost includes an anticipated Pay Estimate #8 in January for Jetting and Televising Services and additional turf establishment and paving adjustments in the spring.

STAFF RECOMMENDATIONS

Staff have no concerns with the work completed this period and recommend making progress payment as outlined in Partial Pay Estimate No. 7.

COUNCIL ACTION REQUESTED

MOTION to approve the Knife River Corporation – North Central Partial Pay Estimate No. 7 in the amount of \$140,078.19 for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424.