



ITEM REPORT CITY COUNCIL

Agenda Date: 10/15/2024
Agenda Section: Consent Agenda

Department Origination: Public Works

Agenda Item: Approve the Knife River Corporation – North Central Change Order No. 5 in the Increased Amount of \$27,290.39 for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424

Approval Required: Simple Majority Vote

BACKGROUND

On May 07, 2024, the City Council awarded the project to Knife River Corporation – North Central in the amount of \$3,843,672.50.

In accordance with Article 11 of the Standard General Conditions of the Construction Contract, the contract documents may be amended or supplemented by Change Order. Change Orders amend or adjust contract price or contract times and can be initiated by the Owner or the Contractor.

Change Order No. 5 includes the following items:

1. During construction, it was found that four storm sewer structures were leaking at the seam of the structure and the lid. In order to replace the seals at this joint, the contractor needed to be able to lift the lids off. The existing lids did not have the lift points. The cost associated with this item is the contractor installing lift points on the existing lids and the materials to seal the joint.
2. During the sub cut on the Edgewood Drive, it was found that the water table was near the final subgrade elevation. This is a significant impact on the strength of the roadway. Road fabric was installed to help improve the strength of the road and the cost associated with this item if the materials and installation of the fabric.
3. At the start of the project, it was estimated that \$50,000 could possibly be spent on irrigation sprinkler repair. This number has been exceeded as the contractor continues to make repairs on the system. The Change Order includes \$14,511.00 over the updated \$52,870 allowance so far. Each month, as repairs are being made, we will continue to update the budget with a change order. An estimated cost for additional sprinkler repair is taken into account for the remaining contingencies.

FINANCIAL IMPLICATIONS

The \$27,290.39 change order increases the total contract price from \$3,938,520.31 to \$3,965,810.70. The overall project budget is \$5,030,467.01 which was set at the assessment hearing. As the project moves forward and items are completed, Widseth updates the project budget with each pay estimate. With the projected overruns and underruns, there are no remaining contingencies in the project budget. This is based on a change order that are currently being reviewed. Estimated costs have been inserted into the final budget but we will not have a final cost in the final budget until the final negotiations have been completed. This also does not include the possible increase in the engineering contract or additional turf establishment in 2025.

STAFF RECOMMENDATIONS

The work included in Change Order No. 5 was requested by City staff, or City staff was made aware of the additional work before it was performed. The Utilities Commission and Staff recommends approval of Change Order No. 5 in the increased amount of \$27,290.39.

COUNCIL ACTION REQUESTED

MOTION to approve the Knife River Corporation – North Central Change Order No. 5 in the Increased Amount of \$27,290.39 for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424.