ITEM REPORT
UTILITIES COMMISSION

Agenda Date: 10/7/2026
Agenda Section: Business Item

Department Origination: Public Works

Agenda Item: Approve the Young Excavating Change Order No. 2 in the increased amount of $8,419.33 for the CSAH 48 Trail Connection Project, Municipal Project No. 4140

Approval Required: Simple Majority Vote

BACKGROUND

Young Excavating was awarded the contract for the CSAH 48 Trail Connection Project in the amount of $1,489,037.63 on August 18th, 2026.

During excavation of the existing 24" RCP culvert at Cedardale Lane, it was discovered that the existing culvert under the County Road was an arch pipe culvert after the apron was cleaned up and the dirt was removed. The plans called out extending round pipe out under the proposed trail. To correct the mismatched pipe, the round pipe was returned, and the contractor ordered arch pipe so the culvert and apron could be extended beyond the trail as originally intended.

This additional scope of work was tracked as time and materials and will utilize the hourly rates that were negotiated and approved by state aid.

FINANCIAL IMPLICATIONS

The tables below reflect the updated costs and project budget with Change Order No. 2 incorporated.

Budget Line Item	Project Costs Based on Bid Award	Project Costs Based on Construction
Construction Segment 1 (TA Portion)	$ 637,434.88	$ 637,434.88
Segment 1 Change Orders (1,2)		$ 14,978.11
Construction Segment 2 (HSIP Portion)	$ 851,602.75	$ 851,602.75
Segment 2 Change Orders		$ -
Construction Total	$ 1,489,037.63	$ 1,504,015.74
Engineering Segment 1 (TA Portion)	$ 179,901.50	$ 179,901.50
Engineering Segment 2 (HSIP Portion)	$ 240,345.50	$ 240,345.50
Engineering Total	$ 420,247.00	$ 420,247.00
ROW Acquisition Segment 1 (TA Portion)	$ 62,430.00	$ 62,430.00
ROW Acquisition Segment 2 (HSIP Portion)	$ 8,200.00	$ 8,200.00
ROW Acquisition Total	$ 70,630.00	$ 70,630.00
City Legal Segment 1 (TA Portion)	$ 4,500.00	$ 4,500.00
City Legal Segment 2 (HSIP Portion)	$ 5,500.00	$ 5,500.00
City Legal	$ 10,000.00	$ 10,000.00
Wetland Bank Credit	$ 1,478.89	$ 1,478.89
Total Project Budget	**$ 1,991,393.52**	**$ 1,991,393.52**

Project Funding Group	Funding Based on Bid Award	Funding Based on Construction
TA Grant (Segment 1)	$ 461,369.00	$ 461,369.00
HSIP Grant (Segment 2)	$ 750,000.00	$ 750,000.00
Crow Wing County	$ 313,902.15	$ 313,902.15
City of Baxter MSAS	$ 466,122.37	$ 466,122.37
Total Project Funding	**$ 1,991,393.52**	**$ 1,991,393.52**

City of Baxter:		
City of Baxter TA Cost Share (20%)	$ 57,671.13	$ 57,671.13
City of Baxter HSIP Cost Share (10%)	$ 41,662.50	$ 41,662.50
Remainder of Construction	$ 39,500.69	$ 54,478.80
Engineering	$ 286,233.61	$ 286,233.61
ROW Acquisition	$ 35,315.00	$ 35,315.00
City Legal	$ 5,000.00	$ 5,000.00
Wetland Bank Credit	$ 739.45	$ 739.45
Total City Cost:	**$ 466,122.37**	**$ 481,100.48**
Available MSAS to City	$ 659,225.38	$ 674,203.49
Remaining City Cost (Amount needed to fund project)	**$ (193,103.01)**	**$ (193,103.01)**

Staff is proposing to utilize state aid funds to pay for Change Order No. 2. If Change Order No. 2 is approved by state aid, there will be $674,203.49 eligible for state aid funds on the project meaning there is $193,103.01 of eligible state aid not being utilized.

STAFF RECOMMENDATIONS

Staff recommends approval of the Young Excavating Change Order No. 2 in the increased amount of $8,419.33 for the CSAH 48 Trail Connection Project, Municipal Project No. 4140 contingent upon state aid approval.

COUNCIL ACTION REQUESTED

MOTION to approve the Young Excavating Change Order No. 2 in the increased amount of $8,419.33 for the CSAH 48 Trail Connection Project, Municipal Project No. 4140 contingent upon state aid approval.