



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 11/7/2024
Agenda Section: Other Business

Department Origination: Public Works

Agenda Item: Approve the Knife River Corporation – North Central Change Order No. 6 in the Increased Amount of \$67,831.65 and Extend the Final Completed Date 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. 6 includes the following items:

1. **Repair Sprinkler System Allowance:** At the start of the project, it was estimated that \$50,000 could possibly be spent on sprinkler repair. This estimated number has been exceeded as the contractor continues to make repairs on the system. The above amount is what was billed to the contractor in this last pay period.
2. **Screened Topsoil Borrow Adjustment:** There was an error in the final topsoil quantity causing the final quantity to be higher than the actual quantity needed. The contract states that if the final quantity used varies by 20% than the Contractor or Owner can request a change in bid price.
3. **Aggregate Base Special (CV) Adjustment:** While the contractor was bidding the project, they did not have a clear understanding for this line item. They assumed this item was for using onsite material. When instead it was intended for virgin material to be brought on site. The Contractor requested a change in unit price to better represent the actual cost of the material. The final quantity also differs more than 20% of the estimated quantity.
4. **Spot Full Depth Repair Adjustment:** This item also differed from the estimated quantity by more than 20%. The underlying bituminous in the mill and overlay was in better condition after milling than anticipated. There was much less full depth spot repair required.
5. **Install Salvaged Aggregate Adjustment:** The Contractor anticipated having additional reclaim material at the end of the project. They did not end up having any additional material and had to bring in additional material to complete the work. This item pays the contractor for this additional material.
6. **Dewatering:** During construction, the water table was found to be higher than expected. This caused an issue with sub cutting the roadway and compacting the subgrade. A nearby stormwater pond was pumped

down to help lower the ground water level in this area so the contractor could complete the work in a correct manor. Pratt's Affordable Excavating was hired to complete this work.

Due to the contractor seeding after September 20th, staff is requesting to extend the final completion date to July 1st of 2025. A majority of the turf establishment on the project meets the specifications but there are a few areas that will need to be touched up in the spring. By extending the final completion date, this allows the contractor to reseed and establish growth before closing out the project. It is estimated that approximately 2 acres out of the planned 4 acres of seeding may need to be in the spring. The 2 acres is estimated based on areas not currently established and additional area for winter/salt kill.

FINANCIAL IMPLICATIONS

The \$67,831.65 change order increases the total contract price from \$3,965,810.70 to \$4,033,642.35. 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 Change Order #6. There are a couple minor items that will need to be addressed in the spring that have been included in the budget.

STAFF RECOMMENDATIONS

The work included in Change Order No. 6 was requested by City staff, or City staff was made aware of the additional work before it was performed. Staff recommends approval of Change Order No. 6 in the increased amount of \$67,831.65 and Extend the Final Completed Date.

COUNCIL ACTION REQUESTED

MOTION to approve the Knife River Corporation – North Central Change Order No. 6 in the Increased Amount of \$67,381.65 and Extend the Final Completed Date for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424.