



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 7/6/2022
Agenda Section: Business Item

Department Origination: Public Works

Agenda Item: Approve the Northern Plains Contracting Inc. Final Pay Estimate No. 10 in the amount of \$27,406.54 for the Water Treatment Plant Improvements Project.

Approval Required: Simple Majority Vote

BACKGROUND

The Council awarded the construction contract for the Water Treatment Plant Improvements Project to Northern Plains Contracting Inc. for the lump sum price of \$1,598,000.00. The notice to proceed was issued on August 23, 2021 and the Contractor began work on September 7, 2021. At the December 8, 2021 Utilities Commission meeting, Change Order 1 was approved in the amount of \$208,194.54, adjusting the contract value to \$1,806,194.54. At the March 15, 2022 City Council meeting, Change Order 2 was approved in the amount of \$49,163.19, adjusting the contract value to \$1,855,357.73. Change Order 3 was approved at the March 22, 2022 City Council meeting in the amount of \$27,276.40, adjusting the contract value to \$1,882,634.13. Change Order 4 was approved in the amount of -\$18,270.57, adjusting the contract value to \$1,864,363.56. Change Order No. 5 is being brought forth at this meeting in the amount of \$4,102.00 and will increase the contract value to \$1,868,465.56.

The contract includes the following:

- Filter Demolition and Reconstruction
- Process Valve Replacements
- Magnetic Flowmeter Replacements
- Ladder Replacement
- Process Piping
- Architectural and process coatings, including recoating the filter face piping wall and interior filter walls as part of Change Order 1.
- Electrical lighting and process connection improvements, as well as installing VFDs for the wells and dissolved oxygen sensors on the filter effluent as part of Change Orders 1 and 2.
- Mechanical (HVAC) improvements, as well as gas line expansions and ductwork changes for the exhaust fan as part of Change Order 2.
- MicroChlor Vent re-route as part of Change Order 2.
- Filter Wall crack injection and floor and wall coatings as part of Change Order 3.
- Sludge Flowmeter replacement as part of Change Order 3.
- Floor and wall coatings, orifice plate relocation, and Owner's Allowance adjustment as part of Change Order 4.
- Increase in warranty bond from one to two years as part of Change Order 5.

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

Final Pay Estimate No. 10 is presented in the amount \$27,406.54. The payment includes the cost of work completed through June 22, 2022.

FINANCIAL IMPLICATIONS

The Contractor has earned \$1,868,465.56 to date which represents 100% of the contract value. The Contractor has provided all close out documents required by the Contract and has completed all punch list items. As a result, Final Pay Estimate No. 10 also includes reducing the retainage value to 0% of the amount earned which results in \$1,868,465.56 being eligible for payment to date. The City previously paid \$1,841,059.02 requested by Partial Pay Estimate No. 1 through 9, leaving \$27,406.54 requested in Final Pay Estimate No. 10.

- Project Budget (amended at March 22, 2022 Joint Utilities Commission & City Council Meeting): \$2,225,360
 - Construction Contract: \$1,598,000 (including \$50,000 Owner's Allowance)
 - Contingency: \$319,600
 - Engineering: \$185,050
 - SEH: \$176,050
 - AE2S: \$9,000
 - Soft Costs: \$79,900
 - LMCIT Required Full-Time Inspection (after 7/15/2021): \$12,810 LMCIT (included in SEH Amendment No. 2)
- Contingency Items
 - Engineering Amendments:
 - SEH Amendment No. 1: \$100
 - SEH Amendment No. 2: \$26,723.64 (not including \$12,810 LMCIT above)
 - SEH Amendment No. 3: \$25,020.00
 - AE2S: \$49,475
 - Change Order No. 1: \$208,194.54
 - Change Order No. 2: \$49,163.19
 - Change Order No. 3: \$27,276.40
 - Change Order No. 4: (\$18,270.57)
 - Change Order No. 5 (in progress): \$4,102.00
 - Misc. Costs (Underdrain Shipping, Vonco, Filter Trough Repairs): \$5,057.74
- Estimated Total Budget Remaining: (\$57,241.94)

STAFF RECOMMENDATIONS

Staff recommends approval of the Northern Plains Contracting Inc. Final Pay Estimate No. 10 in the amount of \$27,406.54 for the Water Treatment Plant Improvements Project. The final closeout documents have been submitted so the final payment may be released.

COUNCIL ACTION REQUESTED

MOTION to approve the Northern Plains Contracting Inc. Final Pay Estimate No. 10 in the amount of \$27,406.54 for the Water Treatment Plant Improvements Project.