



## ITEM REPORT CITY COUNCIL

Agenda Date: 11/21/2023  
Agenda Section: Consent Agenda

**Department Origination:** Public Works

**Agenda Item:** Approve the Anderson Brothers Construction Partial Pay Estimate No. 10 in the amount of \$99,498.22 for the 2022 TH 210 and Inglewood Drive Improvements Project, City Improvement No. 4121

**Approval Required:** Simple Majority Vote

### **BACKGROUND**

The City Council awarded the construction contract for the 2022 TH 210 and Inglewood Drive Improvements Project to Anderson Brothers Construction on August 16, 2022 in the amount of \$2,127,824.08. The notice to proceed was issued on August 29, 2022 and the contractor began work on September 15, 2022.

The concrete median work, striping, and signage within TH 210 was completed on August 11, 2023. Lane restrictions on TH 210 were removed on August 11, 2023 and the Knollwood Drive RCI opened to traffic. Punchlist items and traffic control additions approved in October were completed on October 27<sup>th</sup>. Pay Estimate No. 10 includes items associated with the added gore striping on the southbound Inglewood Drive left turn lane to TH 210, the stop sign added at Foley Road and Inglewood Drive, and lowering the project retainage from 5% to 1% and unit price work completed by October 27, 2023.

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 a pay period. The application is reviewed and approved by the Contractor and Engineer prior to submittal to the City for processing.

Partial Pay Estimate No. 10 is presented in the amount of \$99,498.22. The payment includes the cost of unit price work completed through Friday, October 27, 2023 and Change Order No. 1, 2, and 3 items.

### **FINANCIAL IMPLICATIONS**

The Contractor has earned \$2,282,992.29 to date which represents 98% of the contract value and the city has previously reimbursed the contractor \$44,951.46 for storm sewer items purchased in 2022. All storm sewers have been installed and the stored material is zeroed out in this pay estimate. With the project substantially complete the project retainage of 5% has been lowered to 1%, previous payments in the amount of \$2,160,664.14 were made to the contractor, which results in a payment of \$99,498.22.

Following award of this TH 210/Inglewood Drive project, MnDOT notified the City that an additional \$650,915.40 of Federal Funds is available to be used on the project. The amended Cooperative Agreement between MnDOT and the City of Baxter was approved by city council on November 1, 2022.

Current project contributions:

TH 210/INGLEWOOD PROJECT	
COMPARISON OF TOTAL PROJECT COMPENSATIONS TO DATE	
Actual Bids (8/1/22)	
CITY	\$1,709,781
MnDOT	\$1,100,000
MnDOT (RCI)	\$568,441
FEDERAL	\$603,900
<b>TOTAL</b>	<b>\$3,982,122</b>
Current Agency Splits	
CITY	\$1,230,602.59
MnDOT*	\$999,607.75
MnDOT (RCI)	\$589,037.49
FEDERAL	\$1,254,815.40
<b>TOTAL</b>	<b>\$4,178,069.35</b>

\* Max Cap Amount Available for Project (\$1,100,000)

State Aid Funds	
S.P. 230-107-003 (25% Engineering)	\$99,338.77
S.P. 230-121-001 (25% Engineering)	\$142,791.04
BNSF 40-Year Maintenance	\$645,910.00
State Aid Eligible Construction	\$114,232.84
Trunk Highway Portion (25% Engineering)	\$289,826.21
State Aid Funds TOTAL	\$1,292,098.86
CITY COSTS LEFT OVER (Pre-Assessments)	-\$61,496.27

The overall project budget and status of project cost is as follows:

TH 210/INGLEWOOD PROJECT				
COMPARISON OF TOTAL PROJECT COSTS TO DATE (CITY)				
Item Description	Feasibility Report (9/21/21)	Actual Bids/Award (9/6/22)	Expected Total Costs (Today)	Current Total Cost (Today)
<b>CONSTRUCTION COSTS</b>	<b>\$1,196,800</b>	<b>\$2,127,824.00</b>	<b>\$2,351,623.60</b>	<b>\$2,282,992.28</b>
BNSF Surface Crossing Construction	\$100,000	\$104,918.00	\$104,918.00	\$92,521.47
BNSF Signal Crossing Construction	\$441,600	\$453,259.00	\$453,259.00	\$389,864.96
Preliminary Construction Contingencies (10%)	\$114,700	N/A	N/A	N/A
Considerations for COVID-19 during Design (Street Only) (10%)	\$114,700	N/A	N/A	N/A
Contingency (5%)*	N/A	\$107,983.34	N/A	N/A
<b>TOTAL CONSTRUCTION COSTS</b>	<b>\$1,967,800</b>	<b>\$2,793,984.34</b>	<b>\$2,909,800.60</b>	<b>\$2,765,378.71</b>
Engineering and Construction Administration (22%)	\$302,800	-	-	-
Legal and Other Costs (2%)	\$27,600	-	-	-
Administration (2%)	\$27,600	-	-	-
BNSF Easement	\$50,000	\$57,065	\$57,065	\$57,065
BNSF 40-Year Maintenance	\$800,000	\$645,910	\$645,910	\$645,910
WSN Feasibility Study	-	\$21,318	\$21,318	\$21,318
BNSF Engineering	-	\$16,110	\$16,110	\$16,110
BNSF Flagging	-	\$48,000	\$48,000	-
Administration	-	\$27,600	\$27,600	\$27,600
Legal, Bonding, and Other Costs	-	\$27,600	\$27,600	\$27,600
Bolton & Menk Engineering/Construction Admin Contract	-	\$344,535	\$576,107	\$576,107
MnDOT IA Inspection Costs	-	-	\$673.27	\$673.27
MnDOT Supplied Signal Cabinet	-	-	\$40,307	\$40,307
<b>TOTAL OTHER COSTS</b>	<b>\$1,208,000</b>	<b>\$1,188,138</b>	<b>\$1,460,690</b>	<b>\$1,412,691</b>
<b>TOTAL PROJECT FEES</b>	<b>\$3,175,800</b>	<b>\$3,982,122.34</b>	<b>\$4,370,490.87</b>	<b>\$4,178,069.35</b>
	Items Not included			
	Knollwood/Foley Intersection	\$192,350		
	Revised Total	\$3,368,150		

\*\*\*Contingency includes BNSF Signal Crossing Costs, BNSF Surface Crossing Costs, Construction Costs minus RCI

Below is the current project contingencies.

TH 210/INGLEWOOD PROJECT	
CITY OF BAXTER PROJECT COST SUMMARY	
TOTAL CITY COST	\$1,230,602.59
STATE AID ADVANCEMENT	\$1,292,098.86
ASSESSMENTS	\$149,965.80
REMAINING LOCAL COST	<b>(\$211,462.07)</b>

TH 210/INGLEWOOD PROJECT	
PROJECT CONTINGENCY	
TOTAL MNDOT**	\$60,084.88
TOTAL CITY	\$211,462.07
<b>TOTAL PROJECT</b>	<b>\$271,546.94</b>

\*\*RCI PORTION IS NOT CAPPED. CONTINGENCY SHOWN IS CAPPED AMOUNT OF PROJECT.

Note that the City's portion of the project contingency has changed from past RCAs. This is because Bolton & Menk has projected the City will not spend all the dedicated BNSF federal funds, allowing us to shift those funds to construction costs, alleviating city responsible costs. There also has been some funding columns updates as we are approaching project closure that has put more of a burden on MnDOT and Federal Aid than what was previously showing as City costs.

#### STAFF RECOMMENDATIONS

Staff have no concerns with the work completed this period and recommend making progress payment as outlined in Partial Pay Estimate No. 10 in the amount of \$99,498.22.

#### COUNCIL ACTION REQUESTED

**MOTION** to approve the Anderson Brothers Construction Partial Pay Estimate No. 10 in the amount of \$99,498.22 for the 2022 TH 210 and Inglewood Drive Improvements Project, City Improvement No. 4121.