



ITEM REPORT CITY COUNCIL

Agenda Date: 10/20/2026
Agenda Section: Consent Agenda

Department Origination: Public Works

Agenda Item: Approve the Anderson Brothers Construction Company of Brainerd, LLC Change Order No. 1 in the Increased Amount of \$38,718.60 and modify the Substantial and Final Completion Dates for the 2026 Mill & Overlay Improvements Project, Municipal Project Number 4426

Approval Required: Simple Majority Vote

BACKGROUND

On June 02, 2026, the City Council awarded the project to Anderson Brothers Construction of Brainerd in the amount of \$1,215,289.64.

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. 1 includes the following items:

1. The existing driveway concrete was found to be lower than the proposed roadway elevation. Saw cutting the driveway concrete was necessary to provide a tie-in of the existing and new concrete driveway sections.
2. Existing driveway concrete was found to be lower than the proposed roadway elevation. Removal of the existing concrete driveway was necessary to provide a flush tie-in of the driveway and roadway.
3. To replace the existing driveway section that was removed, new concrete was poured to provide a flush tie-in of the existing driveway and proposed roadway elevation.
4. Class 5 aggregate was imported to backfill the area around manholes where bituminous pavement in the Mississippi Meadows neighborhood and concrete in the Timberlane Drive area was removed. Class 5 was also used to shape a driveway connection from the roadway to the right of way line on Woodland Drive.
5. Crow Wing Power completed a line extension to relocate a light pole in the Mississippi Meadows neighborhood. The additional work was not anticipated by Crow Wing Power when the project was bid.
6. After the milling process was completed on Timberlane Drive and Park Street, the manholes were exposed with concrete collar squares about 4'x4'. During the removal of the rings and casting, additional effort was needed to remove the concrete.
7. After the milling process was completed on Woodland Drive, the thickness of the remaining pavement was thinner than the anticipated 2". To ensure that there is at least 4" of pavement after the project is completed, a 1" overlay was paved on Woodland Drive. (SPWEA340C)
- 8.&9. To provide additional area to tie slopes into bituminous driveways, additional driveway pavement was removed and replaced.

Additionally, this change order is requesting to updated the Substantial and Final Completion Dates. Construction activities are progressing and nearly completed in the Mississippi Meadows and Timberlane Drive areas. The initial delay in the project is obtaining the easements for the Cherrywood Drive Storm Sewer. City Staff and Widseth have been working on obtaining temporary and permanent easements since the spring of 2026. The residents that the city is obtaining easements from do not have a problem with the proposed work. Three of the five easements have been completed. The delay is with the last two easements, as we are working with the mortgage companies to obtain mortgage consent. The mortgage companies are difficult to work with, and it is taking far longer than anticipated. To avoid going to condemnation, City staff are continuing to coordinate with the mortgage companies to complete the required paperwork. The work on Cherrywood Drive has not started because we are waiting for the easements.

The other item related to the project is the passing of Al DeChantal. DeChantal Excavating is a subcontractor on the project and is focused on the undergrounds work items. This includes coordinating the directional drilling of the storm sewer pipe, the watermain exploratory excavations and any watermain repairs that may be required. To provide DeChantal Excavating some flexibility to complete the work in the area they have already started, City staff is recommending the work associated with Cherrywood Drive be moved to 2027. This would provide City staff with additional time to complete the final easement documents and allow DeChantal Excavating to finish their other work already in progress.

In the EJCDC Change Order Form, Widseth has added an additional line for substantial completion. This additional line item is only for Cherrywood Drive and is noted as Substantial Completion (2). Substantial Completion (1) pertains to the Mississippi Meadows and Timberlane Drive project areas and is still proposed to be completed in 2026. The updated substantial completion date for Cherrywood Drive is currently set at June 25th, 2027. With this change, the Final completion date has been adjusted to July 16th to allow for additional time to complete punch list items. It is important to note, at the special Council meeting on September 21st, the City Council provided a consensus in favor of approving the change order related to completing the work on Cherrywood Drive in 2027. The items related to the pay item to be completed in 2027 will be brought forward as Change Order #2 in November after the negotiation with the prime and subcontractors have been completed.

FINANCIAL IMPLICATIONS

The \$38,718.60 change order increases the total contract price from \$1,215,289.64 to \$1,254,008.24. The overall project budget was \$1,664,146.56 which was set at the assessment hearing. The project budget is currently \$1,545,370.53. This leaves \$118,776.03 remaining in the project budget contingencies. The table below breaks down of the change orders, estimated change order, current expenditures to date and the final projected project cost.

Budget Line Item	Project Budget	Added / Modified Items	Current Expenditures	Projected Final
Construction:	\$1,215,289.64		\$33,768.19	\$1,123,028.32
Change Order 1:		\$38,718.60		\$38,718.60
Contingencies	\$60,764.48			
Engineering	\$279,455.00		\$188,602.00	\$279,455.00
Bonding, Finance Admin., Mics.	\$108,637.44			\$104,168.61
Total	\$1,664,146.56	\$38,718.60	\$222,370.19	\$1,545,370.53

Widseth is working with Anderson Brothers on a possible Change Order #2. This Change Order is related to pushing the Work on Cherrywood Drive to 2027. This Change order is currently estimated at \$15,000. This would reduce the remaining project budget to approximately \$103,776.

STAFF RECOMMENDATIONS

The Utilities Commission and staff recommends approval of Change Order No. 1 in the increased amount of \$38,718.60 and modify the Substantial and Final Completion Dates.

COUNCIL ACTION REQUESTED

MOTION to approve the Anderson Brothers Construction Company Change Order No. 1 in the Increased Amount of \$38,718.60 and modify the Substantial and Final Completion Dates for the 2026 Mill & Overlay Improvements Project, Municipal Project Number 4426.