



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 6/5/2024
Agenda Section: Other Business

Department Origination: Public Works

Agenda Item: Approve the Knife River Corporation – North Central Change Order No. 1 in the Increased Amount of \$58,796.62 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. 1 included the following items:

1. During the 2023 Novotny Road Improvements Project Punch List walk through, it was discovered the manhole in the intersection of Novotny Road and Edgewood Drive has water backing up. Nelson Sanitation was called to jet and televise the pipe to see if the problem could be resolved with the 2024 M&O and FDR project. This cost is split with the 2025 Feasibility Study. In reviewing the televising, WIDSETH was unable to determine the cause of the back-up.
2. This item was added to the project to complete jetting and televising once the project is complete to assure construction debris did not get washed down the pipe and cause an issue.
3. This item was added to the project to complete jetting and televising once the project is complete to assure construction debris did not get washed down the pipe and cause an issue.
4. This item was missed in the review of the plans and the City would like to add the relocation of two light poles to the project and include upgrading one existing lamp head to LED.

Items 2 and 3 were included in the project budget prior to the assessment hearing. Items 1 and 4 were discovered after the assessment hearing and will need to be paid from the project contingencies approved in the project budget.

FINANCIAL IMPLICATIONS

The \$58,796.62 change order increases the total contract price from \$3,843,672.50 to \$3,902,469.12. The overall project budget that was set when council adopted the assessments was \$5,030,467.01. The project budget included \$238,111.50 of contingencies, if Change Order No. 1 is approved, there will be \$179,314.88 in contingencies remaining in the project budget.

STAFF RECOMMENDATIONS

The work included in Change Order No. 1 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. 1 in the increased amount of \$58,796.62.

COUNCIL ACTION REQUESTED

MOTION to Approve the Knife River Corporation – North Central Change Order No. 1 in the increased amount of \$58,796.62 for the 2024 Mill & Overlay and Full Depth Reclamation Improvements Project, Municipal Project Number 4424.