



**MAYOR AND COUNCIL COMMUNICATION**

DATE: 5/21/2013  
**CONSENT**  
ITEM #: 5

**AGENDA ITEM:** Keats MSA Street and Trunk Watermain Improvements – Change Order No. 1  
**SUBMITTED BY:** Chad Isakson, Project Engineer  
**THROUGH:** Dean A. Zuleger, City Administrator  
**REVIEWED BY:** Jack Griffin, City Engineer

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**SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):**

- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate..... Mayor Facilitates
- Call for Motion..... Mayor & City Council
- Discussion ..... Mayor & City Council
- Action on Motion ..... Mayor Facilitates

**SUMMARY AND ACTION REQUESTED:**

The City Council is respectfully requested to consider approving Change Order No. 1 for the Keats MSA Street and Trunk Watermain Improvements to address necessary changes to the insurance requirements to be secured from the Contractor.

**STAFF REPORT:**

In the process of securing and executing the Contract for the project, the Contractor, T.A. Schifsky and Sons, Inc., learned that they would be unable to secure insurance in the form required by the City's contract. The City of Lake Elmo uses a standard contract in the construction industry that is authored by the Engineer's Joint Contract Documents Committee (EJCDC). The 2007 version, used for the Keats MSA Street and Trunk Watermain Improvements, includes recommended supplementary condition language requiring the Contractor to eliminate a General Liability Insurance exclusion.

After researching the exclusion provision, staff learned that this particular insurance requirement is impossible to secure from insurance companies and has therefore been subsequently removed in the 2013 release of the EJCDC contract forms. This Change Order amends the insurance requirements to eliminate this exclusion provision and corrects the insurance limits for General Aggregate, Products – Completed Operations Aggregate, and Each Occurrence for Bodily injury and Property Damage.

This change order results in no change to the contract amount and no change to the contract times for completion.

**RECOMMENDATION:**

Staff is recommending that the City Council consider approving, *as part of the Consent Agenda*, Change Order No. 1 for the Keats MSA Street and Trunk Watermain Improvements which changes the Contractor's insurance requirements for the project. If removed from the consent agenda, the recommended motion for this action is as follows:

***“Move to approve Change Order No. 1 for the  
Keats MSA Street and Trunk Watermain Improvements”***

**ATTACHMENT(S):**

1. Change Order No. 1.
2. Article 5 – Bonds and Insurance: Track Changes version.
3. EJCDC presentation on General Liability Insurance requirement changes for the 2013 Version.