



STAFF REPORT

DATE: October 18, 2022

CONSENT

AGENDA ITEM: Accept Improvements, Approve Compensating Change Order No. 1, and Approve Pay Request No. 2 (Final) for the the 2022 Street Maintenance Project

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Marty Powers, Public Works Director
Chad Isakson, Assistant City Engineer
Mike Rusenovich, Project Engineer

ISSUE BEFORE COUNCIL: Should the City Council accept the improvements, approve Compensating Change Order No. 1 and approve Pay Request No. 2 (Final) for the 2022 Street Maintenance Project?

BACKGROUND: Pearson Bros, Inc. was awarded a construction contract on May 3, 2022 to complete the 2022 Street Maintenance Project. The contractor has now completed the work in accordance with the contract, plans, and specifications, including all punch list items.

PROPOSAL DETAILS/ANALYSIS: A compensating change order has been prepared and executed for the project to reconcile the estimated and actual quantities installed. With approval of this compensating change order the contract amount will be adjusted to reflect the actual final project quantities. In addition, Pearson Bros, Inc., has submitted Partial Pay Request No. 2 (Final) in the amount of \$652,244.64. The Project Engineer has prepared a Certificate of Completion indicating that all work is completed, including all punch list items, and is recommending the acceptance of the improvements and release of final retainage. Project acceptance will initiate the one-year warranty period for the improvements. The one-year warranty will begin on October 18, 2022 and will extend through October 18, 2023.

FISCAL IMPACT: None. Final payment is being recommended within the authorized scope and budget for the project. The final construction contract amount of \$738,208.72 is 4% under the original construction contract amount of \$769,789.00. The compensating change order will officially decrease the final construction contract amount by \$31,580.28.

RECOMMENDATION: Staff is recommending that the City Council, *as part of the Consent Agenda*, accept the improvements, approve Compensating Change Order No. 1 and approve Pay Request No. 2 (Final) for the 2022 Street Maintenance Project. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to accept the improvements for the 2022 Street Maintenance Project, approve Compensating Change Order No. 1 decreasing the contract amount by \$31,580.28, and approve Pay Request No. 2 (Final) to Pearson Bros, Inc. in the amount of \$652,244.64”.

ATTACHMENTS:

1. Compensating Change Order No. 1.
2. Partial Pay Estimate No. 2 (Final).
3. Certificate of Completion.

CONTRACT CHANGE ORDER FORM

CITY OF LAKE ELMO, MINNESOTA
 2022 STREET MAINTENANCE PROJECT
 PROJECT NO. 2022.108

FOCUS ENGINEERING, inc.

CHANGE ORDER NO. 1 **DATE:** October 18, 2022

TO: PEARSON BROS., INC., 11079 LAMONT AVE NE, HANOVER, MN 55341

This Document will become a supplement to the Contract and all provisions will apply hereto. The Contract Documents are modified as follows upon execution of this Change Order.

CHANGE ORDER DESCRIPTION / JUSTIFICATION:

Per the project Contract Documents the original contract amount and basis of award is established using the estimated quantities for each item of work listed in the bid schedule and multiplying them by the Contractor's corresponding unit bid price. The Contractor is paid for the actual final quantities installed on the project at the unit bid prices.

At the completion of the project, a compensating change order is prepared to revise the estimated quantities for each work item listed in the bid schedule to the actual quantities installed and the corresponding Contract Amount is revised accordingly.

This compensating change order reflects a net decrease to the contract amount by \$31,580.28

Attachments (list documents supporting change): Itemization of Materials

ITEM	DESCRIPTION OF PAY ITEM	UNIT	QTY	UNIT PRICE	INCREASE/(DECREASE)
	**See attached itemization				
NET CONTRACT CHANGE					(\$31,580.28)

Amount of Original Contract	\$ 769,789.00
Sum of Additions/Deductions approved to date	\$ 0.00
Contract Amount to date	\$ 769,789.00
Amount of this Change Order (ADD) (DEDUCT) (NO-CHANGE)	\$ (31,580.28)
Revised Contract Amount	\$ 738,208.72

The Contract Period for Completion will be (UNCHANGED) ~~(INCREASED)~~ ~~(DECREASED)~~ 0 days

APPROVED BY ENGINEER: FOCUS ENGINEERING

Mark Pearson
 ENGINEER
10/10/22
 DATE

APPROVED BY CONTRACTOR

Spencer Pearson
 BY
10/17/22
 DATE

APPROVED BY OWNER: CITY OF LAKE ELMO, MINNESOTA

 BY

 DATE

 BY

 DATE

CHANGE ORDER NO. 1

2022 STREET MAINTENANCE PROJECT
 CITY OF LAKE ELMO, MINNESOTA
 PROJECT NO. 2022.108



ITEM	DESCRIPTION OF PAY ITEM	UNIT	CONTRACT			TOTAL TO DATE		COMPENSATING CHANGE ORDER NO. 1	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	NET CHANGE	AMOUNT
1	CRACK SEALING MATERIAL	LBS	88,700.00	\$1.37	\$121,519.00	66,050.00	\$90,488.50	-22,650.00	-\$31,030.50
2	BITUMINOUS SEAL COAT WITH 1/8" DRESSER TRAP ROCK AND CRS-2P EMULSIFIED ASPHALT	SY	441,000.00	\$1.47	\$648,270.00	440,626.00	\$647,720.22	-374.00	-\$549.78
BASE BID					\$769,789.00	\$738,208.72	-\$31,580.28		

TOTALS - BASE CONTRACT \$769,789.00 \$738,208.72 -\$31,580.28

PROJECT PAY FORM

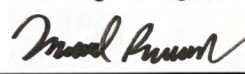
PARTIAL PAY ESTIMATE NO. <u>2</u>	FOCUS ENGINEERING, inc.
-----------------------------------	--------------------------------

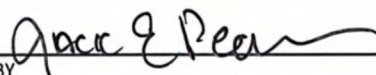
2022 STREET MAINTENANCE PROJECT PROJECT NO. 2022.108	PERIOD OF ESTIMATE FROM <u>7/1/2022</u> TO <u>9/30/2022</u>
---	--

PROJECT OWNER: CITY OF LAKE ELMO 3800 LAVERNE AVENUE NORTH LAKE ELMO, MN 55042 ATTN: JACK GRIFFIN, CITY ENGINEER	CONTRACTOR: PEARSON BROS, INC. 11079 LAMONT AVE NE HANOVER, MN 55341 ATTN: MISSY HALLACH
---	---

CONTRACT CHANGE ORDER SUMMARY				PAY ESTIMATE SUMMARY	
No.	Approval Date	Amount			
		Additions	Deductions		
CCO 1	10/18/2022		\$31,580.28	1. Original Contract Amount	\$769,789.00
				2. Net Change Order Sum	-\$31,580.28
				3. Revised Contract (1+2)	\$738,208.72
				4. *Work Completed	\$738,208.72
				5. *Stored Materials	\$0.00
				6. Subtotal (4+5)	\$738,208.72
				7. Retainage* <u>0.0%</u>	\$0.00
				8. Previous Payments	\$85,964.08
TOTALS		\$0.00	\$31,580.28	9. Amount Due (6-7-8)	\$652,244.64
NET CHANGE		(\$31,580.28)		*Detailed Breakdown Attached	

CONTRACT TIME					
START DATE: <u>6/1/2022</u>	ORIGINAL DAYS	<u>96</u>	ON SCHEDULE		
SUBSTANTIAL COMPLETION: <u>8/5/2022</u>	REVISED DAYS	<u>0</u>	YES	<input checked="" type="checkbox"/>	
FINAL COMPLETION: <u>9/5/2022</u>	REMAINING	<u>-25</u>	NO	<input type="checkbox"/>	

ENGINEER'S CERTIFICATION: The undersigned certifies that the work has been reviewed and to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract documents.	FOCUS Engineering, inc.  ENGINEER <u>10/10/22</u> DATE
--	--

CONTRACTOR'S CERTIFICATION: The undersigned Contractor certifies that to the best of their knowledge, information and belief the work covered by this payment estimate has been completed in accordance with the contract documents, that all amounts have been paid by the contractor for work for which previous payment estimates was issued and payments received from the owner, and that current payment shown herein is now due.	CONTRACTOR  BY <u>10/7/22</u> DATE
--	--

APPROVED BY OWNER: CITY OF LAKE ELMO, MINNESOTA	
BY _____	BY _____
DATE _____	DATE _____

PARTIAL PAY ESTIMATE NO. 1

2022 STREET MAINTENANCE PROJECT
 CITY OF LAKE ELMO, MINNESOTA
 PROJECT NO. 2022.108



ITEM	DESCRIPTION OF PAY ITEM	UNIT	CONTRACT			THIS PERIOD		TOTAL TO DATE	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
BASE BID									
1	CRACK SEALING MATERIAL	LBS	88,700	\$1.37	\$121,519.00	0	\$0.00	66,050	\$90,488.50
2	BITUMINOUS SEAL COAT WITH 1/8" DRESSER TRAP ROCK AND CRS-2P EMULSIFIED ASPHALT	SY	441,000	\$1.47	\$648,270.00	440,626.00	\$647,720.22	440,626.00	\$647,720.22
TOTALS - BASE CONTRACT					\$769,789.00		\$647,720.22		\$738,208.72

CHANGE ORDER NO. 1									
ITEM	DESCRIPTION OF PAY ITEM	UNIT	QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
CO1-1	COMPENSATING CHANGE ORDER	LS	1	-\$31,580.28	-\$31,580.28	0	\$0.00	0	\$0.00
SUBTOTAL - CHANGE ORDER NO. 1					-\$31,580.28		\$0.00		\$0.00

TOTALS - REVISED CONTRACT \$738,208.72 \$647,720.22 \$738,208.72

CERTIFICATE OF COMPLETION

DATE OF ISSUANCE: OCTOBER 18, 2022

OWNER: CITY OF LAKE ELMO, MN

CONTRACTOR: PEARSON BROS, INC.

PROJECT NAME: 2022 STREET MAINTENANCE PROJECT

PROJECT NO.: 2022.108

This Certification of Completion applies to all work under the Contract Documents

This Certification of Completion applies to the following specified parts of the Contract Documents

I do hereby certify that the work to which this Certificate applies has been constructed in accordance with the Contract dated May 16, 2022. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: October 18, 2022

Michael Rusenovich Reg. No. 58717


FOCUS Engineering, Inc.

THE WARRANTY PERIOD BEGINS October 18, 2022 AND ENDS October 18, 2023