



MAYOR & COUNCIL COMMUNICATION

DATE: August 5, 2014
CONSENT
ITEM # 4

AGENDA ITEM: Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30th Street—Compensating Change Order No. 6 (**ADMINISTRATIVE CORRECTION**)

SUBMITTED BY: Ryan Stempski, Project Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Cathy Bendel, Finance Director

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

POLICY RECOMMENDER: Engineering

FISCAL IMPACT: CORRECTED - Reduced contract amount of \$56,967.99, resulting in an increased payment to the contractor of \$3,014.55.

This change order reconciles the estimated and actual quantities installed on the project and decreases the contract amount by \$56,967.99. The previous Compensating Change Order incorrectly reduced the contract amount by \$59,982.54 due to an error in the silt fence quantity. With this change order and previous change orders on the project, the final contract amount is \$3,412,260.75 which is 1.6% under the original construction contract award. The final construction contract remained within the original project budget amount as authorized on August 6, 2013.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving, *as part of the consent agenda*, Compensating Change Order No. 6 (**ADMINISTRATIVE CORRECTION**) for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30th Street to reconcile the estimated and actual quantities installed on the project. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve Compensating Change Order No. 6 (ADMINISTRATIVE CORRECTION) for the Lake Elmo Avenue Infrastructure Improvements: I-94 to 30th Street, thereby decreasing the final contract amount by \$56,967.99.”

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

At the July 15, 2014 City Council Meeting, final payment was approved for this project. An error was then found in the final payment quantities for the silt fence payment item. The Contractor was paid 50% of the silt fence quantity that was installed and is owed the remaining 50% now that the silt fence has been removed on the project, resulting in additional payment owed to the Contractor in the amount of \$3,014.55. The Compensating Change Order has been revised accordingly.

Minger Construction, Inc. was awarded a construction contract on August 6, 2013 to construct the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30th Street. The contractor has completed the work in accordance with the contract and with approval of this change order the contract amount will be adjusted to reflect quantities actually installed as a part of the project. The overall decrease in the contract amount for this change order is \$56,967.99 as detailed on the attached itemization.

A large amount of this savings was due to not paving the driveway to the Lisbon Avenue Lift Station due to excessive grades. It is recommended that funds be reserved to complete a paved driveway access to the lift station under a separate contract, to be completed following the Village East Trunk Sanitary Sewer construction.

The final contract amount is \$3,412,260.75 which is 1.6% under the original construction contract and approved change orders. The construction contract therefore remains within the original project budget amount as authorized August 6, 2013.

RECOMMENDATION:

Staff is recommending that the City Council consider, *as part of the Consent Agenda*, approving Compensating Change Order No. 6 (***ADMINISTRATIVE CORRECTION***) for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30th Street, thereby decreasing the final contract amount by \$56,967.99. If removed from the consent agenda, the recommended motion for this action is as follows:

“Move to approve Compensating Change Order No. 6 (ADMINISTRATIVE CORRECTION) for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30th Street, thereby decreasing the final contract amount by \$56,967.99.”

ATTACHMENT(S):

1. Compensating Change Order No. 6 (***ADMINISTRATIVE CORRECTION***)