



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Dan Jonasson, Public Works Director

DATE: August 22, 2018

SUBJECT: ENGINEERING AMENDMENT - NE WATER DISTRIBUTION (PROJECT NUMBER 4156)

I. RECOMMENDED ACTION

1. Recommend approval of an engineering amendment for Houston Engineering in the amount of \$8,861.00
2. Authorize the Mayor to sign the agreement on behalf of the City.

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Public Works Director	857-4140
Jason Sorenson, Assistant Public Works Director	857-4140

III. DESCRIPTION

A. Background

The project constructed a water transmission main along 30th Ave NE from 27th St east to 13th and then north to 46th Ave NE. This was the last phase to providing a fully looped water system in NE Minot through a connection with the NW Minot distribution system. The project was bid in April of 2017 and Wagner Construction submitted the low bid at \$1,694,160.00. They have completed all remaining contract items. During the pre-construction conference, Wagner requested the option to open cut a portion of the water transmission line instead of boring it so that they could utilize their crews for the open cut work instead of a sub-contractor. In doing so, this method reduced the cost of the project by approximately \$32,300.00. A change order was issued for Wagner to proceed with additional linear feet of open cut instead of boring to save money.

During the course of this work, there was additional construction observation time and effort required to oversee this work by the consultant in an amount of \$8,861.00.

In addition to this, the contractor exceeded the contract completion date, so liquidated damages in the amount of \$9,000 have been assessed against the contractor to cover the additional engineering.

The total project cost was reduced from the original bid amount of \$1,694,160.00 to \$1,649,172.30. Approval of this engineering amendment will still provide a project under the bid amount when liquidated damages and other cost reduction methods were included.

IV. IMPACT:

B. Fiscal Impact:

The project was funded 60% from a ND State Water Commission grant and 40% from State Oil and Gas Tax revenues.

Project Costs

Total Bid	\$1,694,160.00
Net change by change order	<u>\$ (44,987.79)</u>
Total Construction Cost	\$1,649,172.30
Design & Construction Engineering	\$ 274,480.00
Engineering Amendment	<u>\$ 8,861.00</u>
Total Project Cost	\$1,932,513.30
TOTAL funding budgeted	\$1,968,640.00

V. LIST OF ATTACHMENTS

- A. Engineering amendment – Houston Engineering