



**TO:** Mayor Shaun Sipma  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** June 7, 2019

**SUBJECT:** **City Council Approve Retainage Payment for 2018 Demolition Contract**

**I. RECOMMENDED ACTION**

City Council approve retainage payment of \$68,515.77 to Berger Enterprises, LLC for 2018 CDBG-DR and CDBG-NDR demolition contract

**II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Grant Program Manager & Chief Resilience Officer, 423-4528

**III. DESCRIPTION**

A. Background

As standard practice, the city of Minot held \$68,515.77 in retainage against the 2018 demolition contract with Berger Enterprises, LLC as assurance of all work being satisfactorily completed and the one-year warranty of such work satisfied. The one-year warranty period has been completed resulting in the ability to release the retainage and pay to Berger Enterprises, LLC. It should be noted that this contract was for an amount up to \$1,799,920 based on assigned demolition work and with payment of this retainage the actual total contract amount paid will be \$685,157.54. A notable factor in the reduced demolition work is the policy we are following in auctioning homes to be moved.

B. Proposed Project

Payment of the \$68,515.77 will allow the city to close out the CDBG-DR and CDBG-NDR activity file for this contract.

**IV. IMPACT:**

A. Strategic Impact:

City demonstrates to HUD continued compliant oversight of CDBG-DR and CDBG-NDR contracts.

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

None

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

N/A

**VII. FISCAL**

Funds will come from demolition line in CDBG-DR and CDBG-NDR grants

**VIII. LIST OF ATTACHMENTS**

- i.* Closeout supporting documents