TO: Mayor Shaun Sipma
    Members of the City Council
FROM: Jesse Berg, PE – Project Manager
DATE: December 6, 2021
SUBJECT: 2021 STREET SEAL – FINAL PAYMENT (4552)

I. RECOMMENDED ACTION
   1. Approve the final payment of $1,407,698.09 to be paid to Asphalt Surface Technologies Corporation.

II. DEPARTMENT CONTACT PERSONS
    Lance Meyer, City Engineer          (701) 857-4100
    Jesse Berg, Project Manager         (701) 857-4100

III. DESCRIPTION
    A. Background
        This is the annual maintenance project to fill the cracks that have developed over time and seal the pavement surface. The project helps protect the pavement surface and prevent surface water infiltration for approximately 5 years.

        The $5.5 million Street Mtce Engineering budget was split between 2021 Street Seal, 2021 Street Improvement, 2021 Street Patching, and 2021 Concrete Pavement Rehabilitation.

    B. Proposed Project
        This year’s project included asphalt patching, mill & overlay, crack seal, chip seal, and fog seal in various road segments including North Broadway, South Broadway, 30th Ave NW, 27th St SE, 2nd St SE, Green Acres, and many other locations.

    C. Consultant Selection
       N/A

IV. IMPACT:
    A. Strategic Impact:
        Timely maintenance of City street infrastructure significantly delays need for street infrastructure replacement. This project provided the needed maintenance of existing infrastructure throughout the City to extend the life of the asphalt roadways.

    B. Service/Delivery Impact:
        The project was completed behind schedule per contract completion dates, therefore liquidated damages were applied. See attached Pay Adjustment Worksheet for details.
C. **Fiscal Impact:**
The project was paid for with budgeted funds from the Street Mtce Engineering budgeted funds.

<table>
<thead>
<tr>
<th>Project Costs</th>
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<tbody>
<tr>
<td>Engineer’s Estimate</td>
<td>$2,215,000.00</td>
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<tr>
<td>Contractor’s Original Bid Price</td>
<td>$2,212,424.97</td>
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<tr>
<td>Final Construction Contract Cost</td>
<td>$2,059,511.47</td>
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<tr>
<td>Liquidated Damages</td>
<td>$(73,000.00)</td>
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<tr>
<td>Total</td>
<td>$1,985,911.47</td>
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The final cost of the overall project was approximately 10.3% under original bid price.

The Street Mtce Engineering budget ($5.5M), which covers four separate projects, has been managed via change orders during the construction season to scale back as necessary to stay within budget. The projects have been managed to stay within budget.

V. **ALTERNATIVES**
A. N/A

VI. **TIME CONSTRAINTS**
A. Immediate action required, per Article 15.06.E of the General Conditions “Owner shall pay the resulting balance due to Contractor within 30 days of Owner’s receipt of the final Application for Payment from the Engineer.”

VII. **LIST OF ATTACHMENTS**
A. Contractor’s Application for Payment No. 2-Final.
B. Pay Adjustment Worksheet