



Legislation Text

File #: Res. 2020-091, **Version:** 1

City Council Meeting Date: October 6, 2020

To: Mayor and City Council
City Administrator

From: Sean Simonson, Engineering Manager
Dave Bennett, Public Works Director/City Engineer

Consider Resolution Accepting Public Improvements and Approving Final Payment for the 2018 Division Street and Seventh Street Reconstruction, Washington Street Mill and Overlay, and Miscellaneous City Parking Lot Rehabilitations Project (STRT2018-A37)

Action Requested:

The Northfield City Council consider the attached Resolution - 2018 Division Street and Seventh Street Reconstruction, Washington Street Mill and Overlay, and Miscellaneous City Parking Lot Rehabilitations Project (STRT2018-A37) Accepting Public Improvements and Approving Final Payment.

Summary Report:

The City Council is being asked to accept the public improvements for the 2018 Division Street and Seventh Street Reconstruction, Washington Street Mill and Overlay, and Miscellaneous City Parking Lot Rehabilitations Project, (STRT2018-A37), and approve final payment to Swenke Ims Contracting, LLC for \$89,804.08 (Attachment 2). The contract was awarded to Swenke Ims Contracting, LLC at the April 17, 2018 City Council Meeting in the amount of \$3,724,562.80. There were 15 Change Orders processed during the construction project for a total of \$237,418.90 for an adjusted contract total of \$3,961,981.70. The total construction cost, including all Change Orders and quantity overruns, which are common for a project of this magnitude, was \$4,045,453.04.

Alternative Options:

This project is completed and the final acceptance and payment is required to close out the construction contract.

Financial Impacts:

The final construction costs for the project were \$4,045,453.04.

State-Aid

The City currently has 5 active MSA projects underway since 2018, staff will be closing 3 of them in 2020 (Spring Creek Road, Division and Seventh, Spring Creek Bridge) and 2 (2019 Reclamation and TH 246 and Jefferson Pkwy) will carry over to close in 2021.

The State of Minnesota municipal state aid (MSA) account is running low and has changed from a code green status to red status, where the state isn't accepting any advance requests. Northfield submitted three projects

for advance requests and the City has received about 2/3 of the money from the state. To close this project, staff has submitted the final state aid payment reimbursement, the payment is pending in the amount of \$288,163.01. Staff is recommending to include a budget amendment transfer from the Capital Reserve Fund for this amount to occur at the end of 2020 if necessary and the funds don't come in from State-Aid. The state has preliminarily indicated that they may release the remaining advance request by the end of the year or in early 2021. If that is the case, then we will have the necessary state-aid fund to close out these projects.

The tables below detail the final project costs and final project funding, including the Art Funding, which was used within the project.

FINAL PROJECT COSTS			
	ENGINEER'S ESTIMATE	AWARD BID COSTS	PROJECT FINAL COST
Street	\$2,913,098	\$3,042,277	\$3,362,400
Storm Sewer	\$256,025	\$357,468	\$369,066
Sanitary Sewer	\$273,843	\$130,526	\$119,816
Watermain	\$283,941	\$231,538	\$194,171
<i>Subtotal</i>	\$3,726,907	\$3,761,808	\$4,045,453
Contingency (10%)	\$372,691	\$376,181	\$0
<i>Construction Total</i>	\$4,099,598	\$4,137,989	\$4,045,453
<i>Overhead (12%)</i>	\$491,952	\$496,559	\$790,647
PROJECT COSTS	\$4,591,549	\$4,634,548	\$4,836,100

FINAL PROJECT FUNDING			
FUNDING SOURCE	ENGINEER'S ESTIMATE	AWARD BID FUNDING	PROJECT FINAL COST
Bonding	\$1,299,273	\$1,463,787	\$1,464,101
Assessments	\$408,132	\$391,822	\$391,822
Storm Fund	\$315,423	\$133,388	\$445,036
Sanitary Fund	\$337,375	\$160,808	\$144,480
Water Fund	\$349,816	\$285,255	\$234,140
MSA (Street and Storm)	\$1,881,530	\$2,199,489	\$2,156,522
TOTAL FUNDING	\$4,591,549	\$4,634,548	\$4,836,100

FINAL PROJECT ART FUNDING	
FUNDING SOURCE	PROJECT FINAL COST
Bonding	\$28,957
Storm Fund	\$3,212
Sanitary Fund	\$1,043
Water Fund	\$1,690
TOTAL FUNDING	\$34,901

Tentative Timelines:

Upon acceptance by the City Council, the final payment will be processed and sent to the Contractor. At that point, the two-year maintenance bond will begin if warranty work is required.