



## Request for City Council Committee Action From the Department of Convention Center

**Date:** February 2, 2015  
**To:** Honorable John Quincy, Chair Ways & Means Committee  
**Subject:** Official Publication No. 7858 - Contract Increase for contract close-out, Kone, Inc. (C-37638)

### Recommendation:

We wish to increase contract C-37638 with Kone, Inc. by \$122,837. for a new total of \$1,889,837. to allow for close out and final payment.

### Background/Supporting Information;

The Convention Center Escalator Replacement Project had Three Change Orders:

#1. \$16,591.00 = It was determined by code officials that the upper escalator pits needed to be upgraded to increase the fire rating.

#2. \$23,585.00 = Due to day work disturbing clients in the building it was decided to shift noisy work to nights.

#3. \$82,661.00 = To protect terrazzo floors over suspended areas and avoid exceeding a safe load limit for the lobby floors the plan to use mobile cranes was abandoned. Solution was we built temporary tower cranes in each of the three lobbies to safely lower old escalators and set new ones in place without disturbing clients.

The original contract amount was \$1,767,000. The total cost of change orders is \$122,837 for a new contract total of \$1,889,837. The Change orders are attached for reference.

This Action represents the total of all invoices necessary to close-out this contract and make final payment.

### Department Information

Prepared by: Lane Carlson, Manager, MCC Facilities Services

Approved by: Chris Hunjas, MCC Director-Business Administration

Approved by: Spencer R Cronk, City Coordinator

**Financial Impact** (Check those that apply)

No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain): Action is within Budget

Request provided to the Budget Office when provided to the Committee Coordinator

cc: L. Carlson

# Subcontract Change Order



Change Order No: 1

Date Submitted: April 4, 2014

PROJECT NAME: Minneapolis Convention Center

PROJECT ADDRESS: Minneapolis, MN

PROJECT NUMBER: \_\_\_\_\_

Contract Number: 6028535

#1 and #2: 9068885

#9 and #10: 9068890

Contractor Name: Mr. Lane Carlson

General Address: \_\_\_\_\_

Subcontractor Name: KONE Inc.

Subcontractor Address: 2965 Lone Oak Drive - Suite 100

MINNEAPOLIS, MN 55121

**The Contract is hereby modified by the following scope/item(s):**

Per the Elevator Inspector, the original building and existing escalator well way pits are not fire rated. The inspector has requested fire rating to be installed.

**The following costs are required to accomplish the above scope:**

Material Cost Subtotal.....	\$	13,740.00
	Use Tax 7.80%	\$ -
Labor Cost Subtotal.....	\$	-
Miscellaneous Cost Subtotal.....	\$	-
<small>(NOTE: Please see attached Cost Breakdown for each category's detail)</small>		
	Base Cost Subtotal	\$ 13,740.00
	Insurance 0.0%	\$ -
	Contingency 0.0%	\$ -
Submitted By:	<b>Change Order Cost Subtotal</b>	<b>\$ 13,740.00</b>
KONE Inc.	<b>Mark-up for OH</b> <span style="border: 1px solid black; padding: 2px;">15.0%</span>	<b>\$ 2,061.00</b>
By: <u>Kevin Bardwell</u> Date: <u>April 4, 2014</u>	<b>Change Order Pricing Subtotal</b>	<b>\$ 15,801.00</b>
Name: <u>Kevin Bardwell</u>	<b>Mark-up for Profit</b> <span style="border: 1px solid black; padding: 2px;">5.0%</span>	<b>\$ 790.05</b>
Title: <u>Modernization Sales Manager</u>	<b>Total Amount of this Change Order: \$ 16,591.00</b>	

Please sign two (2) copies of this Change Order and return two (2) copies to KONE. A fully executed copy of this Change Order will be returned to you for your files.

**Contract Time For Completion shall be increased by: 5 days per set**

Unless allowed for otherwise in the description above, payment for this Change Order shall fully compensate the contractor for all costs related in any way to this work and its effect on other work already contracted. Contractor agrees said work is for the benefit of the overall project and the cost of this Change Order includes additional costs, if any, attributed to loss of efficiency of labor performing the work.

**Signed Accepted:**

The undersigned below, in addition to accepting this change order as binding to both parties, also acknowledges and certifies that they are an authorized representative to sign change orders on behalf of their respective company. The undersigned also agree to recognize KONE Inc.'s change order form in lieu of their own for this change order in the event that they do not submit a fully duplicated one on their own standard form within two (2) weeks of the executed date of this change order.

Subcontractor:  
KONE Inc.

By: Kevin Bardwell Date: April 4, 2014

Name/Title: Kevin Bardwell / Modernization Sales Manager

Contractor:  
Mr. Lane Carlson

By:  Date: 07 April 2014

Name/Title: \_\_\_\_\_



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 License No: BC 526403

**ULTIMATE  
 CONSTRUCTION  
 SERVICES**

**Request for Change Order to Original Contract**

UCS Project Number: <b>1555</b>	Change Order Date: <b>4/1/14</b>
Project Address: Minneapolis Convention Center Escalators 9 & 10 1301 2 <sup>nd</sup> Avenue South Minneapolis, MN 55403-2735	Filled out by: <b>Holly Check</b>
Original Project Description: <b>Escalator Modernization</b>	

We propose to furnish all labor, materials and equipment necessary to complete the following change order requested/required work:

Fire rate the escalator pits, per Dean Holt, the elevator inspector.

We agree to do the above changed order at a sum of: **\$ 7,590.00**  
 Seven Thousand Five Hundred Ninety Dollars and 00/100 cents

Times and date will have to be worked out with the Owner and Elevator Contractor.  
 This change order does not include any pricing for asbestos testing or removal, unless otherwise noted.  
 Drawings related to change order, including equipment placement, must be submitted to GC.  
 Should the location of any equipment change, an additional charge may be incurred.  
 The change order is based on state or local inspections being completed during normal business hours.  
 Bond requirements and fees will be addressed separately, if applicable.  
 30% down upon acceptance of change order and monthly billing on percentage of completion of line items with original contract billing.  
 This proposal is good for 60 days from the above stated date.

Holly Check  
 Authorized UCS Representative

4/1/14  
 Dated:

\_\_\_\_\_  
 Authorized Acceptance Signature

\_\_\_\_\_  
 Dated:



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**ULTIMATE  
 CONSTRUCTION  
 SERVICES**

**Request for Change Order to Original Contract**

UCS Project Number: <b>1551</b>	Change Order Date: <b>4/1/14</b>
Project Address: Minneapolis Convention Center Escalators 1 & 2 1301 2 <sup>nd</sup> Avenue South Minneapolis, MN 55403-2735	Filled out by: <b>Holly Check</b>
Original Project Description: <b>Escalator Modernization</b>	

We propose to furnish all labor, materials and equipment necessary to complete the following change order requested/required work:

Fire rate the escalator pits, per Dean Holt, the elevator inspector.

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We agree to do the above changed order at a sum of: **\$ 6,150.00**  
 Six Thousand One Hundred Fifty Dollars and 00/100 cents

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Times and date will have to be worked out with the Owner and Elevator Contractor.  
 This change order does not include any pricing for asbestos testing or removal, unless otherwise noted.  
 Drawings related to change order, including equipment placement, must be submitted to GC.  
 Should the location of any equipment change, an additional charge may be incurred.  
 The change order is based on state or local inspections being completed during normal business hours.  
 Bond requirements and fees will be addressed separately, if applicable.  
 30% down upon acceptance of change order and monthly billing on percentage of completion of line items with original contract billing.  
 This proposal is good for 60 days from the above stated date.

Holly Check  
 Authorized UCS Representative

4/1/14  
 Dated:

\_\_\_\_\_  
 Authorized Acceptance Signature

\_\_\_\_\_  
 Dated:

# Subcontract Change Order



Change Order No: Two

Date Submitted: October 17, 2014

PROJECT NAME: Minneapolis Convention Center  
PROJECT ADDRESS: 1301 Second Ave South  
Minneapolis MN  
PROJECT NUMBER: 6028535

Contract Date: \_\_\_\_\_  
Contract Number: \_\_\_\_\_

Contractor Name: City of Minneapolis  
General Address: 330 Second Ave South Suite 552  
Minneapolis MN 55401

Subcontractor Name: KONE Inc.  
Subcontractor Address: 2965 Lone Oak Drive  
MINNEAPOLIS, MN 55121

### The Contract is hereby modified by the following scope/item(s):

Per your request to have all work done during off hours on overtime. Between the hours of 10pm and 7am from October 20th to October 31st. This change order covers the premium up charge for Kone Inc. and USC Construction Only. This is a change from our original scope of work.

Total Amount of this Change Order: \$ 23,585.00

Contract Time For Completion shall be increased by: 0 Days

Submitted By:  
KONE Inc.

By: Jack Bultman Date: October 17, 2014  
Name: Jack Bultman  
Title: Installation Manager

Please sign two (2) copies of this Change Order and return two (2) copies to KONE. A fully executed copy of this Change Order will be returned to you for your files.

Unless allowed for otherwise in the description above, payment for this Change Order shall fully compensate the contractor for all costs related in any way to this work and its effect on other work already contracted. Contractor agrees said work is for the benefit of the overall project and the cost of this Change Order includes additional costs, if any, attributed to loss of efficiency of labor performing the work.

### Signed Accepted:

The undersigned below, in addition to accepting this change order as binding to both parties, also acknowledges and certifies that they are an authorized representative to sign change orders on behalf of their respective company. The undersigned also agree to recognize KONE Inc.'s change order form in lieu of their own for this change order in the event that they do not submit a fully duplicated one on their own standard form within two (2) weeks of the executed date of this change order.

Subcontractor:  
KONE Inc.  
By: Jack Bultman Date: 10-17-2014  
Name/Title: Jack Bultman Installation Manager

Contractor:  
City of Minneapolis  
By: [Signature] Date: 20 OCT 2014  
Name/Title: \_\_\_\_\_

Subcontract Change Order



Change Order No: Three

Date Submitted: October 21, 2014

PROJECT NAME: Minneapolis Convention Center  
PROJECT ADDRESS: 1301 Second Ave South  
Minneapolis MN  
PROJECT NUMBER: 6028535

Contract Date: \_\_\_\_\_  
Contract Number: \_\_\_\_\_

Contractor Name: City of Minneapolis  
General Address: 330 Second Ave South Suite 552  
Minneapolis MN 55401

Subcontractor Name: KONE Inc.  
Subcontractor Address: 2965 Lone Oak Drive  
MINNEAPOLIS, MN 55121

The Contract is hereby modified by the following scope/item(s):

Change Order is for Shoring Scaffolding to be erected because of occupied space below six escalator units.  
This includes the deduct for crane rental  
This will be billed 50% in November and 50% in December 2014

Total Amount of this Change Order: \$ 82,661.00

Contract Time For Completion shall be increased by: 0 Days

Submitted By  
KONE Inc.

By: Jack Bultman Date: October 21, 2014  
Name: Jack Bultman  
Title: Installation Manager

Please sign two (2) copies of this Change Order and return two (2) copies to KONE. A fully executed copy of this Change Order will be returned to you for your files.

Unless allowed for otherwise in the description above, payment for this Change Order shall fully compensate the contractor for all costs related in any way to this work and its effect on other work already contracted. Contractor agrees said work is for the benefit of the overall project and the cost of this Change Order includes additional costs, if any, attributed to loss of efficiency of labor performing the work.

**Signed Accepted:**

The undersigned below, in addition to accepting this change order as binding to both parties, also acknowledges and certifies that they are an authorized representative to sign change orders on behalf of their respective company. The undersigned also agree to recognize KONE Inc.'s change order form in lieu of their own for this change order in the event that they do not submit a fully duplicated one on their own standard form within two (2) weeks of the executed date of this change order.

Subcontractor:  
KONE Inc.  
By: [Signature] Date: 10-21-2014  
Name/Title: Jack Bultman Installation Manager

Contractor:  
City of Minneapolis  
By: [Signature] Date: 10/22/2014  
Name/Title: FACILITIES OPS MANAGER