



Request for City Council Committee Action From the Department of Public Works

Date: October 6, 2009
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: **Chicago Avenue South Construction – Veit and Company, Inc**

Recommendation:

The proper City officers are authorized to increase Contract No C-26809 with Veit and Company from the current contract amount of \$992,848.58 to a revised contract amount of \$1,044,971.40. The construction contingency provided as part of the original Project Budget (Fund 04100-9010937-CPV029) is adequate to cover this increase; therefore no additional project appropriation is required.

Previous Directives:

Date: Resolution 2009R-206, City Council and Mayor granted approval of bids for OP# 7116, low bid of Veit and Company, Inc, Inc. in the amount of \$992,848.58.

Prepared by: Paul Ogren, Transportation Planning and Engineering, 673-2456
Larry Matsumoto, Transportation Maintenance and Repair, 919-1148
Ole Mersinger, Transportation Planning and Engineering, 673-3537

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Larry Matsumoto, Principal Professional Engineer, Public Works, TM&R

Reviews

Permanent Review Committee (PRC):	Approval <u>NA</u>	Date _____
Civil Rights Approval	Approval <u>YES</u>	Date <u>4/14/09</u>
Policy Review Group (PRG):	Approval <u>NA</u>	Date _____

Financial Impact

No financial impact

Community Impact

Neighborhood Notification:

City Goals: A SAFE PLACE TO CALL HOME: the city's infrastructure will be well-maintained, people will feel safe in the city.

Comprehensive Plan:

Zoning Code:

Background/Supporting Information

On May 8, 2009, the City Council and Mayor awarded the bid for a portion of the Chicago Avenue South roadway reconstruction project to Veit Construction for the amount of \$992,848.58. Construction on the roadway began on May 18, 2009 and project completion is anticipated for fall, 2009.

Change Order #1

The Contractor assisted the Minneapolis Water Department in performing activities associated with the water main cleaning and lining portion of the project to a cost of \$50,296.09. This additional project cost will be reimbursed by available Water funds (Water Fund 04100 - 9010950 activity/task WMCL-CWT912032).

Change Order # 2

Due to unforeseen conflicts with a variety of buried utilities, it was necessary to modify the original sewer plans to perform the necessary work at a total additional materials cost of \$419.44. This project cost will be reimbursed by Municipal State Aid funding.

Change Order No. #3

During the grading work, transite (a form of asbestos concrete pipe) was discovered on the project and removed at an additional cost of \$500.00. This additional project cost will be reimbursed by Municipal State Aid funding.

Change Order No #4

During the construction of underground utilities a delay to the contractor occurred due to the existence of numerous conflicting underground utilities to the amount of \$907.29. This project cost will be paid for by the existing project budget (Fund 04100-9010937-CPV029)

Therefore, the current contract amount with Veit Construction of \$992,848.58 shall be increased by \$52,122.82 to a revised contract amount of \$1,044,971.40 with the aforesaid revenue streams to cover the additional costs. The overall project construction contingency provided as part of the project is currently sufficient to accommodate these addition costs, therefore no adjustments to the project appropriation is required at this time.

cc: Gary Warnberg – Procurement
Don Elwood – Public Works
Mike Kennedy – Public Works
Greg Schroeder – Public Works
Bob Carlson – Public Works
Bill Schroeder - Finance