



Request for City Council Action

DEPARTMENT INFORMATION

ORIGINATING DEPARTMENT	REQUESTOR:	MEETING DATE:
Utilities	Utility Manager Neidermeier	February 9, 2026
PRESENTER(S)	REVIEWED BY:	ITEM #:
Consent	AE2S Engineer Hanson City Administrator/Finance Director Flaherty	3.4 – Pay Application for Wellhouse 4 Treatment

STRATEGIC VISION

MEETS:	THE CITY OF OTSEGO:
	Is a strong organization that is committed to leading the community through innovative communication.
X	Has proactively expanded infrastructure to responsibly provide core services.
	Is committed to delivery of quality emergency service responsive to community needs and expectations in a cost-effective manner.
	Is a social community with diverse housing, service options, and employment opportunities.
	Is a distinctive, connected community known for its beauty and natural surroundings.

AGENDA ITEM DETAILS

RECOMMENDATION:	
City Staff is recommending City Council approval of Pay Application #16 to Market & Johnson.	
ARE YOU SEEKING APPROVAL OF A CONTRACT?	IS A PUBLIC HEARING REQUIRED?
No	No
BACKGROUND/JUSTIFICATION:	
<p>The amounts requested in Pay Application No. 16 are consistent with the progress of work completed to date. The current request totals \$923,313.71, reflecting 83.0% of the contract value completed or stored to date. The remaining balance to finish, including retainage, is \$1,573,684.63.</p> <p>In accordance with Minnesota Statute, the City is withholding 5% retainage on completed work, which totals \$283,862.99 for this pay application.</p> <p>No change orders were processed during this period. Cumulatively approved change orders to date represent a 1.86% increase in the overall project cost. A 5.0% contingency is included in the approved project budget and financing package.</p>	
SUPPORTING DOCUMENTS ATTACHED:	
<ul style="list-style-type: none"> Pay Application #16 	

POSSIBLE MOTION

PLEASE WORD MOTION AS YOU WOULD LIKE IT TO APPEAR IN THE MINUTES:
Motion to approve Pay Application #16 in the amount of \$923,313.71 to Market & Johnson for work completed on the Wellhouse 4 Treatment Improvements project.

BUDGET INFORMATION

FUNDING:	BUDGETED:
Fund 601 – Drinking Water Utility	Yes

Contractor's Application for Payment

Owner: <u>City of Otsego</u>	Owner's Project No.: _____
Engineer: <u>AE2S</u>	Engineer's Project No.: <u>P05409-2020-010</u>
Contractor: <u>Market & Johnson</u>	Contractor's Project No.: <u>3416</u>
Project: <u>Otsego Wellhouse No. 4 Treatment Improvements</u>	
Contract: <u>All labor & materials to complete construction of expansion & treatment system improvements</u>	
Application No.: <u>16</u>	Application Date: <u>1/30/2026</u>
Application Period: From <u>12/27/2025</u>	to <u>1/31/2026</u>

1. Original Contract Price	\$ 6,840,000.00
2. Net change by Change Orders	\$ 127,081.49
3. Current Contract Price (Line 1 + Line 2)	\$ 6,967,081.49
4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)	\$ 5,677,259.85
5. Retainage	
a. <u>5%</u> X <u>\$ 5,654,719.85</u> Work Completed	\$ 282,735.99
b. <u>5%</u> X <u>\$ 22,540.00</u> Stored Materials	\$ 1,127.00
c. Total Retainage (Line 5.a + Line 5.b)	\$ 283,862.99
6. Amount eligible to date (Line 4 - Line 5.c)	\$ 5,393,396.86
7. Less previous payments (Line 6 from prior application)	\$ 4,470,083.15
8. Amount due this application	\$ 923,313.71
9. Balance to finish, including retainage (Line 3 - Line 4, plus 5c)	\$ 1,573,684.63

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor: Market & Johnson, Inc.

Signature:  **Date:** 1/30/2026

Recommended by Engineer	Approved by Owner
By: <u>RYAN HANSON, PE</u>	By: _____
Title: <u>PROJECT MANAGER</u>	Title: _____
Date: <u>2/3/2026</u>	Date: _____
Approved by Funding Agency	
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

Progress Estimate - Lump Sum Work

Contractor's Application

Project: Otsego Wellhouse No. 4 Water Treatment Improvements		Application Number: 16						
Application Period: 12/24/2025 - 01/31/2026		Application Date: 1/30/2026						
A		B	Work Completed		E	F		G
Specification Section No.	Description	Scheduled Value (\$)	From Previous Application (C+D)		Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish (B - F)
			From Previous Application (C+D)	This Period				
02 41 19	Selective Demolition	30,853.00	30,853.00			30,853.00	100%	-
03 20 01	Concrete Reinforcing Labor	67,068.00	67,068.00			67,068.00	100%	-
03 20 02	Concrete Reinforcing Material	93,399.00	93,399.00			93,399.00	100%	-
03 30 00	Cast In Place Concrete	1,092,954.00	1,087,235.84	3,491.00		1,090,726.84	100%	2,227.16
04 20 00	Unit Masonry	144,000.00	136,280.00	7,720.00		144,000.00	100%	-
05 10 01	Structural Steel Install	17,075.00	17,075.00			17,075.00	100%	-
05 10 02	Structural Steel Supply	7,400.00	7,400.00			7,400.00	100%	-
06 10 00	Building Works	63,733.00	63,733.00			63,733.00	100%	-
07 10 00	Dampproofing and Waterproofing	7,000.00	7,000.00			7,000.00	100%	-
07 21 00	Insulation	13,999.00	10,819.37	3,179.63		13,999.00	100%	-
07 27 00	Air Barriers	6,200.00	6,200.00			6,200.00	100%	-
07 30 00	Singles and Roofing Tiles	132,100.00	132,100.00			132,100.00	100%	-
07 46 00	Siding	9,056.00	-			-		9,056.00
07 50 00	Membrane Roofing	53,200.00	10,036.00	43,164.00		53,200.00	100%	-
07 90 00	Joint Sealants	8,808.00	-			-		8,808.00
08 10 00	Doors Frames & Hardware	105,354.00	76,076.94	26,221.50		102,298.44	97%	3,055.56
09 21 16	Gypsum Board Assemblies	37,802.00	-	37,802.00		37,802.00	100%	-
09 67 00	Fluid Applied Flooring	24,780.00	-			-		24,780.00
09 90 00	Painting & Coating	108,300.00	-	34,873.00		34,873.00	32%	73,427.00
10 14 00	Signage	3,172.00	-			-		3,172.00
10 40 00	Safety Specialties	1,327.00	-			-		1,327.00
21 00 00	Fire Protection	5,000.00	-			-		5,000.00
22 00 00	Plumbing							
22 00 00	Plumbing Below Grade Material	18,250.00	18,250.00			18,250.00	100%	-
22 00 00	Plumbing Below Grade Labor	5,850.00	5,850.00			5,850.00	100%	-
22 00 00	Plumbing Above Grade Material	27,350.00	-	2,870.00		2,870.00	10%	24,480.00
22 00 00	Plumbing Above Grade Labor	22,815.00	-	4,830.00		4,830.00	21%	17,985.00
22 00 00	Plumbing & Hydronic Pipe Insulation Material and Labor	22,485.00	3,730.00	4,220.00		7,950.00	35%	14,535.00
23 00 00	HVAC							
23 00 00	HVAC Material	187,650.00	16,870.00	86,515.00		103,385.00	55%	84,265.00
23 00 00	HVAC Labor	25,255.00	2,340.00			2,340.00	9%	22,915.00
26 00 00	Electrical							
26 00 00	General Electrical Conditions	82,000.00	42,500.00	8,000.00		50,500.00	62%	31,500.00
26 00 00	Power Distribution Gear	120,750.00	36,800.00	16,500.00		53,300.00	44%	67,450.00
26 00 00	Lighting Fixtures	11,040.00	-		11,040.00	11,040.00	100%	-
26 00 00	Generator Equipment	126,000.00	-	118,000.00		118,000.00	94%	8,000.00
26 00 00	Control Station and Instrumentation	89,700.00	89,700.00			89,700.00	100%	-
26 00 00	Branch Power and lighting Wiring	18,500.00	-	2,500.00		2,500.00	14%	16,000.00
26 00 00	Power Distrubution Wiring Labor	36,000.00	3,700.00	3,300.00		7,000.00	19%	29,000.00
26 00 00	Power Distrubution Wiring Material	55,400.00	1,500.00	1,100.00		2,600.00	5%	52,800.00
26 00 00	Controls and Motor Controls Wiring Labor	165,000.00	4,800.00	26,500.00		31,300.00	19%	133,700.00
26 00 00	Controls and Motor Controls Wiring Material	57,510.00	1,500.00	6,500.00		8,000.00	14%	49,510.00
26 00 00	Gear and Controls Submittals	40,000.00	40,000.00			40,000.00	100%	-
26 00 00	Spare Parts	15,000.00	-		11,500.00	11,500.00	77%	3,500.00
26 00 00	Start-up	3,000.00	-			-		3,000.00
26 00 00	O&Ms	1,100.00	-			-		1,100.00
28 00 00	Electronic Safety and Security Allowance	70,000.00	-			-		70,000.00

31 00 00	Earthwork								
31 00 00	Mobilization	53,800.00	53,800.00				53,800.00	100%	-
31 00 00	Demolition	30,000.00	30,000.00				30,000.00	100%	-
31 00 00	Erosion Control	10,000.00	10,000.00				10,000.00	100%	-
31 00 00	Earthwork	294,000.00	265,400.00				265,400.00	90%	28,600.00
31 00 00	Utilities	175,000.00	175,000.00				175,000.00	100%	-
32 12 16	Asphalt Paving	24,010.00	6,962.90				6,962.90	29%	17,047.10
32 16 00	Site Concrete	35,922.00	30,533.70				30,533.70	85%	5,388.30
40 10 00	Process Piping								
40 10 00	Process Pipe Material	423,595.00	219,909.90	118,304.00			338,213.90	80%	85,381.10
40 10 00	Process Pipe Labor and Misc.	188,720.00	18,872.00	58,495.00			77,367.00	41%	111,353.00
40 10 00	Process Valves	65,275.00	-	65,275.00			65,275.00	100%	-
40 10 00	Process Pipe Support Material	12,450.00	-				-		12,450.00
40 10 00	Process Pipe Support Labor	4,850.00	-				-		4,850.00
40 10 00	Process Pipe Chemical Pipe Material	8,350.00	-				-		8,350.00
40 10 00	Process Pipe Chemical Pipe Labor	14,875.00	-				-		14,875.00
43 00 00	Water and Wastewater Equipment								
43 25 00	Submersible Liquid Pumps	67,109.00	-	67,109.00			67,109.00	100%	-
43 32 76	Chlorine Gas Feed Equipment	150,325.00	112,000.00	38,325.00			150,325.00	100%	-
46 33 20	Liquid Chemical Storage Tanks and Scales	59,056.25	59,056.25				59,056.25	100%	-
46 33 40	Chemical Feed System Pumps	75,162.50	75,162.50				75,162.50	100%	-
46 33 80	Chemical Feed System Accessories	85,900.00	85,900.00				85,900.00	100%	-
46 61 21	Pressure Filter Airwash Blower	37,581.25	37,581.25				37,581.25	100%	-
46 61 21	Pressure Filters	859,000.00	515,400.00	257,700.00			773,100.00	90%	85,900.00
91 10 00	Builders Risk Insurance	6,937.00	6,937.00				6,937.00	100%	-
91 20 00	Performance and Payment Bonds	31,545.00	31,545.00				31,545.00	100%	-
91 30 00	Contractors Insurance	46,000.00	46,000.00				46,000.00	100%	-
91 40 00	Building Permit	40,000.00	9,515.06				9,515.06	24%	30,484.94
91 50 00	General Conditions	787,278.00	614,032.70	62,862.00			676,894.70	86%	110,383.30
91 60 00	Cold Weather Protection	20,024.00	8,009.60	7,001.20			15,010.80	75%	5,013.20
98 00 01	COR#001R1 - Modify the Distribution Piping and add a 12" Watermain Connection	40,872.65	40,872.65				40,872.65	100%	0.00
98 00 02	COR#002 - RFQ#02 - Abandoned Sanitary Fill and Plug	6,090.13	-				-		6,090.13
98 00 03	COR#003 - Add Temporary Overland Bypass Piping for Utility Work.	6,546.03	6,546.03				6,546.03	100%	-
98 00 04	COR#005R1 - RFQ#03 - Switching to Chemical Feed Pumps	(4,802.27)	-	(4,802.27)			(4,802.27)	100%	-
98 00 05	COR#008 - RFP#05 - Modifications to Valves and Piping	(5,086.14)	-	(5,086.14)			(5,086.14)	100%	-
98 00 06	COR#009 - RFP#08 - Grout Sloping at Reclaim Tank	41,262.85	38,200.00				38,200.00	93%	3,062.85
98 00 07	COR#012 - Backwash Tank Water Stop Removal per RFI #19	(917.68)	-	(917.68)			(917.68)	100%	-
98 00 08	COR#011R1 Flowable Fill Below South Addition Footings	26,783.27	26,783.27				26,783.27	100%	-
98 00 09	COR#014R1 Reusing Existing SSMH 103	(9,788.08)	-	(9,788.08)			(9,788.08)	100%	-
98 00 10	COR#016 Filter-to-Waste Valve Removal	(5,266.14)	-	(5,266.14)			(5,266.14)	100%	-
98 00 11	COR#013R1 Modifications to Submersible Pumps & Accessories	3,982.69	-	3,982.69			3,982.69	100%	-
98 00 12	COR#010 Addition of a Lintel at Door 110	2,359.56	2,359.56				2,359.56	100%	-
98 00 13	COR#007 Upsizing Blower Pipe Intake from 4" to 6" Piping	2,312.56	-	2,312.56			2,312.56	100%	-
98 00 14	COR#015R1 Floor Assembly and Roof Layout Modifications	18,914.39	6,970.00	11,944.39			18,914.39	100%	-
98 00 15	COR#021 RFP #14, RFI #28 Roofing Hardware	3,817.67	3,817.67				3,817.67	100%	-
	Totals	6,967,081.49	4,549,983.19	1,104,736.66		22,540.00	5,677,259.85	81%	1,289,821.64