



MEMORANDUM
Comfort Lake-Forest Lake Watershed District

Date: October 19, 2023
To: CLFLWD Board of Managers
From: Mike Kinney, District Administrator
Subject: Sunrise River/Highway 61 Wetland Enhancement Project Closeout



Background/Discussion

The purpose of this agenda item is to close out and approve the final contractor payment to Peterson Companies for the Sunrise River/Highway 61 Wetland Enhancement Project. This is a Chisago County petition project.

Construction was completed throughout the winter/spring of 2023. Revegetation was ongoing throughout the 2023 growing season. This project is estimated to remove 89 lbs./year phosphorus and 51,740 lbs./year total suspended solids for the Sunrise River, and 65 lbs./year phosphorus and 18,630 lbs./year total suspended solids for Comfort Lake.

The final project cost is \$1,620,000, which exceeds the original project budget by \$1,005,000. The original project budget was determined as part of the Clean Water Fund grant application in 2019. Additionally, the District was able to obtain two additional grants to help fund this project: a federal Section 319 Small Watershed Focus grant, and a Lower St. Croix Watershed Based Implementation Funding (WBIF) grant.

Clean Water Fund Grant	\$492,000	30%
Lower St. Croix WBIF Grant	\$300,449	19%
Section 319 Grant	\$100,000	6%
CLFLWD Levy	\$727,551	45%
Total Project Cost	\$1,620,000	
89 lbs./year phosphorus reduction, \$600/lb. reduced		

The construction cost is the primary reason for the project being over budget. Construction prices rose significantly between the time of project conception to the time of project bidding. Additionally, project feasibility and onsite soil sampling revealed site conditions that were more complicated than originally anticipated (i.e., excessive peat depths). The project design was also expanded to maximize water quality returns. Despite these changes resulting in a significantly greater cost, the estimated lifetime cost-benefit remains within the acceptable range at \$600/lb. phosphorus removed (includes estimated lifetime operations & maintenance cost).



MEMORANDUM
Comfort Lake-Forest Lake Watershed District

This agenda item is meant to close out the construction contract with Peterson Companies, therefore moving this project into the final project phase, Phase 5 – Operations & Maintenance.

Recommended Action

Proposed Motion: Manager _____ moves to accept the engineer’s certificate of completion and authorize final payment to the contractor. Seconded by Manager _____.

Attached: Engineer’s Certificate of Completion

Technical Memo



Project Name	Sunrise River Wetland Restoration	Date	October 26, 2023
To / Contact info	CLFLWD Board of Managers		
Cc / Contact info	Michael Kinney, CLFLWD Administrator Blayne Eineichner, CLFLWD Project Coordinator Greg Graska, PE, CLFLWD Engineer		
From / Contact info	Kyle Crawford, PE, Project Engineer		
Regarding	Project Closeout		

The purpose of this memorandum is to recommend final payment and closeout for the Sunrise River Wetland Restoration project.

Construction

As the project is complete, the Contractor has submitted a payment application for retainage, as well as all documents and forms necessary for final payment, and has requested a final inspection for project acceptance and closeout. The final inspection has been completed, and all work items are found to be in accordance with the contract documents.

Budget Update

EOR has reviewed the attached payment application from Peterson Companies for work completed, and is recommending payment for retainage held, as submitted on the payment application.

Summary of Payment

Original Contract Amount	\$1,323,248.15
Change Orders	\$63,616.28
Final Construction Cost	\$1,386,864.43

Work Completed to Date, Final Contract Amount	\$1,386,864.43
Work Completed to Date, Less Retainage to Date	\$1,317,521.21
Total Amount Previously Certified	\$1,317,521.21
Payment Request this Application (Retainage)	\$69,343.22

Recommendation of Payment

We are recommending payment of **\$69,343.22** to Peterson Companies as part of final closeout procedures.