

**Sourcewell**

**Indefinite Quantity Construction Contract Purchase Order**

**Contract No. MN-7-GC-040622-KRU**

This Purchase Order (hereinafter “Purchase Order” or “PO”) is entered into and effective this 21st day of March, 2024, by and between the following parties:

Red Wing Public School District #256  
2451 Eagle Ridge Drive  
Red Wing, MN 55066

(hereinafter called “Owner”), and

Kraus-Anderson® Construction Company  
501 South Eighth Street  
Minneapolis, MN 55402

(hereinafter called “Contractor”).

WITNESSETH THAT WHEREAS:

- A. The Contractor entered into an Indefinite Delivery – Indefinite Quantity Construction Contract with Sourcewell, dated April 19, 2022, Contract Number MN-R7-GC-040622-KRU, for Region 7 – Southwest (the “Sourcewell Contract”).
- B. Owner is a Sourcewell Participating Entity that requested a Proposal Package from Contractor pursuant to the Sourcewell Contract.
- C. Owner and Contractor desire to amend the Sourcewell Contract pursuant to this Purchase Order for the following project: 2024 Burnside Elementary Carpet Replacement Project 5001 Learning Lane, Red Wing, MN 55066 (the “Project”).
- D. Except as expressly modified by this PO, all terms and conditions of the Sourcewell Contract, and all the respective rights and obligations of the parties under the Sourcewell Contract, shall continue unchanged and in full force and effect. Capitalized words and phrases herein shall have the same meanings as are ascribed to such words in the Sourcewell Contract, except to the extent otherwise defined in this PO.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby amend the Sourcewell Contract and agree as follows.

1. Project Name and Description of the Detail Scope of Work:  
2024 Burnside Elementary Carpet Replacement Project  
Removal and Replacement of carpet and vinyl base with Milken carpet tile for  
Phase 1 and Phase 2 areas along with added alternate for entry/vestibule Milken  
OBEX carpet tile.
  
2. Owner's Representative: Alan Gaylor
  
3. Contractor's Representative: Erik Kaske
  
4. Architect Name and Address: NA
  
5. Contract Sum: The Owner shall pay the Contractor the Contract Sum of Three Hundred Forty-Six Thousand Five Hundred and 76/100 Dollars (\$346,500.76) for the Contractor's performance of this Purchase Order. The attached Exhibits are part of this PO as if each were physically incorporated therein:  
  
Exhibit 1            Contract Sum Breakdown, dated March 21, 2024.  
  
Exhibit 2            List of Assumptions and Clarifications, Alternates (if any), Allowances (if any) and Unit Prices (if any), dated March 21, 2024.  
  
Exhibit 3            List of Drawings, Plans and Specifications (the "Contract Documents").
  
6. Retainage: The Owner may withhold 5% of the value of each Application for Payment until Substantial Completion of the Project. Upon Substantial Completion, all retainage and other amounts due Contractor shall be paid to Contractor in full less one hundred fifty percent (150%) of the reasonable estimated cost of any incomplete Work and any unsettled Claims. Such withheld amount shall be paid to Contractor monthly as such incomplete Work is completed and Claims are settled.
  
7. Date of Commencement: The date of commencement of the Work shall be (a) the date of the PO, (b) upon receipt of the Building Permit for the Project, or (c) the date on which the Construction Manager receives a written notice to proceed from the Owner, whichever is later.

*(Alternatively, if a calendar date is desired in coordination with the substantial completion date, please insert a calendar date below.)*

The date of commencement shall be March 28, 2024.

8. Substantial Completion Date: The Construction Manager shall achieve Substantial Completion of the entire Work not later than \_\_\_\_\_ calendar days from the date of commencement under this PO (the “Contract Time”).

*(Insert the number of calendar days. Alternatively, if a calendar date is desired in coordination with the date of commencement, please insert a calendar date below.)*

The date of Substantial Completion shall be July 31, 2024.

9. Liquidated Damages: Yes  No  (Circle One)

If yes, the following language applies:

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in Section 7 of this PO, and subject to adjustments of the Contract Time and/or Substantial Completion date as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor, as the Owner’s sole and exclusive remedy and Contractor’s sole and exclusive liability for such failure, an amount equal to \_\_\_\_\_ Dollars (\$\_\_\_\_\_) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

10. Payment and Performance Bond: Yes  No

*(Circle One and describe any special requirements below)*

11. Builder’s Risk Insurance:  Owner  Contractor

*(Circle the party required to obtain Builder’s Risk Insurance for the Project)*

12. Amendments to General Conditions: The following amendments are hereby made to the General Conditions for Performing Work, which are applicable to the Contract (the “General Conditions”):

- a. Section III.O.3 shall be deleted and replaced with the following:

Sections 1 and 2 above will not be applicable when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents or where the Proprietary Rights violations are contained in Drawings, Specifications or other documents prepared by the Participating Entity or Project Manager.

- b. Section III.P.2 shall be deleted in its entirety.
- c. The following sections shall be added to Section III.S:
  - “4. To the extent permitted by law, the Participating Entity will indemnify and hold harmless the Contractor, Subcontractors, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys’ fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described herein and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) and provided that such damage, loss or expense is not due to the sole negligence of a party seeking indemnity.”
  - “5. If, without negligence on the part of the Contractor, the Contractor is held liable for the cost of remediation of a hazardous material or substance solely by reason of performing the Work as required by the Contract Documents, the Participating Entity will indemnify the Contractor for all cost and expense thereby incurred.”
- d. The first paragraph of Section III.W shall be amended to delete “materials” in the second line and “or provided by the manufacturer” in the last line.
- e. The second paragraph of Section III.W shall be amended to read as follows:
  - “During the Warranty Period, the Contractor shall repair and replace at Contractor’s own expense, all Work that may develop defects in workmanship.”
- f. The last paragraph of Section III.W shall be amended to delete the last sentence in its entirety.
- g. The second paragraph of Section IV.E shall be amended to delete the last sentence in its entirety.
- h. The last paragraph of Section IV.E shall be amended to insert “use good faith efforts to” between “The Contractor must” and “meet” in the first sentence.
- i. Section IV.M is amended to include the following sentence at the end of the section:

“In the event of a termination under 1 or 2 above, the Contractor shall be paid for all Work performed through the date of termination, along with all costs incurred as a result of the termination.”

- j. Section IV.N shall be amended to read as follows:

“This Purchase Order shall be governed by the laws of the place where the Project is located, without regard to its conflict of laws principles.”

- k. The first paragraph of Section V.A shall be amended to delete the last sentence in its entirety.

- l. Section IX shall be deleted and replaced with the following:

“To the fullest extent permitted by law and to the extent claims, damages, losses or expenses are not covered by insurance purchased by the Contractor, the Contractor will indemnify and hold harmless Sourcewell, Gordian, the Participating Entity, Project Manager, consultants, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney’s fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to extent caused by the negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation will not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Paragraph.”

- m. The first sentence of Section XVII.C shall be amended to delete “arising out of activities” and insert “for claims caused in whole or in part by the Contractor’s negligent acts or omissions during” in its place.

- n. The following provisions shall be inserted as Section XVII.F:

“Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, and (2) the Architect, Architect’s consultants, Owner’s separate contractors, if any, and any of their subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to Section XVII or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by Owner. Owner or Contractor, as appropriate, shall require of the Architect, Architect’s consultants, Owner’s separate contractors, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate

agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

If during the Project construction period Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, Owner shall waive all rights in accordance with the terms of this Section XVII.F for damages caused by fire or other causes of loss covered by this separate property insurance. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.”

- o. The following provision shall be inserted as Section XVII.G:

“The Contractor and Owner waive claims against each other for consequential damages arising out of or relating to this Agreement. This mutual waiver includes damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and damages incurred by the Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work. This mutual waiver is applicable, without limitation, to all consequential damages due to either party’s termination of the Agreement. Nothing contained in this Section XVII.G shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.”

- p. The second paragraph of Section XIX shall be deleted and replaced with the following:

The Contractor shall comply with the provisions set forth in this Section XIX only to the extent (i) specifically set forth or referenced in the Purchase Order and (ii) applicable to the Work under the Purchase Order.

The parties hereto have executed this Purchase Order as of the date first set forth above.

Red wing Public Schools

**(Owner)**

DocuSigned by:

*Alan Gaylor*

CE99E88B91374CB...

By: \_\_\_\_\_

Name: Alan Gaylor

Title: Buildings/Grounds Director

**Kraus-Anderson® Construction Company  
(Contractor)**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



Work Order Signature Document

Sourcewell EZIQC Contract No.: MN-R7-GC-040622-KRU

New Work Order

Modify an Existing Work Order

Work Order Number: 126937.00

Work Order Date: 03/21/2024

Owner PO No:

Work Order Title: ISD #256 Red Wing Public Schools - Burnside Elementary School Carpet Replacement 2024

Owner Name: ISD #256 Red Wing Public Schools

Contractor Name: Kraus-Anderson Construction Company

Contact: Alan Gaylor

Contact: Erik Kaske

Phone: 651-385-4507

Phone: 612.772.2196

Work to be Performed

Work to be performed as per the Final Detailed Scope of Work Attached and as per the terms and conditions of Sourcewell EZIQC Contract No MN-R7-GC-040622-KRU.

Brief Work Order Description:

Carpet Project

Time of Performance See Schedule Section of the Detailed Scope of Work

Duration

Liquidated Damages Will apply:

Will not apply:

Work Order Firm Fixed Price: \$346,500.76

Owner Purchase Order Number:

Approvals

DocuSigned by:

Alan Gaylor

3/27/2024 | 1:49 PM CDT

Owner

Date

Contractor

Date





### Detailed Scope of Work

---

**To:** Erik Kaske  
Kraus-Anderson Construction Company  
No Data Input  
No Data Input,  
612.772.2196

**From:** Alan Gaylor  
ISD #256 Red Wing Public Schools  
2451 Eagle Ridge Drive  
Red Wing, MN 55066  
651-385-4507

**Date Printed:** March 21, 2024

**Work Order Number:** 126937.00

**Owner PO No:**

**Work Order Title:** ISD #256 Red Wing Public Schools - Burnside Elementary School Carpet Replacement 2024

**Brief Scope:** Carpet Project

---

Preliminary

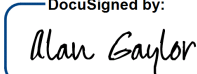
Revised

Final

---

The following items detail the scope of work as discussed at the site. All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.

Phase 1 Area - includes removing existing carpet, remove vinyl base through out entire classrooms and offices , grind adhesive, move cabinets as required. New carpet tile in the classrooms & offices, new entry/vestibule walk-off carpet, 4" vinyl base and patching VCT. Phase 2 Area - includes removing existing carpet, remove vinyl base through out entire classrooms and offices, grind adhesive, move cabinets as required. New carpet tile in the classrooms & offices, new entry/vestibule walk-off carpet, 4" vinyl base and patching VCT.

DocuSigned by:  
  
Contractor

3/27/2024 | 1:49 PM CDT  
Date

Owner

Date

## Contractor's Price Proposal - Summary

---

**Date:** March 21, 2024

**Re:** IQC Master Contract #: MN-R7-GC-040622-KRU  
Work Order #: 126937.00  
Owner PO #:  
Title: ISD #256 Red Wing Public Schools - Burnside Elementary School Carpet Replacement 2024  
Contractor: Kraus-Anderson Construction Company  
Proposal Value: \$346,500.76

---

---

**No Category Input** **\$346,500.76**

---

**Proposal Total** **\$346,500.76**

---

**Contractor's Price Proposal - Detail****Date:** March 21, 2024

**Re:** IQC Master Contract #: MN-R7-GC-040622-KRU  
 Work Order #: 126937.00  
 Owner PO #:  
 Title: ISD #256 Red Wing Public Schools - Burnside Elementary School Carpet Replacement 2024  
 Contractor: Kraus-Anderson Construction Company  
 Proposal Value: \$346,500.76

Sect.	Item	Modifier	UOM	Description	Line Total						
Labor	Equip.	Material	(Excluded if marked with an X)								
<b>No Category Input</b>											
1	09 65 13 13 0003			LF 4" High, 1/8" Thick, Type TV Thermoplastic Vinyl Wall Base, All Colors	\$14,925.27						
				Quantity	Unit Price	Factor	=	Total			
				Installation	1,596.00	x	3.72	x	1.3614	=	8,082.80
				Demolition	2,275.00	x	0.93	x	1.3614	=	2,880.38
2	09 65 13 13 0003 0457			MOD For >960, Deduct	-\$1,242.38						
				Quantity	Unit Price	Factor	=	Total			
				Installation	1,596.00	x	-0.42	x	1.3614	=	-912.57
3	09 65 13 36 0005			LF 1/4" To 1/8" Material, Narrow, Vinyl, Slim Line Transition (Johnsonite SLT-XX-A)	\$3,234.69						
				Quantity	Unit Price	Factor	=	Total			
				Installation	900.00	x	2.64	x	1.3614	=	3,234.69
4	09 65 13 36 0005 0147			For >960, Deduct	-\$355.33						
				Quantity	Unit Price	Factor	=	Total			
				Installation	900.00	x	-0.29	x	1.3614	=	-355.33
5	09 68 13 00 0003			SY 18 Ounce, Non Patterned, Nylon Carpet Tile	\$326,871.05						
				Quantity	Unit Price	Factor	=	Total			
				Installation	4,944.00	x	34.32	x	1.3614	=	230,999.74
				Demolition	1,502.00	x	4.45	x	1.3614	=	9,099.46
6	09 68 13 00 0003 0418			MOD For >3,500, Deduct	-\$42,150.99						
				Quantity	Unit Price	Factor	=	Total			
				Installation	4,944.00	x	-4.60	x	1.3614	=	-30,961.50
7	09 68 16 00 0051			SY 22 Ounce, Medium Traffic, Non Patterned, Nylon Broadloom Carpet	\$52,611.04						
				Quantity	Unit Price	Factor	=	Total			
				Installation	0.00	x	43.70	x	1.3614	=	0.00
				Demolition	1,552.00	x	18.29	x	1.3614	=	38,644.81
8	09 68 16 00 0051 0409			MOD For >900, Deduct	-\$7,392.59						
				Quantity	Unit Price	Factor	=	Total			
				Installation	1,552.00	x	-2.57	x	1.3614	=	-5,430.13
<b>Subtotal for No Category Input</b>					<b>\$346,500.76</b>						
<b>Proposal Total</b>					<b>\$346,500.76</b>						

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

**KRAUS-ANDERSON**®

Kraus-Anderson Construction Company

501 South Eighth Street, Minneapolis, MN 55404

March 21, 2024

Redwing Public Schools  
Attn: Alan Gaylor  
2451 Eagle Ridge Drive  
Redwing, MN 55066

Re: Burnside Elementary School  
Carpet Replacement Project

Kraus Anderson Construction Company proposes to furnish all labor, material compensation, general liability insurance and all state, federal and local taxes, including sales tax for the 2024 Carpet Replacement in accordance with the Floor Plan dated February 20, 2024 for the lump sum of **Three Hundred Seventeen Thousand Two Hundred Dollars (317,200.00)**.

Below are several clarifications as it pertains to the above quoted sum

1. We have not included hazardous materials testing, abatement of same, including but not limited to asbestos. Should we encounter any of these type materials, we will assist the owner by recommending licensed firms that the owner can hire for remediation.
2. We include removal of existing carpet, flooring adhesive and vinyl base.
3. Milken Carpet Tile – Live Circuit Collection
4. Vinyl Base color and style TBD.
5. Construction start date of June 10, 2024 and completion on July 31, 2024.
6. 3% attic stock is included for all carpet and vinyl base.
7. We have included a \$5,000 contingency allowance which will be tracked and the final contract amount will be adjusted accordingly by change order.
8. We have not included any costs for Payment and Performance Bonds.
9. We have not included any costs for a Building Permit.
10. Weekly site visits to be conducted three times a week by Kraus-Anderson and as necessary to track current progress.
11. We have not included any costs for final cleaning.
12. Moving of the Owners furniture and its contents will be the responsibility of the Owner and not the Contractor.
13. Pricing is based on Kraus Anderson Construction standard AIA A104 Contract Agreement.
- 14. Alternate #1 Add \$29,300.76 OBEX Vestibule Carpet**

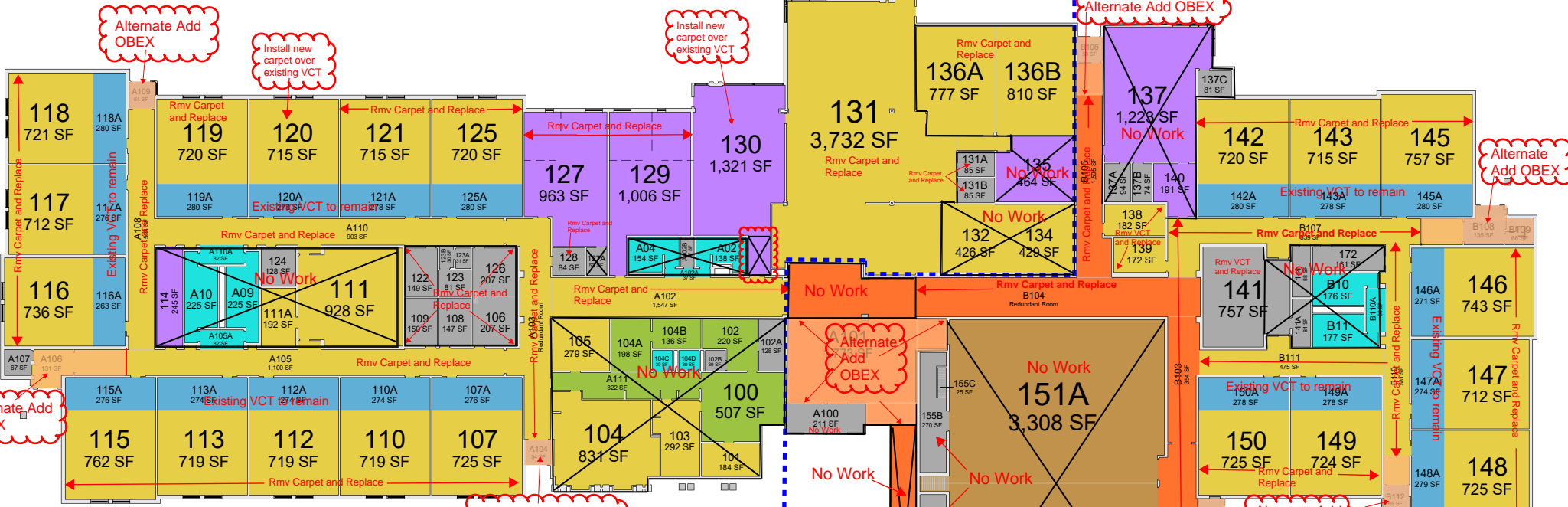
Monthly progress billings will be submitted on the first of the month with payments to be made to the Contractor by the Fifteenth of the month in the sum of 100% of amount invoiced. An itemized final billing will be submitted upon completion, full payment will be due within thirty days of substantial completion.

We appreciate the opportunity to quote you on this work and look forward to working with you on this project. If you have any questions, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Erik J. Kaske".

Erik Kaske, Project Manager II  
[Erik.Kaske@krausanderson.com](mailto:Erik.Kaske@krausanderson.com)  
Cell: 612-772-2196



# 1st Floor

## Floor Surface Type

- Carpet 1994
- Concrete
- Quarry Tile
- Terrazzo
- VCT 1994
- VCT 2002
- VCT 2003
- Wood

Remove and replace all vinyl base with same height.  
No Vinyl Base in Corridors

Floor Finish Schedule 2015		
Floor Finish	Year Installed	Area
Carpet 1994	1994	35,663 SF
Concrete		12,013 SF
Quarry Tile		3,706 SF
Terrazzo		6,234 SF
VCT 1994	1994	9,672 SF
VCT 2002	2002	1,397 SF
VCT 2003	2003	6,545 SF
Wood		6,621 SF
Grand total:	196	81,850 SF

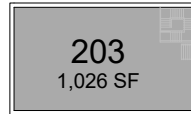
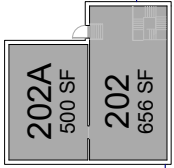
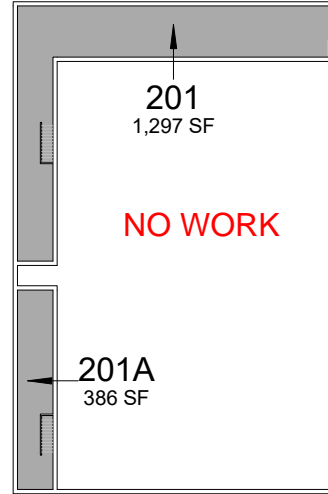
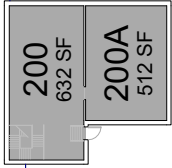
Flooring contractors to field verify existing conditions for flooring, vinyl base removal and replacement.

Flooring Contractor to provide 3% of attic stock for all carpet types.

Alternate #1 - Add OBEX  
A101, A104, A107, A108,  
B101, B106, B108, B112,  
C100, C102

NO WORK

NO WORK



## Mezzanine



### Floor Surface Type

 Concrete

Floor Finish Schedule 2015		
Floor Finish	Year Installed	Area
Carpet 1994	1994	35,663 SF
Concrete		12,013 SF
Quarry Tile		3,706 SF
Terrazzo		6,234 SF
VCT 1994	1994	9,672 SF
VCT 2002	2002	1,397 SF
VCT 2003	2003	6,545 SF
Wood		6,621 SF
Grand total: 196		81,850 SF

NO WORK

NO WORK

	<b>Burnside Elementary</b>	Date 6/20/2018	
	<b>Floor Surface Type</b>		

2024 Burnside Elementary Carpet Replacement Project Kraus-Anderson Construction Company Drawn by EK Date 2/20/2024
---

