

Lewis & Clark, contractor, tangle over money, project delays

Jonathan Ellis, Sioux Falls Argus Leader Published 9:36 a.m. CT Jan. 23, 2020 | Updated 10:06 a.m. CT Jan. 23, 2020

A company that won a bid to lay 15 miles of water pipe for the Lewis & Clark Regional Water System says it hasn't been paid more than \$1.7 million for its work.

S.J. Louis Construction Inc. has sued Lewis & Clark to recover the money. The Rockville, Minn. company won a bid to install 24-inch pipe from Adrian, Minn. to Worthington as part of the system's sprawling mission to bring fresh Missouri River aquifer water to communities in South Dakota, Iowa and Minnesota.

The contract award for that particular segment was for \$10,785,600. It was awarded July 6, 2017.

It called for a substantial completion date of Nov. 2, 2018 and a final completion date of May 10, 2019.

The company's lawsuit admits that it missed completion dates, but it blames the weather, citing "historic" rainfalls that occurred in the area in 2018 and 2019.

"As a result of the extremely wet conditions, the project site was saturated, creating mud, pooling and soil issues that seriously impeded the pipe-laying activities; activities that could not occur for extended periods of time, until the adverse soil conditions dried," the lawsuit says.

The lawsuit also blames Lewis & Clark for removing the project's superintendent without just cause. And it says Lewis & Clark failed to recognize the weather as a legitimate, contractual reason for the delays.

Following substantial completion in May of last year, the company says Lewis & Clark did not cooperate with setting a "punch list" so that the company could achieve final completion.

But Troy Larson, the executive director of Lewis & Clark, said that in his 18 years with the system, the Adrian to Worthington section has been the most frustrating.

"No construction project has gone worse than this one, hands down, not even a close second-place," Larson said.



Tiled floor inside the Lewis & Clark Regional Water System water treatment plant near Vermillion. (Photo: Elisha Page / Argus Leader)

Larson said there were plenty of other issues besides weather that delayed the project, but he declined to elaborate because the issue is in litigation. And he said the system was entitled to liquidated damages because S.J. Louis missed project deadlines.

“We strongly disagree and will be working with them to resolve this before it ends up in court,” Larson said. “But if it ends up in court, it ends up in court.”

Lewis & Clark consists of 20 members – rural water systems and communities that get water from Lewis & Clark directly, including Sioux Falls. Congress authorized funding for the project in 2000.

The project, Larson said, is 82 percent complete. The last community scheduled to be hooked up to Lewis & Clark is Madison, South Dakota, currently scheduled for 2025.

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