

ITEM #: 25
DATE: 05-28-24
DEPT: Transit

COUNCIL ACTION FORM

SUBJECT: APPROVAL OF 2023 SHOP REHABILITATION PROJECT CHANGE ORDER

BACKGROUND:

CyRide's 2023 Shop Rehabilitation Project was awarded to R.H. Grabau Construction, Inc. of Boone, Iowa, in August 2023. The initial contract amount was \$390,165, which included the base bid plus bid Alternate #1. The project started in November 2023, and the construction component of this project is nearing completion.

Plans and specifications called for consolidating bus parts into one location, improving maintenance employees' work environment, supporting employee efficiency, and adjusting workspaces to enhance safety. The project received \$581,566 of state funding through an Iowa DOT Public Transit Infrastructure Grant (PTIG) and had an initial project budget of \$750,000. **The favorable bid by R.H. Grabau resulted in a contingency fund of \$359,835.**

Due to an uncertain bid climate and the construction estimate provided by the Architecture and Engineering (A&E) firm (\$684,750), a number of originally planned components were removed from the final bid documents. **To date, CyRide has issued and approved four change orders totaling \$18,442.27. A fifth change order was prepared but not executed.** Purchasing policies require governing body approval when a project's total change order cost surpasses 20% of the project budget or \$50,000, whichever is lower.

A sixth Change Order, in the amount of \$48,482.07, is being requested to utilize unallocated grant funding and align with the stated project goals. Among other modifications, Change Order #6 would create a new space for the maintenance division Principal Clerk position, allowing this employee to greet visitors better, receive shipments, and provide additional document storage space. Existing plumbing and electrical equipment would be removed and relocated to the mezzanine level. It would also allow the Maintenance Coordinator to have an individual office space for private conversations.

The following table lists the approved and requested change orders.

Item	Description	Amount
R.H. Grabau Construction Inc.	Base Bid	\$385,000.00
Alternate #1	Install Window on the new masonry all	\$5,165.00
Change Order #1	Infill opening in the mezzanine	\$2,356.00
Change Order #2	Extend west support I-beam to vertical I-beam	\$1,842.12
Change Order #3	Add power outlets, data ports, and relocate fluid system control terminal	\$4,895.74
Change Order #4	Not executed	\$0.00

Change Order #5	Rework air compressor power supply wires, add data ports in repair bay and wing wall, add vertical support C-channel, and repair concrete under removed wall	\$9,348.41
Current Total		\$408,607.27
Requested Change Order #6	Rework existing mop sink area into office space for the Principal Clerk position. Move existing laundry facilities to the mezzanine level. Apply epoxy flooring to the fabrication area under the new mezzanine floor and between the new masonry wall and repair bay. Paint remaining walls in the fabrication area under the new mezzanine floor and reworked office space.	\$48,482.07
Amended Contracted Total		\$457,089.34

Approval of this Change Order will result in a revised total contract amount for R.H. Grabau Construction, Inc. of \$457,089.34. The Transit Board of Trustees approved the requested change order at its May 16, 2024, meeting.

ALTERNATIVES:

1. Approve Change Order No. 06 in the amount of \$48,482.07, to R.H. Grabau Construction, Inc. of Boone, Iowa, bringing the contract total to \$457,089.34.
2. Do not approve the requested change order.

CITY MANAGER'S RECOMMENDED ACTION:

The requested change to the project would allow CyRide to improve workspaces to meet the current needs of CyRide's maintenance division and maximize the utilization of grant funds. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.