

COUNCIL ACTION FORM

SUBJECT: 2015/16 AIRPORT TERMINAL BUILDING AND HANGAR – (PHASE 1: SITE WORK, APPROVAL OF CHANGE ORDER #4)

BACKGROUND:

The City’s 2015-2020 Capital Improvements Plan (CIP) includes a project to construct a new terminal building, itinerant hangar, and related site improvements at the Ames Municipal Airport. This project is divided into two phases. The first phase is for the site improvements, and the second phase is for construction of the terminal facility.

On August 25, 2015, City Council awarded the Airport Terminal Building and Hangar – (Phase 1: Site Work) to Absolute Concrete Construction in the amount of \$772,299.10. To date, three change orders have been previously approved by staff. Change Order No. 1 was in the amount of \$7,755, and was for additional storm sewer. Change Order No. 2 was in the amount of \$3,300, and was for adjustment in watermain. Change Order No. 3 was in the amount of \$660, and was to resize a water value. The fourth change order was for a reduction in the amount of \$40,184 for a reduction in sidewalk and associated work. Although the net impact of the change orders is a deduction of \$28,469, this brings the total absolute value of change orders to \$51,899. Because the amount exceeds \$50,000, City Council will need to approve this change order. A summary of the change orders are shown below:

<u>Change Orders</u>	<u>Amount</u>
No. 1	\$ 7,755
No. 2	\$ 3,300
No. 3	\$ 660
No. 4	<u>\$(40,184)</u>
Net Total =	\$(28,469)
Absolute Change =	\$ 51,899

ALTERNATIVES:

1. Approve Change Order No. 4 for the 2015/16 Airport Terminal Building and Hangar (Phase1: Site Work) as a deduction in the contract amount by \$40,184, thereby approving all other change orders to date resulting in a net contract deduction of \$28,469.
2. Direct staff to pursue modification to the project.

MANGER'S RECOMMENDED ACTION:

By approving this change order the City will experience savings on the Site Work portion of the Airport Terminal Building project, and will allow the project to continue moving forward.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as shown above.