

COUNCIL ACTION FORM

SUBJECT: 2015/16 AIRPORT IMPROVEMENTS (TERMINAL SITE WORK)

BACKGROUND:

The Airport Improvements Program in the City's 2015/16 Capital Improvements Plan includes a project to construct a new terminal building, an itinerant hangar, and related site improvements at the airport. In accordance with an agreement between the City and Iowa State University, the itinerant hangar has been constructed using private donations. Once the hangar has passed a final inspection by staff, the City will assume ownership of the hangar.

On August 25, 2015, the City Council awarded the site work contract to Absolute Concrete Construction of Slater, Iowa, in the amount of \$772,499.10. **Construction was completed in the amount of \$737,638.50.** The project had five changes orders as follows:

| Change Orders | Description | Amount |
|----------------------|----------------------------------|----------------------|
| No. 1 | Sewer and Subdrain Modifications | \$7,755.00 |
| No. 2 | Water Valve Resize | \$3,300.00 |
| No. 3 | Water Service Resize | \$1,210.00 |
| No. 4 | Sidewalk and Fence Modifications | (\$40,184.00) |
| No. 5 (Balancing) | Finalize Quantities | (\$6,941.60) |
| Net Change | | (\$34,860.60) |

Change orders 1, 2, and 3 were administratively approved by staff and change order 4 was approved by City Council on February 23, 2016. Change order 5 is the balancing change order reflecting final project quantities.

The following table summarizes the 2015/16 Airport Improvements program funding sources and expense breakdown for this project:

| Revenues | | Expenses | |
|-----------------|--------------------|---|--------------------|
| G.O. Bonds | \$867,000 | Site Design | \$160,000 |
| Bonds (Abated) | \$943,000 | Site Construction (final amount) | \$737,639 |
| Federal | \$600,000 | Terminal Design | \$266,700 |
| State | \$150,000 | Terminal Fixtures/Furnishings (est.) | \$133,600 |
| ISU | \$250,000 | Terminal Construction (est.) | \$1,973,900 |
| Hotel/Motel Tax | \$250,000 | | \$3,271,839 |
| AEDC | \$250,000 | | |
| | \$3,310,000 | Available for Terminal Contingency | \$38,161 |

ALTERNATIVES:

1. Accept the 2015/16 Airport Improvements (Terminal Site Work) as completed by Absolute Concrete Construction of Slater, Iowa, in the amount of \$737,638.50.
2. Direct staff to pursue modifications to the project.

MANAGER'S RECOMMENDED ACTION:

This project was completed in accordance with the approved plans and specifications and is within the approved budget. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

With the Change Order #5 saving an additional \$6,941, the amount available for a contingency for the Terminal construction is increased to \$38,161.