

ITEM #: 17
 DATE: 02-14-23
 DEPT: Transit

COUNCIL ACTION FORM

SUBJECT: CYRIDE 2022 HVAC IMPROVEMENT PROJECT CLOSEOUT

BACKGROUND:

The CyRide 2022 HVAC Improvement Project was approved on August 11, 2021. Plans and specifications called for replacing aging heating, ventilation, and air conditioning (HVAC) equipment in the maintenance repair bays and the southwest bus storage area. Using an Iowa Public Transit Infrastructure Grant, CyRide established a project budget of \$576,577. Bids were due on September 8, 2021. Stein Heating and Cooling Inc. of Webster City, Iowa, submitted a bid for \$499,600 and was awarded the contract at the September 28, 2021, City Council meeting.

Construction on the project started in January 2022 and was substantially completed on September 30, 2022. During construction, the project had five change orders resulting in a net cost increase of \$776.93. As of January 18, 2023, the project punch list is complete, the required project documentation is on file, and Stein Heating and Cooling Inc. has met all of the contract conditions to the satisfaction of CyRide staff and the A&E firm.

The table below outlines details of the final project costs.

| Description | Amount |
|--|----------------------|
| Original Contract Base Bid | \$ 453,300.00 |
| Add Alternative #2 – Incorporate HVAC units into the Controls System | 46,300.00 |
| Contract Award Amount | \$ 499,600.00 |
| Change Order No. 1 – Replace natural gas shutoff valve | \$ 1,236.20 |
| Change Order No. 2 – Add insulation to HVAC curbs | 631.17 |
| Change Order No. 3 – Deduct: Remove ductwork painting from scope | -6,133.30 |
| Change Order No. 4 – Add walk pads around new units on the roof | 3,967.47 |
| Change Order No. 5 – Add wiring for destratification fans | 1,075.39 |
| Total Project Cost with Change Orders | \$ 500,376.93 |
| Payment Made to Date | \$ 475,358.09 |
| Unpaid Balance – 5% Retainage | \$ 25,018.84 |

All but the remaining \$25,018.84 in retainage has been paid to date. Payment of retainage is the last step needed to complete this project. The Transit Board approved the project closeout and authorized the release of retainage at their January 23, 2023, meeting.

ALTERNATIVES:

1. Accept final project completion and approve the release of retainage in the amount of \$25,018.84 to Stein Heating and Cooling Inc. of Webster City, Iowa, for the 2022 HVAC Improvements Project.
2. Do not accept final completion and release of retainage to Stein Heating and Cooling Inc. of Webster City, Iowa, and direct staff to modify the project.

CITY MANAGER'S RECOMMENDED ACTION:

All documentation and punch list items are complete, and all conditions of the project contract have been finished to the satisfaction of CyRide staff and the A&E firm. Closeout of this project is the last step needed to complete this important upgrade to the CyRide facility. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.