

PURCHASE ORDER CHANGE ORDER ANALYSIS AND STAFF RECOMMENDATION

Contracting Agency:	Travaux Inc.
Purchase Order Number:	HOL12963
Contractor:	Dodge and Sons Builders LLC
Change Order Amount:	\$59,000.00 not-to-exceed
Type of Work, Services, or Material:	Carpentry (HT-4.1)
Housing Development:	Holton Terrace
Budget/Account Number:	Holton Terrace Mixed-Financing, 572B-148000

PROCUREMENT REVIEW

PROCURING SECTION: Modernization & Development Services

Travaux issued a competitive, formal, advertised invitation for sealed bids for Carpentry (HT-4.1) for Remodeling at Holton Terrace. Purchase Order HOL12963 was awarded to Dodge and Sons Builders LLC, the lowest responsive and responsible bidder. The original award of \$211,000.00 was under the threshold of \$250,000.00 above which approval by the Travaux Board of Directors is required; therefore, award was not presented for board approval at the time.

During the course of the carpentry construction, additional work beyond the original scope was required, resulting in several change order items totaling \$59,000.00 not-to-exceed (see summary below). Two work items required to accommodate new kitchen countertops have already been authorized. Due to savings realized in the course of Travaux's overall Construction Manager as Constructor contract, funds were identified to expand the scope of carpentry work. As a result, work can be added in common areas, including new acoustical tile ceilings and cabinets. Bidding out the common areas work separately would delay start of work by three to four weeks and jeopardize meeting the placed-in-service requirement that all work be completed no later than the end of July 2021. Consequently, it is proposed to add the common areas work to Dodge and Sons Builders LLC's purchase order, as such work falls under the same work category. An allowance for future change order items, if any are necessary, is also proposed.

The new purchase order amount of \$270,000.00 not-to-exceed now exceeds the aforementioned \$250,000 threshold; therefore, approval by the Travaux Inc. Board of Directors is required.

The Modernization & Development Services Section recommends executing the change order as described.

Original Award, \$211,000.00
Change Orders 1 and 2 (kitchen countertops), \$11,919.00
Change Order 3 (common areas work), \$38,435.00
Change Order Allowance (future items, if necessary), \$8,646.00
Total, \$270,000 not-to-exceed

Vice President of Construction _____ Date _____

EMERGING BUSINESS ENTERPRISES

Target Contracting	<u> 25 </u> %	<u>20% MBE and/or WBE</u> <u>5% any designation (MBE, WBE, DBE, EBE, SBE, VOB)</u>
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Proposed Contracting	100	%	VOB
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Dodge and Sons Builders LLC is a certified VOB with the State of Wisconsin; this designation can be utilized toward the WHEDA contracting goal. Dodge and Sons Builders LLC has not identified a need to subcontract at this time. If Dodge and Sons Builders LLC needs to subcontract any portion of the work in the future, then Dodge and Sons Builders LLC will contact Purchasing/Contracts Services prior to seeking any subcontractors on its own. Purchasing/Contracts Services recommends proceeding with the change order.

Section 3 Coordinator _____ Date _____

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SECTION 3

Target Contracting (when triggered)	<u>10</u> %	Target Employment (when triggered)	<u>30% of new hires</u>
Proposed Contracting	<u>100</u> %	Proposed Employment	<u>zero hires</u>

Dodge and Sons Builders LLC is a certified Section 3 business. Dodge and Sons Builders LLC has not identified a need to subcontract at this time. If Dodge and Sons Builders LLC needs to subcontract any portion of the work in the future, then Dodge and Sons Builders LLC will contact Purchasing/Contracts Services prior to seeking any subcontractors on its own. Dodge and Sons Builders LLC has not identified a need to hire at this time. If Dodge and Sons Builders LLC needs to hire in the future, then Dodge and Sons Builders LLC will contact Purchasing/Contracts Services prior to seeking any candidates on its own. Purchasing/Contracts Services recommends proceeding with the change order.

Section 3 Coordinator _____ Date _____

FINANCE AND ACCOUNTING

Finance and Accounting concurs with the recommendation of the Procuring Section to execute the change order to the purchase order as described. Charge the account number(s) as listed above.

Grants Accountant/Budget Analyst _____ Date _____

RECOMMENDATION

RECOMMEND EXECUTION OF CHANGE ORDER AS DESCRIBED ABOVE.

APPROVAL RECOMMENDED

Chief Financial Officer _____ Date _____

APPROVED

Secretary–Executive Director _____ Date _____

HA-195 (09/2015)