



Greenfield Engineering & Planning

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April 14, 2026

Board of Public Works and Safety
10 S. State Street
Greenfield, IN 46140

Re: Riley Arts Trail (INDOT Contract R-41318)
Memorandum of Understanding with Lochmueller Group

Dear Members,

The City of Greenfield is proceeding with INDOT's construction of the Riley Literary Trail (Agreement dated November 17, 2020). Staff has met with the design engineer, Lochmueller Group, concerning several changes to the original design plans.

A total of nearly \$300,000 in changes resulted from unexpected items that needed to be added to the project across 21 of the anticipated 24 change orders. These items were unexpected because they were not identified by the designer and were therefore not included in the original plans.

Under the City's initial agreement with INDOT, the State agreed to participate up to a maximum project cost. Fortunately, the final audit of project quantities showed significant underruns, allowing INDOT to cover the majority of these unexpected items within their 80/20 cost share. After this audit and cost reconciliation, the net additional cost to the City is just short of \$27,000.

Lochmueller Group has agreed to compensate the City \$27,000 in exchange for a release of all claims. A Memorandum of Understanding documenting this agreement is attached for your consideration.

Recommended Motion: Approve and sign the Memorandum of Understanding with Lochmueller Group, Inc. and accept a payment of \$27,000, to be added to the Riley Literary Trail project budget.

A handwritten signature in blue ink that reads "Glen E. Morrow".

Glen E. Morrow, PE
City Engineer

MEMORANDUM OF UNDERSTANDING
City of Greenfield and Lochmueller Group, Inc.
For Riley Arts Trail Design work

THIS MEMORANDUM OF UNDERSTANDING is between the City of Greenfield, Indiana, by and through its Board of Public Works and Safety, hereinafter referred to as "Greenfield" and Lochmueller Group, Inc. "Lochmueller".

WHEREAS Greenfield entered an Agreement with Lochmueller for the design of the Riley Arts Trail, formerly known as the Riley Literary Trail hereinafter referred to as the "Project". The agreement was dated on October 17, 2019 and for an amount of \$400,900.00; and

WHEREAS, the Federal Highway Administration (FHWA), Indiana Department of Transportation (INDOT) and the Indianapolis Metropolitan Planning Organization (IMPO) participated in the oversight and funding of the Project; and

WHEREAS, the Project is a construction unit price project with an original bid amount of \$3,896,000.00; and

WHEREAS, the Project is substantially complete where all quantities have been estimated to total an amount of \$3,623,497.89, which is \$272,502.11 less than the original bid amount; and

WHEREAS, the Project has encountered change orders due to engineering and design errors and omissions (E&O) that have resulted in Delta costs— the difference between anticipated and actual contractor item costs— as well as rework costs. Lochmueller Group agrees that the total for these Delta and rework costs is approximately \$27,000.00.

WHEREAS, the cost impact to the Riley Trial project as result of E&O issues is a total of approximately \$27,000 in its entirety. WHEREAS, the FHWA, INDOT, and IMPO will pay for 80% of participating items change orders items, including E&O items since the Project is \$272,502.11 under budget.

NOW THEREFORE BE IT RESOLVED that Greenfield and Lochmueller agree as follows:

1. Lochmueller will compensate the City of Greenfield for the impact resulting from engineering and design error and omissions (E&O) issues in the amount of \$27,000.
2. Should the FHWA, INDOT, and IMPO not pay for 80% of all participating change order items, including E&O items, this agreement may be amended or nullified by either party within 30 days of applicable FHWA, INDOT, or IMPO final determination.

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MEMORANDUM OF UNDERSTANDING

Upon execution of this Agreement and payment, the Owner releases the Engineer from all claims.

IN WITNESS WHEREOF, the parties have executed this Agreement on this _____ day
of _____ 2026.

CITY OF GREENFIELD, INDIANA
BOARD OF PUBLIC WORKS AND SAFETY

LOCHMUELLER GROUP, INC.

Susan Al Abbas

Mayor Guy Titus

Susan Al-Abbas
Vice President & Indiana Market Leader

Katherine Locke

Larry Breese

Brent Robertson

Glenna Shelby

Attest: _____
Lori Elmore, Clerk-Treasurer