



Department of Public Works  
**City Engineering Division**

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Date: March 19, 2013  
To: Mayor Soglin and the Common Council  
From: Robert F. Phillips, City Engineer  
Subject: Request to Refer Agenda items #56 & 57

Please refer to the Board of Public Works, item #56, Awarding Public Works Contract No. 7040, Warner Park Service Meter and Enclosure Installation, and item #57, Awarding Public Works Contract No. 7045, Upgrading Booster Pumps at Unit Well 20.

Both projects have been determined by the Water Utility to be in excess of the cost estimate and/or exceeding available funding (see attached memos from Water Utility). Therefore, referral back to the Board of Public works is requested for review and determination.

Quality and Reliability since 1872

**Madison  
Water  
Utility**



**Madison Water Utility**

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## MEMORANDUM

Date: March 14, 2013

To: Board of Public Works  
Rob Phillips  
Mike Dailey

From: Pete Holmgren  
Al Larson

Re: Contract #7040  
Warner Park Water Service Meter & Enclosure Improvements - 2013

We are recommending that the 3/1/2013 bid for the Warner Park Water Service Meter & Enclosure, Contract 7040 be rejected. It is our further recommendation that we will evaluate all available options to complete this project, including but not limited to re-bidding the project with a revised schedule. This recommendation is based on several factors.

While the low bid was within reasonable range of the published project estimate (\$51,692.00 bid versus \$50,000.00 estimate), the estimate does not reflect last minute adjustments to the project scope. The \$50,000 estimate was based on a complete enclosure construction (or reconstruction) in addition to water pipe and meter installation. In 2011, Madison Water Utility proposed a similar project to install a service meter and enclosure. Bids received for that project ranged from \$38,200.00 to \$54,948.00. Prior to bidding the project, the Parks Department suggested that they would complete the carpentry and electrical work on the existing structure. The revised 2013 bid scope then became pipe and meter installation work. The estimate should have been lowered.

Additionally, the bid from Daniels Construction was also the only bid received. The lack of competitive bids also supports the recommendation. Madison Water Utility had concerns about the lack of bids prior to the opening, but elected to open the bid in order to try and maintain the original project schedule which contained several key dates.

Madison Water Utility also feels that the bid and advertising schedule may have contributed to deterring a more competitive range of bids. February had a large number of Public Works projects which were advertised and opened on March 1 (including this contract). The bid and advertising window for this contract extended from February 8<sup>th</sup> to the 22<sup>nd</sup>. In this instance there may have been more bids during an advertising cycle with less volume.

For these reasons, it our recommendation that this bid be rejected and all the options available to the City be considered to complete the project including a re-bid with adjusted advertising and contract dates.

CITY OF MADISON BOARD OF PUBLIC WORKS

BID OPENING

DATE: 3/1/2013

PAGE 11

WARNER PARK SERVICE METER AND ENCLOSURE IMPROVEMENTS

CONTRACTORS

JOE DANIELS CONSTRUCTION CO., INC.

CONTRACT NO. 7040

\$51,692.00

ESTIMATED COST

\$50,000.00

42