



MEMORANDUM

Date: July 7, 2026

To: Mayor Satya Rhodes-Conway
City of Madison Common Council

From: Pete Holmgren, PE – Chief Engineer
January Vang – Interim General Manager

Subject: Authorizing a non-competitive contract amendment with Maguire Iron, Inc. for services related to the maintenance of Reservoir 20 (2829 Prairie Road) (District 20)

RECOMMENDATION:

Staff recommend authorizing a non-competitive contract amendment with Maguire Iron, Inc. for services related to the maintenance of Reservoir 20 (2829 Prairie Road).

BACKGROUND:

Madison Water Utility's (MWU) Reservoir 20, located at 2829 Prairie Road, is a 4.2-million-gallon steel reservoir that was constructed in 1973, and beginning in 2026 was due for long-term maintenance that includes a full interior and exterior re-coating as well as structural condition assessments. These repair and maintenance services were competitively bid at the end of 2025 with Request for Bids (RFB) No. 14083-0-2025-BG, and through that competitive process Maguire Iron, Inc. (Maguire) was selected as the contractor to perform the necessary work, including providing for a structural condition assessment to determine if structural repairs will be needed.

A service contract was executed between the City of Madison (City) and Maguire in the spring of 2026, with work beginning in May 2026. During their structural condition assessments, Maguire noted considerable corrosion of Reservoir 20's interior roof rafters that, through the additional opinion of an independent structural engineer, have compromised the intended structural integrity of the reservoir. Consistent with the language of the original contract, Maguire has put forward a proposal that will restore the structural integrity of the reservoir and ensure that no future areas of corrosion will occur based on the required welding to complete their work, at a cost of \$501,200.



MWU has reviewed Maguire's proposal alongside their own consulting engineer and agrees that the work is necessary, and that it is in the best interest of the City to allow Maguire to proceed expeditiously with this additional work while the reservoir is empty and offline. Maguire has agreed to perform the work with a 30 days extension of time to complete this additional work.

While the RFB and contract contemplated the possibility of additional repairs, the cost of the necessary repairs exceeds \$75,000 and MGO 4.26 requires Common Council approval for noncompetitive purchase of services over \$75,000. This amendment meets exceptions to noncompetitive selection in MGO 4.26(4)(a)7., because Maguire is already performing work on this water reservoir and it is therefore economical for the City on the basis of time and money to continue to use Maguire for this additional work. Furthermore, the scope and timing of this additional work is critical to ensure that Reservoir 20's structural integrity is restored as quickly as possible so that MWU systems can return to ideal operating conditions.

FISCAL IMPACTS:

Total contract price will be revised from \$1,300,000 (bid price plus original contingency) to \$1,800,000.

This work has been budgeted for as part of the Water Utility's 2026 Operating Budget; funding is available.

LEGISLATIVE PATH:

7/7/2026 Common Council*

*Introduction and adoption under suspension of rules of Madison General Ordinance 2.055(1).

ATTACHMENTS:

1. Memo (this document)