



Legislation Text

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Fiscal Note

The proposed resolution reallocates funding between existing Water Utility capital projects to support replacement of the air conditioning system at East Olin Avenue, as well as installation and setup of a tenth generator at Well 29 to provide backup power and additional reliability for Madison Water Utility. This amendment would reduce funding to the 2020 Hydrant Program by \$50,000 (12432-86-179), the 2020 Fixed Network Program by \$70,000 (12958-86-150), the 2020 Meter Program by \$30,000 (12427-86-150), the 2020 New Mains Program by \$15,000 (12428-86-179), and the 2020 Pavement Management Program by \$15,000 (12430-86-179). Funding would be increased in the 2020 Water Utility Facility Improvement Program by \$80,000 (Munis 12425-86-140) and 2020 Unity Well Rehab Program by \$100,000 (Munis 12431-86-150).

Title

Amending Madison Water Utility's 2020 Capital Budget to increase the budget allocation by \$80,000 for the Facility Improvement Program by budget transfer, to increase the budget allocation by \$100,000 for the Unit Well Rehab Program by budget transfer, and to amend the generator lease agreement with Madison Gas and Electric to add a 10th generator.

Body

BACKGROUND:

The air conditioning component of the Heating and Ventilation System at the Heim Building located at 119 E. Olin Avenue has failed and is not repairable. The system is 15 years old and has reached the end of its useful life.

Madison Water Utility's mission statement says: "*We are entrusted by the people of Madison to supply high quality water for consumption and fire protection, at a reasonable cost, while conserving and protecting our ground water resources for present and future generations.*" The water utility runs on its pumps and they run on electricity. Reliability is significantly improved with standby generation. Madison Water Utility and Madison Gas and Electric (MGE) have a 20+ year arrangement that provides standby generators at 9 utility wells. MGE has offered to provide a 10th generator to the utility, and the utility has selected Well 29 as the most beneficial use of this generator.

RESOLUTION:

WHEREAS, the air conditioning system at the Heim Building, located at 119 East Olin Avenue, has failed and is at the end of its useful life; and,

WHEREAS, the failure of the air conditioning system was not anticipated and is not included in the adopted 2020 Water Utility Capital Budget; and

WHEREAS, Madison Water Utility staff have investigated the situation and determined that repairs, replacement, and upgrading the system will cost an estimated \$100,000; and

WHEREAS, the Facility Improvement Program has \$20,000 of unallocated funds available and therefore replacement of the air conditioning system requires an additional \$80,000 in funding; and

WHEREAS, Madison Gas and Electric (MGE) has offered a 600 kw standby generator to Madison Water Utility for backup power and additional reliability; and

WHEREAS, MGE and Madison Water Utility have a 20+ year lease arrangement for 9 600 kw standby generators and the proposed generator would become the 10th; and

WHEREAS, to install and setup the generator will require approximately \$100,000 for underground electrical and transformer upgrades, a concrete pad for the new generator, and a screen wall; and

WHEREAS, the addition of a 10th standby generator was not in the adopted 2020 Capital Budget; and

WHEREAS, the project budgets include associated direct Water Utility costs; and

WHEREAS, Water Utility staff estimate that roughly \$180,000 of the Madison Water Utility's authorized capital budget will remain uncommitted by the end of 2020 and, thus, is available for these two projects.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council amends the Water Utility's 2020 Adopted Capital Budget in the amount of (\$50,000) from 12432-86-179 2020 Hydrant Program Unallocated; (\$70,000) from 12958-86-150 2020 Fixed Network Program Unallocated; (\$30,000) from 12427-86-150 2020 Meter Program Unallocated; (\$15,000) from 12428-86-179 2020 New Mains Program Unallocated; (\$15,000) from 12430-86-140 Pavement Management Program Unallocated; \$80,000 to 12425-86-140 2020 WU Facility Improvement Program Unallocated and \$100,000 to 12431-86-150 2020 Unit Well Rehab Program Unallocated; and

BE IT ALSO RESOLVED, that the Common Council authorizes the Mayor and City Clerk to amend the existing standby generator lease agreement with Madison Gas and Electric to add a 600 kw generator at Well 29.

BE IT FINALLY RESOLVED, that the Common Council authorizes the Mayor and City Clerk to amend or execute any other agreements that are deemed necessary to accomplish the goals of this Resolution.