



Legislation Text

File #: 39527, **Version:** 1

Fiscal Note

This Resolution reallocates funding between four Water Utility capital projects. No new funds are required.

This action does, however, require an amendment to the 2015 Adopted Capital Budget, as follows:

(264,000)	10438-86-110	Zones 7-8 Land Whitney Way
(262,000)	10438-86-140	Zones 7-8 Building Whitney Way
(446,000)	10451-86-140	Well 29 Filter Building
(355,622)	10452-86-130	Well 12 Conversion Land Improvements Mains
(590,277)	10452-86-140	Well 12 Conversion Building
1,917,899	10442-86-140	Paterson St Remodel

Title

Amending the 2015 Adopted Capital Budget to reallocate funding from several Water Utility capital projects to the Paterson Street Operations Center Reconstruction.

Body

BACKGROUND

The 2015 Adopted Capital Budget includes \$7 million to support the construction costs associated with the reconstruction of Madison Water Utility's Operations Center at 110 S Paterson St. Development of this project started in 2004/2005 and has been delayed the past 10 years due to financial concerns. The improvements are long overdue and this facility has been identified as one of the highest priorities in the City of Madison. Employee working conditions, air quality, safety, and efficiency are all in need of a significant upgrade.

The design of the rebuilt Paterson Street Operation Center is for a highly functional facility that will serve the needs of the utility for decades to come. The design concept was approved by the Water Utility Board, Urban Design Commission, and the Plan Commission. Construction is scheduled to start in September 2015 and be complete by December 1, 2016. The work on the vehicle storage building will be completed in 2017.

Three bids for the construction work were received and opened by the City of Madison Public Works Department on July 10, 2015 as follows:

- Joe Daniels Construction Co., Inc. \$9,575,180
- Miron Construction Co., Inc. \$10,132,725
- McKee Associates, Inc. \$9,856,420

All of the bids were higher than utility's engineering estimate of \$8 million. The three bids received are within 6.8% of each other and are considered to be valid representations of the actual cost of the work as defined by the project drawings and specifications.

The project team met and, based on all the information gathered through bidding and the post bid evaluation, it is their recommendation that the project be awarded to the low bidder, Joe Daniels Construction. The Board of Public Works and Water Utility Board also recommend awarding the contract to the low bidder.

Based on a water utility staff review of likely 2015 expenditures, it is estimated that roughly \$1,917,899 of the funds budgeted for several capital projects (Zones 7-8 Whitney Way, Well 29 Filter, and Well 12 Conversion) will remain uncommitted at the end of the year.

Given this analysis, the Madison Water Utility requests that up to \$1,917,899 of the 2015 funds budgeted for those projects be reallocated to that of the Operations Center Reconstruction in order to move forward with this necessary capital project.

ACTION

WHEREAS, the reconstruction of Madison Water Utility's Operations Center at 110 S. Paterson Street has been identified as one of the highest priorities in the City of Madison due to poor working conditions, air quality, safety, and efficiency; and,

WHEREAS, this project has been delayed over the past ten years due to financial concerns and is long overdue; and,

WHEREAS, the design for the reconstructed Operations Center has been refined through the work of a dedicated project team to be highly functional and serve the needs of the utility and the City for decades to come, and has been approved by the Water Utility Board, Urban Design Commission, and the Plan Commission; and,

WHEREAS, construction is scheduled to begin in September of 2015 and be completed in 2017; and

WHEREAS, the Public Works Department received three bids for the construction and all three were above the engineering estimate of \$8 million; and

WHEREAS, water utility staff estimate that roughly \$1.9 million of the Madison Water Utility's authorized 2015 capital budget will remain uncommitted by the end of the year and, thus, is available for the Paterson Street Operations project; and

WHEREAS, the Board of Public Works and Water Utility Board recommend awarding the contract to the lowest bidder, Joe Daniels Construction, at \$9,575,180;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council authorizes the reallocation of up to \$1,917,899 in funds within the 2015 capital budget of the Water Utility to the Paterson Street Operations Center Reconstruction Project; and,

BE IT FURTHER RESOLVED, that the Common Council hereby amends the 2015 Adopted Capital Budget, as articulated in this Resolution's Fiscal Note; and,

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