



Legislation Text

File #: 01296, Version: 4

Fiscal Note

The Goodman Pool project budget was amended in February of this year to allow planning for a 1,000 person capacity facility. The amended budget currently totals \$4,125,000. Of this amount, \$500,000 is funded by City general obligation borrowing, with the remaining \$3,625,000 derived from private fundraising.

Based on the results of the recently completed construction bid process, the cost to complete the entire project is now estimated to be approximately \$5,284,000, including the following components:

Architectural Contract	\$ 270,000
Engineering and Soil Testing	10,000
Base Construction Bid	4,682,000
Bid Alternates (2 nd slide and sand play area)	136,000
Furniture, Fixtures and Equipment	80,000
Contingency	<u>106,000</u>
 Total Estimated Project Cost	 \$ 5,284,000

By eliminating the bid alternates, furniture fixtures and equipment, and a number of elements of the base construction bid including parking lot final paving and striping, landscaping, bike racks and sun shelters, the project could proceed on the current schedule at a total current year cost of \$4,850,000. Most of the deferred \$434,000 would need to be budgeted and spent in 2006 for the pool to become fully operational.

This resolution authorizes a \$725,000 increase in the 2005 Goodman Pool project budget from the current \$4,125,000 to the minimum \$4,850,000 needed to effectively proceed with the project at this time, **as well as a \$750,000 increase in general obligation borrowing for the project.**

~~Funding for this increase is proposed to come from City general obligation borrowing.~~ The Parks Division and Engineering Division have identified a total of ~~\$650,000~~ **\$450,000** of other projects approved in the 2004 and 2005 Capital Budgets for which general obligation debt has been incurred or authorized but not yet committed. This funding would be reallocated to the pool project, and a decision to proceed with the other activities would be deferred to future years. ~~The remaining \$75,000~~ **\$100,000** needed to proceed with the pool at this time ~~would be funded with an increase in the total 2005 general obligation borrowing.~~

In addition, the bids for the Automated Collection Carts authorized in the 2005 Streets Division Capital Budget (Account No. 810469) were \$300,000 below the amount budgeted, and the general obligation debt budgeted for that project can also be allocated to the pool project.

This financing ~~assumes~~ **recognizes** that **up to \$2,800,000** from the Goodman brothers **will be** is available **to guarantee private fundraising of \$3,600,000** for the project as currently proposed. In addition to their previous pledges of \$2,500,000 for the project, the Goodmans **had** pledged another \$300,000 to help fill any fundraising gap so that the larger pool project could be built at a cost of ~~up to \$4,125,000~~ **\$4,100,000**. However, under the language contained in the pledge agreement, \$300,000 would not ~~be~~ **have been** available for the more expensive project now anticipated. ~~If the language of this agreement cannot be renegotiated, an additional \$300,000 current year funding gap would remain.~~ **An amendment to the Goodman pledge has now been negotiated which would allow a greater City contribution to pool costs without reducing the amount of the Goodman pledge available.** The approvals in the proposed resolution are, therefore, conditioned upon ~~renegotiation~~ **signing** of this **amended** agreement.

Title

THIRD SUBSTITUTE - Amending the 2005 Capital Budget to increase the authorization for the Goodman Pool to \$4,850,000 and awarding Public Works Contract for Contract No. 5850, Goodman Community Pool Construction.

Body

Preamble

On May 13, 2005, the City Engineer opened the bid for the Goodman Community Pool. Two bids were received for the project. One bid was determined to be non-responsive and was not considered. A condition of the Goodman Gift was that the project must begin on July 1, 2005 an extension of the bidding phase of the project was determined not to be practical. Furthermore, the pool was to be operational in June of 2006.

The bid submitted by the Joe Daniels Construction Co. Inc. was \$4,681,73.01. In addition, Alternative Bid No. 1 added \$74,700 and Alternate Bid No. 2 added \$61,600. The amount bid exceeded the architect's estimate of \$3,800,000 by 23%.

The Park Superintendent and the City Engineer reviewed the bid with the representatives of the Joe Daniels Construction Co. on May 16, 2005. At that meeting, cost savings were not identified that would materially reduce the cost of the project. However, a number of quantities were identified that did not have to be incorporated into the work until 2006. Those elements of the work included landscaping, the final layer of asphalt, parking lot stripping, bike racks, and a number of sun shades.

By deleting the work elements that would not be installed until 2006, the total cost of the project would be \$4,463,769.75. That would enable the continuation of fund raising through the remainder of 2005. It would also allow the budgeting for the project in 2006 and the prioritization of the pool with the other capital improvement projects of the city.

Staff also reviewed the status of other capital projects that were funded in the Parks and Engineering categories of the Capital Improvement Budget. In addition, the Park Superintendent is aware that key design staff will be involved in the construction of Goodman Pool in order to represent the interests of the city during construction and will be unable to design a number of projects. Therefore, it is the recommendation of the Park Superintendent and the City Engineer that a number of previously budgeted projects totaling ~~\$650,000~~ \$450,000 could be deferred and that the general obligation debt authorization available for these projects could be diverted to Goodman Community Pool. The Street Superintendent reports that the bid for the Automated Collection Carts, Capital Account No. 810469, was \$300,000 below the amount budgeted and the general obligation debt budgeted for the carts could also be allocated to the pool project.

NOW, THEREFORE, BE IT RESOLVED, that the 2005 Capital Budget be amended to increase the authorization for the Goodman Pool project (810304) by \$725,000 (from \$4,125,000 to \$4,850,000) to include the following elements:

Architectural Services	\$ 270,000
Engineering	10,000
Construction Contract	4,464,000
Contingency	<u>106,000</u>
Total Pool Budget	\$ 4,850,000

BE IT FURTHER RESOLVED, that ~~\$650,000~~ \$750,000 of the resources and borrowing authority needed to fund this increase be transferred from the following projects previously authorized in the 2004 and 2005 Capital Budgets:

Parks Division (2004 Authorization)

Conservation Parks Heated Storage	\$ 20,000
Olbrich Athletic Lighting (<u>Account No. 810397</u>)	100,000 <u>45,000</u>
Warner Pole Barn	<u>25,000</u>
Lisa Link Park	<u>50,000</u>

Parks Division (2005 Authorization)

Park Light Poles	<u>50,000</u>
------------------	---------------

Street Division (2005 Authorization)

Automated Collection Carts (<u>Account No. 810469</u>)	<u>300,000</u>
--	----------------

<u>Engineering Division (2005 Authorization)</u>	
Monroe-Regent Intersection (<u>Account No. 810372</u>)	<u>405,000</u>
Total General Obligation Debt	<u>\$ 650,000</u> <u>\$750,000</u>

BE IT FURTHER RESOLVED, that total 2005 General Obligation borrowing be increased by \$75,000 **\$100,000** to fund the remaining portion of the pool project budget increase **and the specific terms of the Goodman pledge agreement, as amended**; and

BE IT FURTHER RESOLVED, that the bid submitted by Joe Daniels Construction Co. Inc. for Contract 5850, Goodman Community Pool Construction, is hereby accepted, except for those elements of work which are scheduled for 2006 as identified by a Change Order to the Contract, and that the Mayor and City Clerk be and are hereby authorized and directed to enter into Contract 5850 in the amount of \$4,463,769.75 ("Amount Awarded"), subject to the Contractor's compliance with Section 3.59 of the Madison General Ordinances concerning compliance with the Affirmative Action provisions; and

BE IT FURTHER RESOLVED, that the funds be encumbered to cover the cost of the project contained herein; and

BE IT FURTHER RESOLVED, that the City Comptroller is authorized to internally borrow from other funds to finance this project until permanent financing takes place; and

BE IT FURTHER RESOLVED, that the authorizations contained in this resolution are contingent upon the ~~successful renegotiation~~ **signing** of the current **an amended** agreements with the Goodman brothers to allow expenditure of the full \$2,800,000 of their gift for the pool construction project as proposed herein **provide that additional City contributions in excess of \$500,000 will not reduce or offset the amount of the Goodman gift available.**

See the attached document "Goodman Community Pool Bid.xls" for an itemization of the contracted work.