Legislation Text

File #: 21765, **Version:** 1

Fiscal Note

The 2011 Police Department Capital Budget includes $2.8 million for the Training Facility (Project No. 2). After the construction bids were opened, it was determined that an additional $472,125 is needed for this project. This resolution provides funding through a transfer of $75,000 of GO Borrowing authorization from Police Building Improvements (Project No. 1) and additional GO Borrowing of $397,125. Debt Service on the additional borrowing would be about $51,600 in 2012.

Title

Awarding Public Works Contract No. 6660, Madison Police Dept. Training Center - Phase 1 and amending the 2011 Police Capital Budget.

Body

PREAMBLE

In 2010 the Madison Police Department (MPD) purchased an existing building located at 5702 Femrite Dr. to function as the new MPD Training Center. Funding was approved in the 2011 Capital Budget to remodel a portion of the existing facility and construct an indoor firing range. On April 1, 2011, five construction bids were opened. The low bid was Joe Daniels Construction Co, Inc. at $2,534,900. In addition, a construction contingency of 8% ($202,790) will be added to this project for a total of $2,737,690.

The 2011 adopted budget for the MPD Training Center authorizes $2,800,000 for remodel of the existing facility, construction of an indoor firing range, architect fees, furnishings and equipment. The portion of budgeted capital funds available for the construction costs included in the current bid is $2,265,565. This results in a shortfall of $472,125.

After the bid opening, City staff met with the design staff to review the bid and attempt to determine the reason for the budget shortfall. Information provided by the architect indicated that in the last three months material costs have increased by over 17%, mechanicals by 50%, and plumbing, concrete and metal costs are also up substantially. A key reason for all of these increases is the dramatic increase in costs for fuel and oil.

Additionally, prior to purchase the Madison Police Department was informed that the building, including the roof, passed inspection. However late in the year, upon examination of several areas of what appeared to be ongoing water leakage, it was determined that the roof was in poor condition and needed to be replaced. The cost estimate for this replacement was $175,000.

It appears that the combination of a need for a new roof and the overall construction cost escalation between mid-December and April has caused the difference between estimate and bids.

After review of all above items, it is the recommendation of Facilities Management staff and the Madison Police Department that the Common Council award the contract for the MPD Training Center, and amend the Madison Police Department 2011 Capital Budget to fully implement this project as designed.

In order to award the bid, including contingency costs, an additional $472,125 is needed. The Department has determined that $75,000 of GO Borrowing currently authorized in the 2011 adopted budget for MPD Building Improvements can be transferred to the Training Center project. Therefore, an additional $397,125 in GO Borrowing is needed in order to award the bid and complete the project.

WHEREAS in order to fund this construction contract, additional GO Borrowing of $397,125 is necessary; and,

WHEREAS additional funds in the amount of $75,000 will be reallocated from the MPD 2011 Capital Budget project of Building Improvements to the Training Center project.

NOW THEREFORE BE IT RESOLVED, that the 2011 Police Capital Budget is hereby amended to increase budget authority and GO Borrowing Authority for the Madison Police Training Center Capital Project by $472,125;

$472,125 CB71-58401-810642
($472,125) CB71-79140-810642

BE IT FURTHER RESOLVED, that the 2011 Police Capital Budget is hereby amended to decrease the budget authority and GO Borrowing Authority for the Building Improvement Capital Project by $75,000.

($75,000) CB71-58401-810568
$75,000 CB71-79140-810568

BE IT FURTHER RESOLVED, that the following low bid for construction be accepted and that the Mayor and City Clerk be and are hereby authorized and directed to enter into a contract with the low bidder contained herein, subject to the Contractor's compliance with Section 39.02 of the Madison General Ordinances concerning compliance with the Affirmative Action provisions and subject to the Contractor's compliance with Section 33.07 of the Madison General Ordinances regarding Best Value Contracting; and

BE IT FINALLY RESOLVED, that the funds be encumbered to cover the cost of the projects contained herein.

See attached document (Contract No. 6660) for itemization of bids.