Memorandum 14-039 Request for Additional Funding for Skyline Fire Station #2

Memorandum ID: 14-039
Memorandum Status: No Status

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TO: Walt Wrede – City Manager

FROM: Carey Meyer – Public Works Director

DATE: March 3, 2014

SUBJECT: Request for Additional Funding

Skyline Fire Station #2

A new fire station serving the areas above the bluff has been on the CIP list since annexation. Funding for the design and construction of this station was established in 2013 ($500,000 from a re-appropriated legislative grant). Up to a 25% match requirement ($166,666) was inferred. Public Works has been working with the Fire Chief to design the station. The project was bid in January of this year and bids were opened at the end of February.

The original expectation for this station was a 40'x50' building (short-term, 3-bay, warm storage). Based on input from the fire department, during design the project became a 50'x 55' building (longer-term, 4-bay, with restroom and office). The low bid received for the project designed was $563,522.

Public Works has reviewed the bids and can find cost savings that would reduce the cost of the project (no roof ladder, no approach slab removal, cheaper heating, reduced SWPPP requirements, reduced floor slab thickness, changes to floor trough and railings). Still, additional funding (a match) would be required to complete the project as designed. The project could be scaled back to its original short-term solution, but Public Works and the Fire Department personnel feel that funding a longer-term solution , with a small match, to provide fire protection to the area is preferable.

The Public Works proposes the following project budget:

Construction Cost as Bid	$ 563,522	Current Funds	$ 500,000
Cost Savings	-$ 55,722	New Fire Reserve Funds	$ 15,000
		New General Funds	$ 83,000
Revised Construction Cost	$ 509,800		$ 598,000

Design Cost	$ 48,900
Inspection/Admin	$ 11,500
HEA Electric Service/Contingency	$ 27,800
Revised Total Project	$ 598,000

Recommendation: The City Council pass an ordinance amending the 2014 Operating Budget, authorizing the use of Fire Depreciation Reserve funds ($15,000) and General Fund – Fund Balance ($83,000) to complete the project as outlined above; and authorizing the City Manager to execute all appropriate documents.
Related Ordinances**Memorandum - Related Ordinances:** Ordinance 14-12(S) Budget Amendment to Appropriate Additional $98,000 to the Homer Fire Station #2 Skyline Drive Project

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