Memorandum 10-101 Old Water Treatment Plant Demolition

Memorandum ID: 10-101
Memorandum Status: Backup

MEMORANDUM 10-101

TO: Walt Wrede, City Manager
FROM: Carey Meyer, Public Works Director
DATE: July 20, 2010
RE: Old Water Treatment Plant – Demolition

After considering the options available to the City, the Public Work and the Fire Department agree that the old water treatment plant building should be demolished. This work would cost approximately $169,000. The building is 35 years old, does not meet current building code, and is poorly insulated. The foundation and concrete slab will remain for use in constructing a satellite fire station/fire equipment storage facility. The type of structure that would best serve the City has not been determined. Public Works will provide recommendations regarding the type of structure later this summer. The existing shop building will remain. The Police Department as recently relocated their communication antenna to another location. Demolition of this facility will reduce Water Enterprise Fund operating expenses.

The expected insurance settlement is $247,000 (minus the $100,000 deductible) or $147,000. The Water Reserve Account would fund the relocation of the SCADA equipment ($22,500).

Cost Account

Demo Building Enclosure $ 84,000 insurance settlement
Demo Existing Equipment Inside Building $ 39,000 insurance settlement
Relocate SCADA Equipment $ 22,500 water reserve account
Reconnect Power/Propane Tank to Shop Building $ 9,500 insurance settlement
Contingency (10%) $ 14,000 insurance settlement
$ 169,000

Recommendation: The City Council pass an ordinance authorizing the demolition of the old water treatment plant building, establishing a budget of $169,000, and authorize the City Manager to acquire bids for the demolition work, execute the demolition contract, and execute all appropriate documents required to accomplish the work.

Fiscal Note: Insurance Settlement – $149,000 200-400
Water Reserve Account - $ 22,500 256-380
Related Ordinances**Memorandum - Related Ordinances:** Ordinance 10-39(A) Amending the FY 2010 Budget for Demolition of the Old Water Treatment Plant Building

Source URL (retrieved on *2014-07-22 17:42*):
http://www.cityofhomer-ak.gov/memorandum/memorandum-10-101-old-water-treatment-plant-demolition