

ORDINANCE NO. 2602

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE CITY'S WATER SEWER CAPITAL PROJECT FUND BUDGET TO REALLOCATE FUNDING FOR THE GORDY ROAD WATER MAIN EXTENSION PROJECT.

WHEREAS, Ordinance No. 2430 authorized the City to allocate funding for projects in the lawsuit proceeds pool which appropriated funds for various capital projects; and

WHEREAS, the lawsuit proceeds pool included funding for the Fitzwater Street Lift Station; and

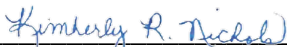
WHEREAS, the Department of Infrastructure and Development is seeking to move unused funds from the Fitzwater Street Lift Station project to the Gordy Road Water Main Extension project to provide the funding necessary for inspection and construction of the Gordy Road Water Main Extension project.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Capital Projects Fund Budget be and hereby is amended as follows:

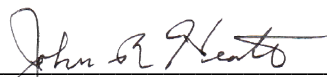
Project Description	Account Description	Account	Amount
Revenues:			
Fitzwater	Decrease Lawsuit Proceeds	97010-456939-55011	-300,000.00
Gordy Road	Increase Lawsuit Proceeds	97010-456939-48021	300,000.00
Expenditures:			
Fitzwater Lift Station	Decrease Construction	97010-513026-55011	-300,000.00
Gordy Road	Increase Engineering	97010-513020-48021	32,000.00
Gordy Road	Increase Construction	97010-513026-48021	268,000.00

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 8th day of June 2020, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 22nd day of June, 2020.

ATTEST:

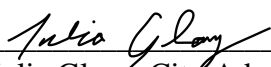


Kimberly R. Nichols, City Clerk



John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS 24 day of June, 2020.



Julia Glanz, City Administrator



City of
Salisbury
 Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
 From: Amanda H. Pollack, P.E., Director of Infrastructure & Development AP
 Date: May 19, 2020
 Re: Budget Amendment – Lawsuit proceed reallocation for Gordy Road Water Main

The Department of Infrastructure and Development has worked with the Department of Procurement to bid the Gordy Road Water Main Extension construction and the related RFP for Construction Administration and Inspection. Both contracts came in over budget. The budget was from FY16 and had not been increased in recent years due to inflation. The available budget and bid amounts are shown in the table below.

The Gordy Road Water Main extension project is a critical project to loop the City's water system on the eastern side of the City and to provide redundancy in the distribution system. The close range of construction bids represents a good bidding climate. We were not able to find opportunities to value engineer to reduce the scope of work because this scope is relatively straightforward. The Department of Infrastructure and Development recommends proceeding with this project by allocating additional funding.

For construction, eight (8) bids were received with a range from \$2,157,930.80 to \$3,635,710.00. The references for the apparent low bidder were called and provided positive feedback. For the Construction Administration and Inspection RFP, five (5) proposal were received and ranked by the selection committee. The value of the recommended vendor's contract is shown below.

	Budget	Actual Bids	Overage	Requested Budget Amendment	Revised Budget	Contingency Amount	Contingency %
Construction	\$ 2,000,000.00	\$ 2,157,930.80	\$ 157,930.80	\$ 268,000.00	\$ 2,268,000.00	\$ 110,069.20	5.10%
C/A and Inspection	\$ 117,907.00	\$ 141,936.00	\$ 24,029.00	\$ 32,000.00	\$ 149,907.00	\$ 7,971.00	5.62%
Total	\$ 2,117,907.00	\$ 2,299,866.80	\$ 181,959.80	\$ 300,000.00	\$ 2,417,907.00	\$ 118,040.20	5.13%

To fund the project, we are seeking to reallocate unused lawsuit proceed funds which are in the Fitzwater Lift Station account. The Fitzwater Lift Station is under construction and has above normal levels of contingency funding in the account. The requested budget amendment is for \$300,000 to provide for the bid amount plus contingency for both the construction bid and the Construction Administration and Inspection proposal.

Unless you or the Mayor have further questions, please forward a copy of this memo and the ordinance to the City Council.