

Item 25-0412: Request to award the 2025 Lundgaard Park Pavilion Project contract to Milbach Construction Services Company in the amount of \$804,440 with a contingency of \$46,944 for a project not to exceed \$851,384

Item 25-0413: Request to approve additional 2024 - 2025 Budget carryover appropriations for items not under contract in the amount of \$41,800,000

Item 25-0415: Request to approve Unit BB-25 Contract Award with Weinert Roofing for Roof Replacements at Green and Yellow Ramps in the amount of \$176,860, with a contingency of \$15,000 for a total not-to-exceed contract amount of \$191,860

Item 25-0441: Request to establish a reserve fund for ARPA-related obligations

Finance Committee

Mon, Apr 21, 2025, 5:30PM

Aldersperson Brad Firkus (District 3) 1:13:26

So, with that, we will move on with the rest of our action items, and hopefully rather swiftly here, starting with 25-0412, request to award the 2025 Lundgaard Park pavilion project.

Aldersperson Sheri Hartzheim (District 13) 1:13:47

Move for approval.

Aldersperson Denise Fenton (District 6) 1:13:47

Second.

Aldersperson Brad Firkus (District 3) 1:13:48

All right, so we have a motion. We have a second. Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 1:13:52

Thank you, Chair. Could Director Gazza affirm that this—the funding for this is completely available from private funding. Is that correct?

Director Dean Gazza (Parks, Recreation, and Facilities) 1:14:04

The base amount is—the \$804,000 is—covers—is the amount that we got through funding, I mean, through donations, and will cover the entire contract for that. The actual contingency is from a carryover that had taken place from phase one of the park. So, it's just moving, you know, moving that money forward.

Aldersperson Sheri Hartzheim (District 13) 1:14:30

Thank you. But two things. One, bravo. Way to go, community. And, two, most of this is being paid for by private funds.

Director Dean Gazza (Parks, Recreation, and Facilities) 1:14:38

Yep, 99.8%

Aldersperson Sheri Hartzheim (District 13) 1:14:41

Thank you.

Alderson Brad Firkus (District 3) 1:14:43

Alderson Croatt.

Alderson Chris Croatt (District 14) 1:14:48

Thank you, Chair. If I may ask Director Gazza a question about the company that's being awarded the business.

Alderson Brad Firkus (District 3) 1:14:55

Go ahead.

Director Dean Gazza (Parks, Recreation, and Facilities) 1:14:55

Yes.

Alderson Chris Croatt (District 14) 1:14:55

What is—what is—what is the city's experience with Milbach Construction services? Have they done projects? Have they been a good contractor? What is the experience?

Director Dean Gazza (Parks, Recreation, and Facilities) 1:15:06

So, Milbach Construction, we had—have completed several projects with them. They had renovated—the most latest. They renovated Department of Public Works. Then they renovated the fifth and sixth floor. We did have some issues on the last project that ran into some issues where we looked at ways of possibly executing the performance bond. Them issues, basically, to summarize—I'm trying to take a long story and make it short, summarize where with two subcontractors in particular. So, we did not disbar them from future projects. We had several issues with the timeline. We got the project done. The project was done to our liking at the cost—and at no additional cost for schedule and things like that. So.

Director Dean Gazza (Parks, Recreation, and Facilities) 1:16:04

But anyway, so when they got the low bid this time, first thing I did, took the extra care and precaution by having the architect and engineer meet with them, go through line by line to make sure that their bid did not miss anything because they were much lower than the last—than the other bidders. And then we brought them into our office. We explained the troubles that we had on the last project, that we would not, lack of better terms, except that same—them same issues—that before they start the project and sign the contract, they are to assure that all their subcontractors will be able to perform per the timeline, per the schedule, per the scope, per the quality, and we went through a meeting with three other company representatives. They assured us that they want to make it right. They want to learn to relationship with us, and they want to show us that they will get this project right and we will not incur the same problems as last time.

Director Dean Gazza (Parks, Recreation, and Facilities) 1:17:18

So, we felt good after the conversation that though we had issues last time, that we should not see the same issues we had this time. And I think they know this is their last opportunity to work with the city. If they don't—the project doesn't turn out this time and meet all of our goals and objectives, they won't be working with the city again.

Alderson Chris Croatt (District 14) 1:17:41

Thank you for sharing that Director Gazza. That's exactly kind of what I was getting at with my question. So, thank you for expounding on that.

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Alderson Brad Firkus (District 3) 1:17:50

Thank you. Anyone else? Seeing none, we'll go ahead and vote. All those in favor? Aye. Opposed? Abstentions? That passes four to zero.

Alderson Brad Firkus (District 3) 1:18:00

25-0413, request to approve additional 2024-2025 budget carryover appropriations for items not under contract in the amount of \$41,800,000.

Alderson Denise Fenton (District 6) 1:18:10

Move for approval.

Alderson Sheri Hartzheim (District 13) 1:18:11

Second.

Alderson Brad Firkus (District 3) 1:18:12

All right, we do have a motion and a second. Are there any comments or questions on this? This is just an item for the two budget—for two project items for Valley Transit, Whitman facility and transit center. So, Alder Hartzheim.

Alderson Sheri Hartzheim (District 13) 1:18:24

Was this an item that was just missed in the last carryover? Is that correct?

Director Jeri Ohman (Finance) 1:18:27

Director one. Thank you Chair. Yes, that's exactly what this was. The department submitted it, and it was an oversight in the finance department that it wasn't included.

Alderson Sheri Hartzheim (District 13) 1:18:36

Thank you.

Alderson Brad Firkus (District 3) 1:18:39

Anyone else? All right, seeing none, we'll go ahead and vote. All those in favor? Aye. Opposed? Abstentions? That passes four to zero.

Alderson Brad Firkus (District 3) 1:18:49

25-0415, request to approve unit BB-25 contract award with Weinert Roofing for roof replacements at Green and yellow ramps in the amount of \$176,860 with a contingency of \$15,000 for a total not to exceed contract amount of \$191,860

Alderson Denise Fenton (District 6) 1:19:07

Move to approve.

Alderson Sheri Hartzheim (District 13) 1:19:09

Second.

Alderson Brad Firkus (District 3) 1:19:10

All right. We have a motion and a second. Any questions and comments? Director Jungwirth.

Director Laura Jungwirth (Public Works) 1:19:17

Thank you. Just wanted to point out that we went out for bid to include roofing replacements on the red, green, and yellow ramps. Came in higher than budgeted, so we actually pulled back on the red ramp, and are anticipating putting that in our budget for next year. So, to stay under that \$200,000, we did remove red ramp; we will still do the yellow and green roof replacements.

Aldersperson Brad Firkus (District 3) 1:19:40

All right. Thank you. Anyone else? All right, seeing none, we'll go ahead and vote. All those in favor? Aye. Opposed? Abstentions? That passes four to zero.

Aldersperson Brad Firkus (District 3) 1:19:52

Our last item of the evening, 25-0441, request to establish a reserve fund for ARPA related obligations.

Aldersperson Denise Fenton (District 6) 1:19:59

Move to approve.

Aldersperson Brad Firkus (District 3) 1:20:03

I'll make a second. All right. I saw Alder Fenton and then Alder Hartzheim, unless, Director Ohman, if you had anything to say before we got into discussion. Okay, Alder Fenton.

Aldersperson Denise Fenton (District 6) 1:20:15

So, may I direct it to Director Ohman? Director Ohman—thank you. Thank you, Chair. Um, just mechanics-wise, assuming that the everything is status quo and nothing goes over, what would happen to the funding, the reserve fund or the—reserve fund? What would happen to the funds if it was not needed for those projects?

Director Jeri Ohman (Finance) 1:20:40

The accrued interest at the end of the expenditure period, once all the projects are completed, our plan, according to this, would be to disperse it in the same way that we do excess fund balance with the general fund. So, we would come forward with that plan, as well as the 75% debt reduction, 25% allocated to different projects according to approval.

Aldersperson Denise Fenton (District 6) 1:21:03

So, we would hold the funds until the end of the project period, and then it would be subject to normal carry over rules.

Director Jeri Ohman (Finance) 1:21:10

That is correct.

Aldersperson Denise Fenton (District 6) 1:21:11

Okay. Thank you.

Aldersperson Brad Firkus (District 3) 1:21:13

Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 1:21:14

Thank you, Chair. May I direct to Director Ohman. A, where are we investing that we got one and a half million dollars in interest? Because I'd like to make a note of that. That isn't actually a rhetorical question, no.

Director Jeri Ohman (Finance) 1:21:30

And I will answer that.

Aldersperson Sheri Hartzheim (District 13) 1:21:31

Thank you. And, B, do we really anticipate there is—there will be overruns on any ARPA-related projects? I mean, that's really disconcerting to me.

Director Jeri Ohman (Finance) 1:21:44

So, the first part of the question, we have these funds deposited within the LGIP Fund, which is the Wisconsin local government investment pool, and the rates have been extremely well, starting in I think it was late '21 or '22 when interest rates went back up. So having over 14 million on deposit and not spending a lot of that right away, that's what's accumulated.

Director Jeri Ohman (Finance) 1:22:14

For the second part of the question, do we anticipate? Not necessarily, but with costs going up, it is a possibility, and it would give us the ability to come forward to committee and Council for approval. If we found that a project was short on funds, we would come forward with that.

Aldersperson Sheri Hartzheim (District 13) 1:22:33

So that would require additional Council action?

Director Jeri Ohman (Finance) 1:22:36

Yes, it would.

Aldersperson Sheri Hartzheim (District 13) 1:22:37

So, this is just put it aside for now?

Director Jeri Ohman (Finance) 1:22:40

Yes.

Aldersperson Sheri Hartzheim (District 13) 1:22:40

The other pieces would require future action if necessary?

Director Jeri Ohman (Finance) 1:22:44

Yes, the increases on contracts would require us to come forward for approval on those.

Aldersperson Sheri Hartzheim (District 13) 1:22:49

Can you quickly—that's a terrible question, loaded question. Can you explain what is still out there that needs to be bid out and managed as far as far as ARPA related projects? I thought there were a lot of things that were, like grants and that sort of thing that wouldn't require now we've got an overage on supplies for something.

Director Jeri Ohman (Finance) 1:23:09

Right. We do have some, like, internal city projects, and I apologize I can't go through the details on each one. I don't have that in the memory bank, but this this would be there. It would give us a means to complete a project if we got into that situation. And again, that's where to increase the contract we will come forward for approval on that.

Aldersperson Sheri Hartzheim (District 13) 1:23:32

Thank you. It sounds like best practices, but it also still raises my shackles a smidge. Thanks.

Aldersperson Brad Firkus (District 3) 1:23:40

Anyone else? My one question is, and this is probably pretty easy one, we do—we've had other established reserve funds. We have other established reserve funds right now, so we already see those in our budget every year, anyways, correct?

Director Jeri Ohman (Finance) 1:23:56

Yes. One of those would be like our general fund, with our reserves and contingencies for different items. Yes.

Aldersperson Brad Firkus (District 3) 1:24:03

Okay. All right. Anyone else? All right, we'll go ahead and vote. All those in favor? Aye. Opposed? Abstentions? That passes four zero.