

ADMINISTRATIVE MEMORANDUM
12-05

Date: May 9, 2012
To: Diana R. Stanley, City Clerk
From: Mark S. Watson, City Manager
Subject: SPECIAL CITY COUNCIL MEETING

In accordance with Article II, Section 2, of the Charter of the City of Oak Ridge, you are hereby requested to call a special meeting of the Oak Ridge City Council for Monday, May 14, 2012 in the Courtroom of the Municipal Building immediately following the Special Meeting for the First Reading of the Appropriations Ordinance that commences at 7:00 p.m.

The purpose of the meeting is to consider a resolution authorizing the expenditure of \$500,000.00 for the repair of Woodland Elementary School and directing the Finance Director to prepare the necessary amendment for Council's consideration to the FY2013 budget.


Mark S. Watson

cc: Janice E. McGinnis, Finance Director
Kenneth R. Krushenski, City Attorney

**OAK RIDGE CITY COUNCIL SPECIAL MEETING
CALLED BY THE CITY MANAGER
Municipal Building Courtroom**

**May 14, 2012—Immediately Following the Special Meeting for
First Reading of the Appropriations Ordinance**

AGENDA

I. ROLL CALL

II. RESOLUTIONS

Adoption of a resolution authorizing the expenditure of \$500,000.00 for repairs to Woodland Elementary School and to direct the Finance Director to prepare the appropriate amendments for City Council's consideration in the FY2013 budget.

III. ADJOURNMENT

ADMINISTRATIVE MEMORANDUM
12-06

Date: May 10, 2012

To: Honorable Mayor and Members of City Council

From: Mark S. Watson, City Manager

Subject: RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS FOR WOODLAND
ELEMENTARY SCHOOL REPAIRS

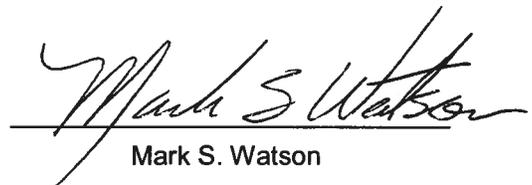
An item for City Council's consideration is a resolution supporting authorizing the expenditure of \$500,000.00 for the repair of Woodland Elementary School and directing the Finance Director to prepare the necessary amendments for Council's consideration in the FY 2013 budget.

Recently, the Board of Education (Board) approved Merit Construction as the company to perform the necessary repairs on Woodland Elementary School during the summer for a cost of \$1 million. The original bids were received at approximately \$1.5 million and were reduced through a value engineering process. The Oak Ridge schools will spend \$500,000.00 from their School Fund Balances to pay for the project. The City of Oak Ridge has been requested to pay \$500,000.00 for the balance of the repair costs. Some of the necessary work that will be performed includes repair of structural issues and reroofing of the school.

The City of Oak Ridge's FY 2013 Proposed Budget (beginning July 1, 2012) includes \$400,000.00 in the Capital Projects Fund for the renovation/repairs of Woodland Elementary School. This amount would be adjusted to reflect a total of \$500,000.00. The remaining expenditure of \$100,000.00 is recommended to come from either the General Fund or the Special Programs Fund (Photo Enhancement Dollars) per the recommendation of the City's Finance Director and guidance from City Council, and would be outlined in the amended budget during second reading of the appropriations ordinance, if approved.

Approving the resolution expresses a commitment not only to the schools and the contractor to ensure that the repairs are paid-in-full. The timed construction of this project is such that repairs need to be completed in the next 60 days to be ready for fall session. Construction during this time allows for lower costs through construction without providing for student/facility management during construction.

Adoption of the attached resolution is recommended.


Mark S. Watson

Attachments



OAK RIDGE SCHOOLS
304 NEW YORK AVE.
P.O. BOX 6588
OAK RIDGE, TN 37831-6588

Telephone: 865.425.9001
Fax: 865.425.9070

Dr. Thomas E. Bailey
Superintendent
Email: tb Bailey@ortn.edu

May 8, 2012

Mark Watson
City Manager
City of Oak Ridge
Oak Ridge, TN 37830

Dear Mr. Watson:

On May 7, 2012, the Oak Ridge Schools Board of Education approved the contractor, Merit Construction, for repair of the Woodland Elementary School Structural Remediation project. The original bids for this project came in higher than anticipated and in an effort to keep the project at a maximum of one million dollars, the school began negotiations with the contractor to value engineer certain parts of the project. After considerable effort on the parts of the architect, contractor, and school, the scope of the project was reduced and other options explored to stay within one million dollars. The BOE has included in their budget for this year \$500,000 in addition to already paying for the architectural and engineering fees. Dr. Bailey and the BOE are requesting the city to provide matching funds for the repair of the Woodland Elementary School. As the City Council was made aware in their work session, the time frame for this project is very tight and will require immediate action in order to begin work on time and complete the project without a delay of school opening. The following schedule was provided to the BOE and referenced at the work session.

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|---------------------------------------|--|
| May 4 th | Review of bids by Administration and Maintenance and Operations |
| May 7 th | Special called board meeting for BOE to approve bid for project and send to City Manager to include in City Council meeting |
| May 14 th | City Council to review, accept, and approve funding of project |
| May 15 th | Contract awarded to successful bidder and approval to begin mobilization |
| June 1 st | Last day for students and staff at Woodland |
| June 2 nd -3 rd | Maintenance and Operations begins preparations for construction <ul style="list-style-type: none">• Remove all classroom technology and place in secure storage• Move or remove classroom furniture• Remove ceiling tiles where needed• Move food supplies to other school for storage• Assist teachers in removing personal items• Aid in moving ECC program to RMS for summer |
| June 4 th | Demolition and construction begins |
| July 31 st | Substantial completion |

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August 1st-5th Maintenance and Operations makes facility ready for school to start

- Cleaning
- Re-installing classroom technology
- Setting up furniture

August 6th Teachers return

August 14th Students return

In addition, I have attached the recommendation and value engineering spreadsheet for your information.

Thank you for your consideration in this matter.

Sincerely,

Thomas E. Bailey, Ed.D.
Superintendent

TEB/II

Woodland VE Items to Meet Budget

Bid Amount for Project						\$ 1,475,000.00
VE Items						Savings
1	Reduce specifications on foam roofing					\$ 118,500.00
2	Do not do any work in art room floor and restroom			}		
3	Do not remove floors in K classrooms					\$ 56,488.00
4	Reduce the amount of brick wall to be removed					
5	Do not do parapet wall around perimeter of building					\$ 27,352.00
6	Options on drilled piers at Café					
7	Reduce metal panel work on selected areas					
8	Do not do the metal panel work on 4th grade wing					
9	Painting work to be completed by school					
10	Leave Woodland sign area – stop metal panel at corner.					
11	Reduce work on library addition					
12	contingency					\$ 38,000.00
13	EFIS					\$ 234,660.00
Total VE Items						\$ 475,000.00
Total project cost						\$ 1,000,000.00
Target cost of project - \$ 1,000,000 or less						



OFFICE OF MAINTENANCE AND OPERATIONS

DATE: May 7, 2012

TO: Karen Gagliano, Director of Business and Support Services

FROM: Allen Thacker, Supervisor of Maintenance and Operations

SUBJECT: Approval of Bid from Merit Construction

Karen,

I would like to recommend the award of the contract for the Woodland Elementary School Structural project, pending approval of matching funding from the city and successful negotiations with the apparent low bidder, to Merit Construction. The original bids ranged from a high of \$1,594,000 to the low bid of \$1,475,000. These bids were considerably higher than expected due to the price of metal, the short turnaround time, and the accelerated timetable for completion. On Friday, a list of possible value engineering items was developed and reviewed with Dr. Bailey and Ms. Nancy West. Upon direction from Dr. Bailey, I met with Red Chair, the project architect, and representatives of Merit Construction this morning to work on value engineering the project to meet the anticipated project budget of one million dollars. Value engineered items included changing the metal panels to Exterior Insulation Finishing System (EIFS), changing the specifications on the roofing to meet manufacturers recommendations, reducing some areas of brick removal, removing the installation of a parapet wall on the building perimeter, and eliminating two areas of floor removal and replacement. These reductions do not compromise the intent or critical work required in the project, but allow us to complete the project on time and within budget.

Thank you,

A handwritten signature in cursive script that reads "Allen Thacker".

Allen Thacker, Supervisor of Maintenance and Operations

RESOLUTION

A RESOLUTION AUTHORIZING THE EXPENDITURE OF \$500,000.00 FOR REPAIRS TO WOODLAND ELEMENTARY SCHOOL AND TO DIRECT THE FINANCE DIRECTOR TO PREPARE THE APPROPRIATE AMENDMENTS FOR CITY COUNCIL'S CONSIDERATION IN THE FY2013 BUDGET.

WHEREAS, Woodland Elementary School is in need of repair to correct safety issues; and

WHEREAS, the Oak Ridge Schools has solicited bids for this repair with initial bids coming in at approximately \$1,500,000.00; and

WHEREAS, the Oak Ridge Schools has negotiated a price reduction to \$1,000,000.00 through a value engineering process; and

WHEREAS, the Oak Ridge Schools has requested \$500,000.00 from the City toward this project; and

WHEREAS, the City has set aside \$400,000.00 in the FY2013 proposed budget for this project and the additional \$100,000.00 requested can be made available either from the General Fund or the Special Programs Fund; and

WHEREAS, the City Manager recommends City Council authorization to expend \$500,000.00 toward this project by directing the Finance Director to prepare the necessary amendments to the FY2013 proposed budget for City Council's consideration.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That the recommendation of the City Manager is approved and \$500,000.00 is hereby appropriated for the repair of Woodland Elementary School, said funds to be allocated in the FY2013 budget by adding an additional \$100,000.00 to the proposed FY2013 budget from either the General Fund or the Special Programs Fund.

BE IT FURTHER RESOLVED that the Finance Director is hereby directed to prepare for City Council's consideration an amendment to the FY2013 budget appropriations ordinance scheduled for second reading and final adoption on May 29, 2012.

This the 14th day of May 2012.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Thomas L. Beehan, Mayor

Diana R. Stanley, City Clerk