



Date: November 5, 2013

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Joel V. Reitzer, Jr., Director, General Services Department

Subject: Radio Equipment Building Additional Support Equipment and FY 2013-2014 CIP Budget Amendment Request for CIP Ordinance # 14464

Executive Summary

On February 6, 2013, a contract for the construction of the new Radio Equipment Building was executed with Morlando Construction, LLC in the amount of \$744,000.00. A project contingency in the amount of \$74,400.00 was established.

The Radio Equipment Building project included the building and associated systems, including a back-up generator, necessary to accommodate the new Radio Infrastructure Equipment replacement ("Radio Infrastructure Equipment"). It has been determined that the new Radio Infrastructure Equipment to be housed in the new building (through a separate Capital Improvement Project), will require installation of an Uninterruptable Power Supply (UPS) system and the associated wiring, power strips, cable trays, grounding, and cable racks.

Morlando Construction, LLC and General Services have negotiated a proposed change order for additional electrical infrastructure installations necessary to support the requirements of the Radio Infrastructure Equipment in the amount of \$202,618.00, which includes material and installation. The Radio Infrastructure Equipment itself will be installed by Motorola and coordinated through the Fleet Radio Communications personnel.

In order to approve the change order work, an amendment to the Capital Improvements Program (CIP) Ordinance #14464 Section 1(e) – Public Protection will be required. Funding for the change order work was identified from residual funds from project close outs and interest earnings on unspent bond funds.

Recommendation

The General Services Department recommends that the City Council:

1. Adopt an ordinance amending the General Capital Improvement Project Ordinance, Fiscal Year 2013-2014, as amended, the same being Ordinance #14464 for the purpose of adding funding to the Communications Radio Building project - \$202,618.00 (from \$1,005,418.00 to \$1,208,036.00).

2. Authorize the City Manager to negotiate and execute a change order to the construction contract for the Radio Equipment Building to Morlando Construction LLC in the amount of \$202,618.00, provided the total project cost does not exceed the amount budgeted for construction phase services plus the project contingency.

Background

The Fleet Management and Communications Maintenance department provides 24 / 7 support to the emergency communications system (which includes 3500 radios, 4 tower sites, the 911 center and backup center). The City must maintain the radio system to a high level of reliability and readiness due to its vital role in public safety. The new Radio Equipment Building will house the new Radio Infrastructure Equipment, which is a total digital radio system, replacing the 800 MHz radio system infrastructure.

The Radio Infrastructure Equipment replacement is necessitated by the aging of current equipment. Capital Improvements Program (CIP) project planning for conversion to the new equipment began in 2010. Early project cost estimates were \$20-\$22 million. In FY 2012-2013, the City Council approved a CIP project in the amount of \$13,300,000.00. A lease agreement contract is now in place with Motorola Solutions, Inc.

As part of the completion of the Radio Equipment Building, the building must be made ready to accommodate the new Radio Infrastructure Equipment now under lease with Motorola Solutions, Inc. The proposed change order will accomplish this task through installation of the required UPS System and additional support equipment.

In FY2008-2009, the City Council approved a Capital Improvements Program (CIP) project in the amount of \$350,000.00 for the design and construction of a Radio Equipment Building to replace the existing two modular buildings at 1807 Camden Avenue. Initial estimates did not take into account the extension of the water and sewer service that also necessitated sidewalk and landscaping along Camden Avenue. A separate CIP project, the Microwave Radio Network Upgrade project, realized substantial savings due to changes in the bidding climate and the existence of a statewide contract. A transfer of \$500,000.00 in excess funding from the Microwave Radio Network Upgrade project to the Radio Equipment Building project was approved by City Council on September 7, 2010 through Ordinance #14051. This funding was insufficient to accept the base bid plus the 2 recommended alternates. Additional funding sources were identified in the amount of \$155,418.00, and the transfer was approved by City Council on February 4, 2013 through Ordinance #14289 to enable the Radio Equipment Building project to include the alternate ice protection canopy and complete the emergency generator system.

Issues/Analysis

The new Radio Infrastructure Equipment is required for the public protection communications system. The new equipment requires a UPS system and the associated wiring, power strips, cable trays, grounding, and cable racks. The UPS system has a 10-12 week lead time, and it is important to order the equipment as soon as possible.

Alternatives

An alternative is to wait for new CIP project funding for FY 2014-2015. Staff recommends against this alternative as existing financial sources have been identified to fully fund this project and the equipment lease is in place and equipment ready to be delivered. Not proceeding with this project at this time would also negatively impact operational and

planning goals for Durham Public Protection total digital system upgrade scheduled for 2013-2014 and would diminish services to residents in this area.

Financial Impacts

Project Funding Sources

Capital Projects Fund	3505K908-731000-CC310	\$202,618
Air-Lease Towers	3505K908-662003-CC310	\$40,037
Triangle Transit Authority	3505K908-635210-CC310	\$113,181
Certificates of Participation	3505K908-666000-CC310	\$352,200
2009 LOBS	3505K950-666006-CC310	\$500,000
Total Project Funding		\$1,208,036

Funding Uses Summary		
Prior:		
Professional Services-Design	3505K908-731003-CC310	\$147,305
Design Contingency	3505K908-731900-CC310	\$15,000
Construction Contract	3505K908-731000-CC310	\$244,000
Construction Contract	3505K950-731000-CC310	\$500,000
Construction Contingency	3505K908-731900-CC310	\$74,400
Furniture and Equipment	3505K908-732300-CC310	\$13,166
Other Owner's Expenses	3505K908-728400-CC310	\$11,547
Total		\$1,005,418
Current:		
Construction Contract Change Order (UPS)	3505K950-731000-CC310	\$202,618
Funding Uses Total		\$1,208,036

SDBE Summary

This is a contract amendment. The Department of Equal Opportunity/Equity Assurance did not conduct a compliance review in accordance with the Ordinance to Promote Equal Business Opportunities in City Contracting.