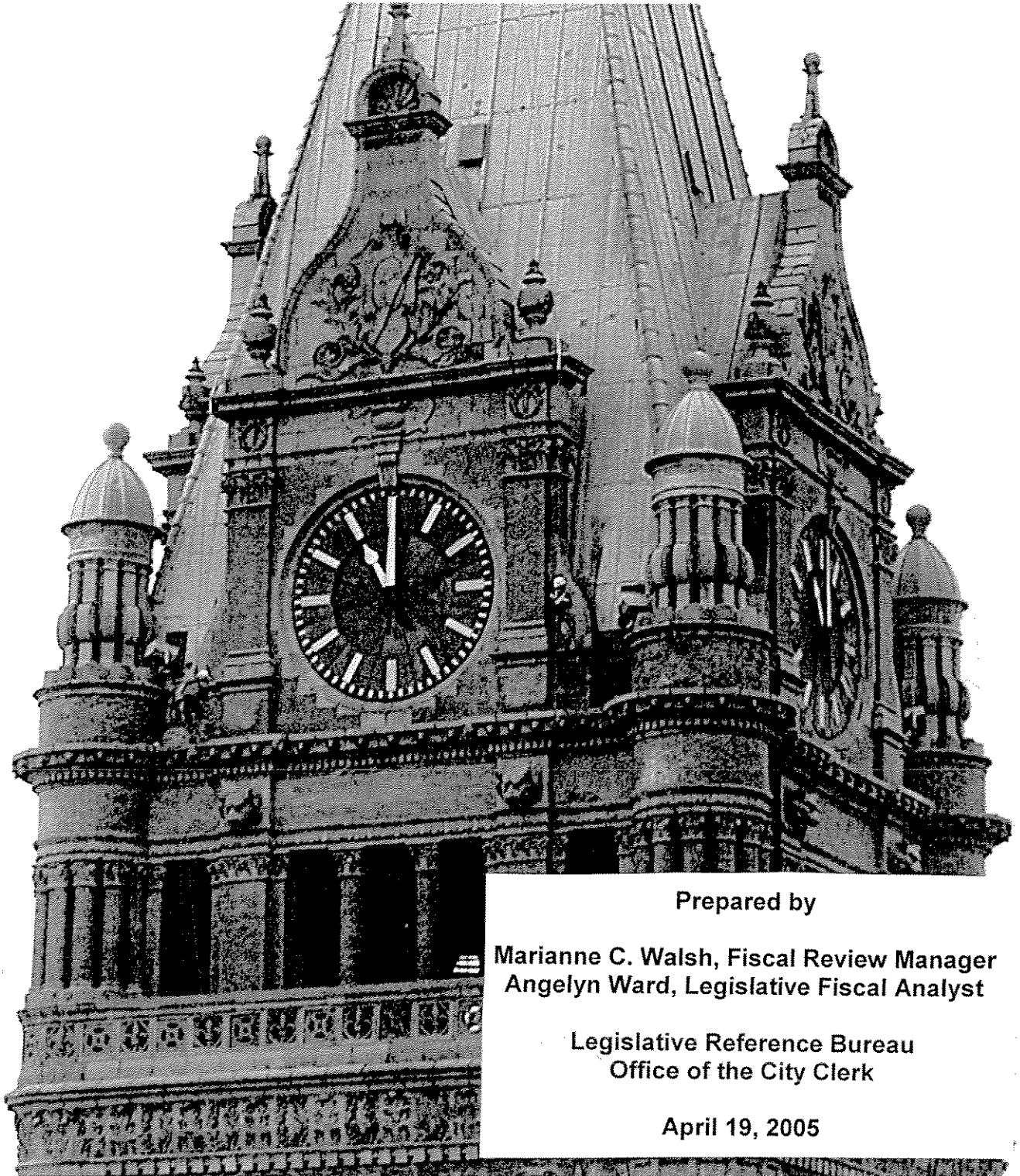


Overview of City Hall Restoration Project Bids



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Background

Constructed in 1893-1896 at a cost of \$945,311, City Hall is listed on the National Register of Historic Places for both its importance to the history of the city and its architectural significance. In April, 2005, City Hall was declared a National Historic Landmark. National Historic Landmark designation is an official recognition by the Federal government of a historic property's national significance. Today, fewer than 2,500 historic places bear this distinction.

The Department of Public Works' engineering staff determined in the late 1990's that City Hall's north and south towers, roof, walls and windows all need major repairs to restore the building's watertight integrity. The Department of Public Works initially estimated the cost of the restoration of City Hall at \$22.5 million, based upon preliminary visual analysis of the building's exterior condition by DPW staff, and records of work accomplished during the last major renovation in 1973-74.

Structural Analysis

Subsequent detailed studies by engineering and architectural experts commissioned by DPW found significant structural problems with the towers, exterior walls, interior walls, and supporting structure. These studies included an initial close visual examination and follow-up exploratory disassembly and evaluation

The engineering and architectural firm of Wiss, Janney, Elstner Associates, Inc. (WJE), of Northbrook, IL, completed the "Phase Two – Exploration and Remedial Stabilization" study of Milwaukee City Hall in 2002. The Phase Two analysis followed Phase One studies performed by WJE and others in 2001. The Phase Two study included close-up investigation of selected areas of the building envelope, inspection openings, sample removal, and laboratory materials studies, cleaning studies, water infiltration testing, and instrumentation monitoring. The study addressed all exterior elements and materials, including brick, terra cotta, sandstone, granite, mortar and sealant; slate, copper, and membrane roofing and flashing; wood windows and glazing; and the structural steel of the tower. Also examined were interior plaster, exposed clay tile and structural steel, and windows that show evidence of penetration of water from the exterior. J.P. Cullen and Sons, Inc., assisted WJE in the study by enabling access to the exterior façade of the building, making and repairing inspection openings, installing temporary stabilization measures, and preparing time schedules and cost estimates for WJE's report.

WJE's final report included a cost estimate addressing the repair or replacement of damaged materials on the exterior and interior, and the re-creation of missing or altered elements such as the third floor balustrades, metal roof cresting, and clock faces. The report draws on the results of the Phase One study completed in 2001, plus comments and suggestions of an invited peer review panel, which met to discuss a draft of the report on February 27 – March 1, 2002.

In order to protect public safety for the immediate future, a number of temporary emergency stabilization measures were implemented during the study. The upper parts of the four corner turrets of the tower were determined to be severely distressed, and protective netting was installed around each turret. The terra cotta soffits at the seventh floor level of the tower and the ninth floor clerestory of the tower on the east elevation were reinforced with wood bracing. Diagonal cracking and movement in the tower's gables related to corrosion of the embedded diagonal steel beams have occurred. Since these conditions present a significant public safety hazard and the underlying causes have not been addressed, a temporary pedestrian canopy (scaffolding) was installed at the base of the tower. WJE recommended that the pedestrian canopy should remain in place until the necessary repairs to the tower are completed.

According to WJE, if exterior repairs to City Hall are not performed in the near future, the building will continue to suffer significant deterioration. The cost of such repairs can be expected to increase at an accelerating rate if the repairs are not performed in a timely manner because deterioration of the underlying elements will intensify.

Based upon its study, WJE estimated it will cost approximately \$44 million to implement the recommended repairs to the exterior of City Hall. Because the tower exhibits the greatest distress and has required emergency stabilization measures, WJE recommended that work should begin at the tower to minimize potential risk and safety issues. At the time, WJE anticipated that it would take several years to complete the recommended repairs, and that the project could be completed in 2002 – 2006. If the recommended repairs are performed, it is anticipated that an exterior envelope renovation of this nature would not be needed for at least 30 years, and that such future repairs would not be as extensive as the current repair program.

Because of the historical significance of City Hall, WJE suggested that the Secretary of the Interior's Standards for the Treatment of Historic Properties should be followed when designing and implementing all restorative work to be performed on the exterior envelope. As construction plans are developed, many aesthetic decisions will be necessary. However, it may not be desirable to restore every altered element of the façade to its original 1895 appearance or configuration. It was recommended during the peer review discussion that a Historic Structure Report be developed for City Hall, to enhance understanding of the defining aspects of its historic character.

Survey of the site concrete around the building was not part of the study, but at the City of Milwaukee's request, the cost estimate and time schedule for the

project include the removal and replacement of the perimeter sidewalk vault to bring it into compliance with current City code.

According to the City of Milwaukee 2005 Budget Plan and Summary Book, the total cost of this project is expected to be \$43.5 million.

Funding

Thus far, the City of Milwaukee has allocated a total of \$37,440,000 (\$37.44 million) in its Capital Improvement budget for "City Hall Restoration" for the years 2000 – 2005, as follows:

Year 2000:	\$ 640,000
Year 2001:	2,500,000
Year 2002:	2,500,000
Year 2003:	12,400,000
Year 2004:	11,200,000
Year 2005:	<u>8,200,000</u>
TOTAL:	\$37,440,000 (\$37.44 MILLION)

Of the \$37.44 million allocated in the Capital Improvement budget for the years 2000 – 2005, approximately \$5.6 million has been spent through March 2005 for the Phase I and Phase II studies; remedial stabilization of the south tower; preparation of the Bid proposal, Department of Public Works General Specifications, Project Manual, Project Drawings, and 6 Bid Addendums (changes and modifications); and various other tasks related to the planning and bidding phases of the City Hall Restoration Project. A balance of approximately \$31.8 million in approved funding remains.

Bids

The bid documents were prepared by the architectural firm of Engberg Andersen, and the invitation to bid was released by the Department of Public Works in December, 2004. A Mandatory Pre-Bid Meeting and Site Visit was held January 6, 2005. Participation in the Pre-Bid Meeting and Site Visit was mandatory for the general contractor, and subcontractors were strongly encouraged to attend.

The Emerging Business Enterprise (EBE) requirement for the project is 18%. The residency requirement (Residents Preference Program) for the project is 25%.

This was a "whole project" bid, meaning that a general contractor must bid on completion of the entire project, not just a portion thereof. The bid documents broke the project into segments, by order of restoration schedule:

- BID 100A – South Tower, work on all elevations.
- BID 200A – West side, work on seventh floor and above.
- BID 200B – East side, work on seventh floor and above.
- BID 200C – North side, and North Tower, work on seventh floor and above.
- BID 200D – Flat roof of main building and south side pitched roof on north cross gable.
- BID 300A – West side, work on sixth floor and below.
- BID 300B – East side, work on sixth floor and below.
- BID 300C – North side, work on sixth floor and below.

Please see Attachment A for a schematic of the City Hall building indicating the project segments

The bid documents set forth a schedule for the work anticipated in the project as follows. No work shall be done on the project during winter conditions except disassembly and existing field measurements.

Contract Award:	March, 2005
Notice to proceed with Phase 100A:	March, 2005
100A completion:	December 31, 2006
Notice to Proceed with Phases 200A and 300A:	March, 2005
200A and 300A completion:	June 30, 2006
Notice to Proceed with Phases 200B and 300B:	February, 2006
200B and 300B completion:	December 31, 2006
Notice to proceed with Phases 200C, 300C and 200D:	February 2006
200C, 300C and 200D completion:	September 30, 2007

DPW's Cost Estimates and the Contractors' Bids

The following 2 bids were submitted and opened on March 10, 2005:

J.P. Cullen & Sons, Inc.: \$59,927,218.00 (\$60 million)

Hunzinger Construction Co.: \$63,927,000.00 (\$64 million)

Both bidders met the City's goals for Emerging Business Enterprise participation (18%) and Residents Preference Program (25%).

The table following on page 5 is a comparison of DPW's cost estimate for the project, as developed by Engberg Anderson, and the bids as submitted by the contractors.

Comparison of DPW Estimate and City Hall Restoration Bids

Segments	DPW Est.	J P Cullen	\$ +/-	%	Hunzinger	\$ +/-	%
100A	\$16,252,328	\$39,801,654	+\$23,549,326	+145%	\$35,477,000	+\$19,224,672	+118%
200A	\$5,714,696	\$5,625,846	-\$88,850	-2%	\$8,000,000	+\$2,285,304	+40%
200B	\$5,491,099	\$4,663,133	-\$827,966	-15%	\$6,800,000	+\$1,308,901	+24%
200C	\$1,677,341	\$2,685,911	+\$1,008,570	+60%	\$3,400,000	+\$1,722,659	+103%
200D	\$746,026	\$834,567	+\$88,541	+12%	\$850,000	+\$103,974	+14%
300A	\$1,656,823	\$2,501,227	+\$844,404	+51%	\$4,300,000	+\$2,643,177	+160%
300B	\$1,521,627	\$2,586,298	+\$1,064,671	+70%	\$3,700,000	+\$2,178,373	+143%
300C	\$885,183	\$1,228,582	+\$343,399	+39%	\$1,400,000	+\$514,817	+58%
Total Base	\$33,945,123	\$59,927,218	+\$25,983,095	+77%	\$63,927,000	+\$29,981,877	+88%

Bid Selection Process

The deadline for a decision and action on the bids by the Department of Public Works is April 24, 2005. According to Deputy City Attorney Linda Burke, DPW's only option is either to award the bid or to reject both bids. DPW cannot award the bid and then attempt to "renegotiate" the scope or cost of the project to the City's advantage. State law and the City Charter both require a project of this magnitude to be bid rather than done as a request for proposals. (However, if the bid is awarded and the contractor discovers certain previously unknown physical conditions to exist which could significantly alter the scope or cost of the project for the contractor, both the City and the contractor could discuss and agree to specific change orders.) In the meantime, DPW cannot discuss the content of the bids with either bidder to determine reasons why both bids were significantly higher than the City's estimate, or why the bidders' cost estimates for certain elements of the project differed greatly from each other.

According to the Department of Public Works, J.P. Cullen, the low bidder on the restoration project, has verbally agreed to a 30-day extension of the bid selection period to May 24, 2005.

DPW has been exploring a number of scenarios with input from the Comptroller's Office and the Budget Division-Department of Administration, including possibly re-bidding the project. However, any re-bid of the project would likely incur increased costs to the City relating to such matters as repackaging the bids, and cost escalations for materials and labor if the project is pushed back or spread further into future years. Costing factors would include a 7.5% annual construction cost escalation factor for the cost to complete, a 3% deterioration factor, and a 0.5% for stabilization and inspection costs. There is also no guarantee that more firms would bid on a repackaged bid, especially since local EBE contractors have already aligned themselves with the two existing bidders.

Total Project Cost

Utilizing the low bidder's total cost of \$60 million for the full City Hall Restoration, DPW now estimates the real cost of the total project to be approximately \$70 million, as follows:

J.P. Cullen's bid:	\$60 million
10% increase for contingencies*:	\$ 6 million
Soft costs, including City staff time, relocation of City Attorney staff offices, etc.:	<u>\$ 4 million</u>
TOTAL:	\$70 million**

*10% is the industry standard.

**Total does not include approx. \$5.6 million already expended to-date related to City staff time, professional studies, preparation of design and bid documents, etc.

Based upon \$31.8 million in Capital Improvements funding for this project remaining on hand, and a total estimated real cost of \$70 million, the Common Council would need to appropriate approximately \$38.2 million in additional funding to complete the restoration project (additional funding of \$23.4 million for 2005 project purposes for work commencing on the entire South Tower and the Main Building-West Side, and \$13.8 million for 2006 project purposes for work commencing on the Main Building-East Side and the Main Building-North Side and Roof).

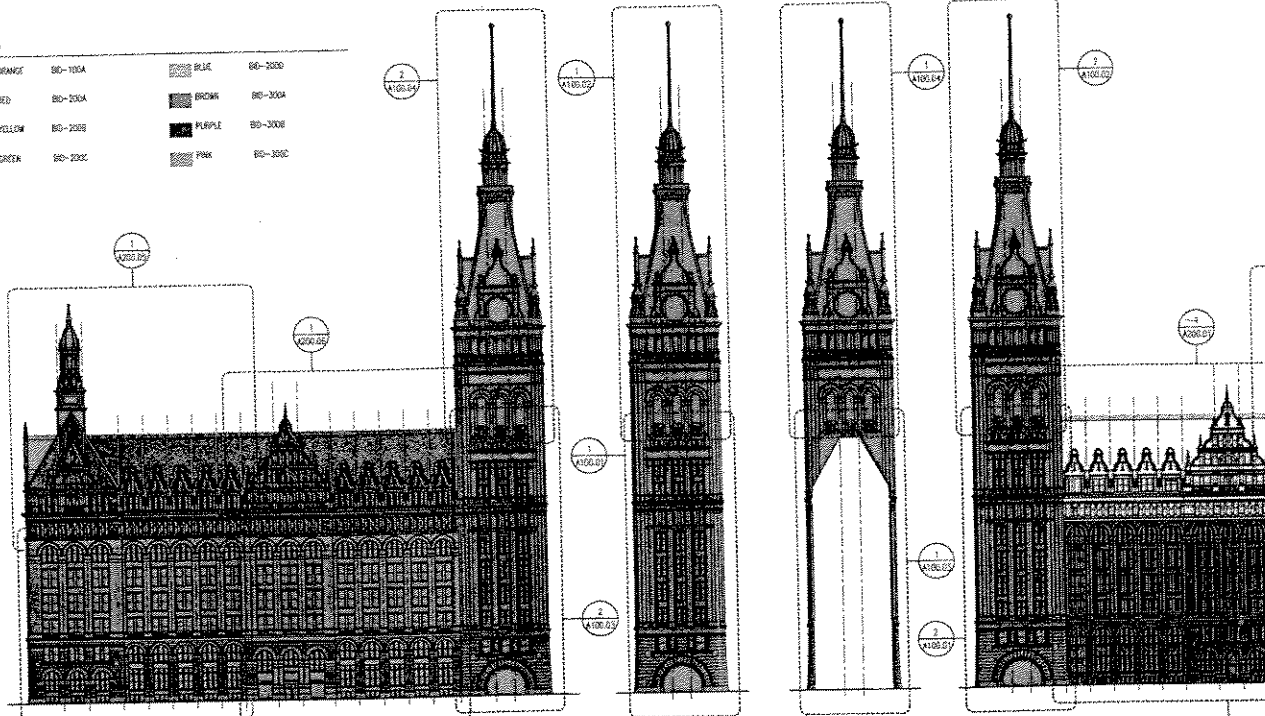
Please see **Attachment A** for a schematic of the City Hall building indicating the project segments.

Attachment B is a series of photographs illustrating both the ornate detail and deterioration of the City Hall building. Note the pitting and large holes in the North Tower's clock face, substantial structural cracks in the building's masonry, crumbling and missing terracotta, pockmarked and worn slate roof, and other compromised structural elements. The photos showing persons *rappelling* on the North Tower to perform investigative analysis of the structure provide scale of size.

mjm.city.hall.restoration.bids

BID KEY

ORANGE	80-105A	BLDG	80-2000
RED	80-200A	BRICK	80-200A
YELLOW	80-200B	PURPLE	80-200B
GREY	80-200C	PINK	80-200C

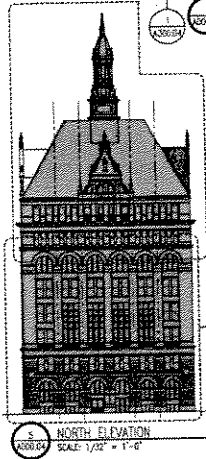


WEST ELEVATION
SCALE: 1/32" = 1'-0"
80-2000

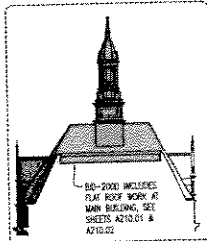
TOWER S. ELEVATION
SCALE: 1/32" = 1'-0"

TOWER N. ELEVATION
SCALE: 1/32" = 1'-0"

EAST ELEVATION
SCALE: 1/32" = 1'-0"



NORTH ELEVATION
SCALE: 1/32" = 1'-0"



NORTH TOWER SOUTH ELEVATION
SCALE: 1/32" = 1'-0"

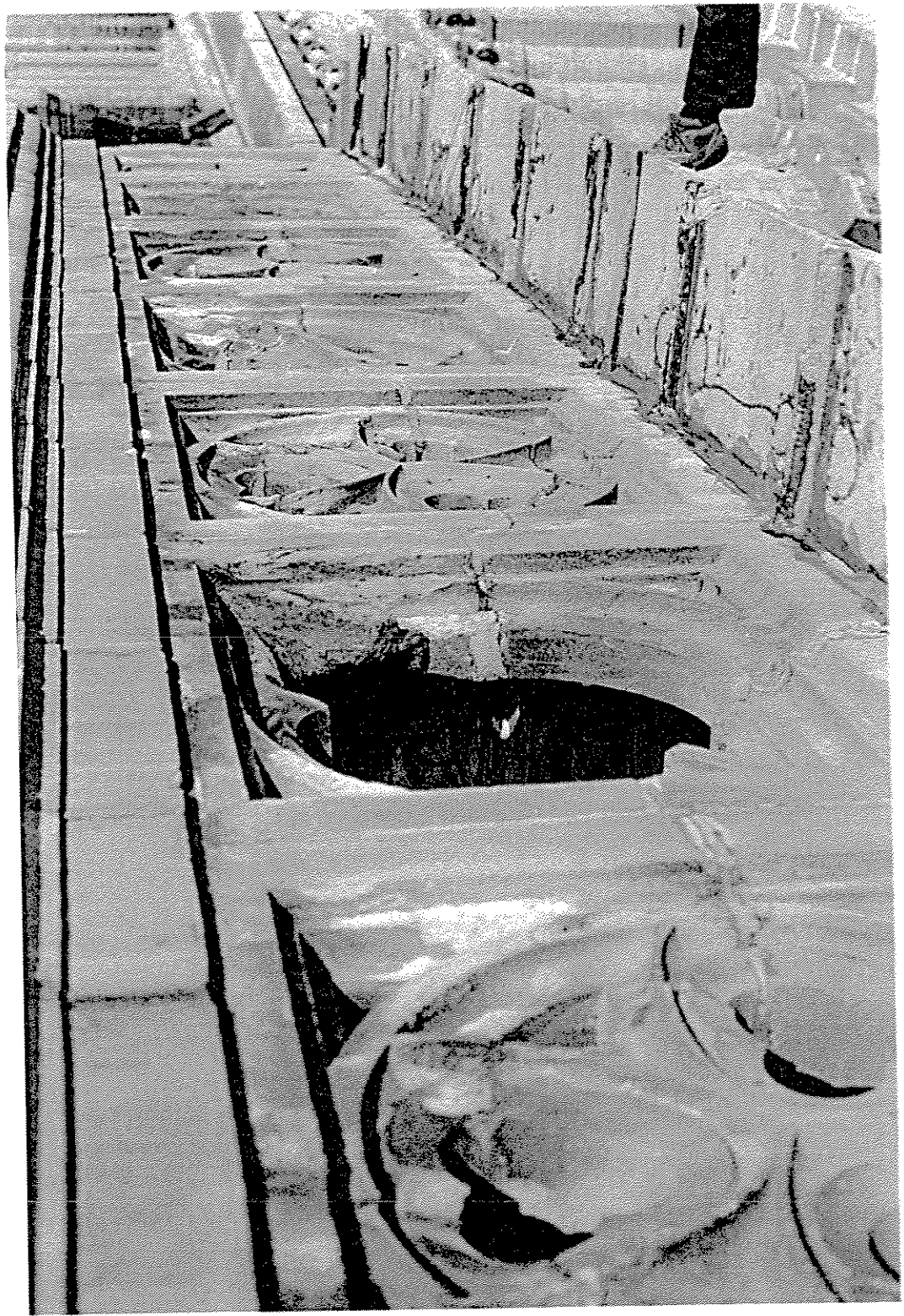
80-2000 INCLUDES
FLAT ROOF WORK AT
MAIN BUILDING, SEE
SHEETS A210.01 &
A210.02

MILWAUKEE CITY HALL HISTORIC BUILDING RESTORATION - BID CC

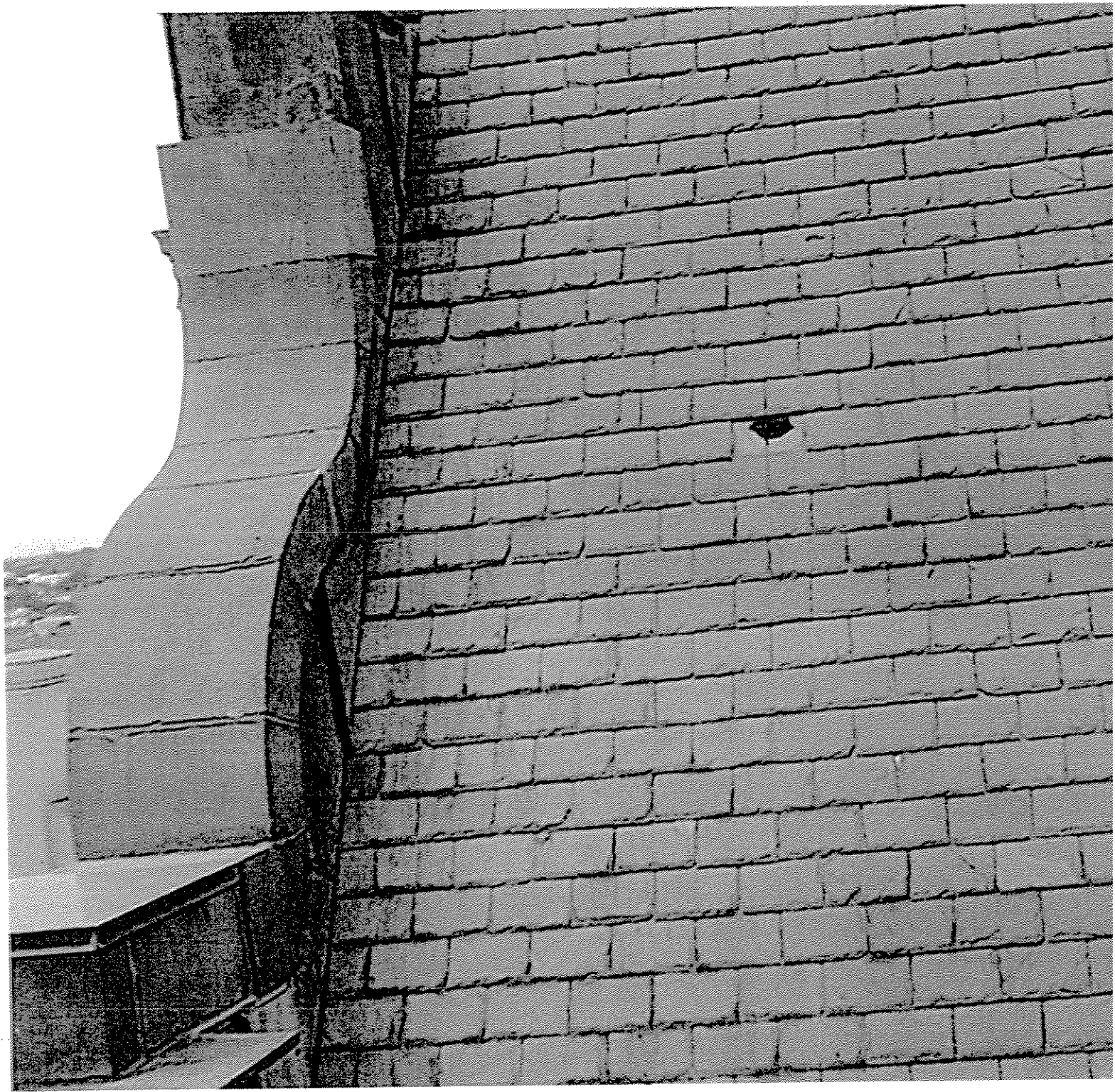
Bidder:	EADP Estimate	J.P. Cullen
Total Base Bid:	\$33,945,123.00	\$59,927,218.00
100A South Tower	\$15,252,328.00	\$36,801,654.00
200A West Elev. -- 7 th floor & above	\$ 5,714,696.00	\$ 5,625,846.00
200B East Elev. -- 7 th floor & above	\$ 5,491,099.00	\$ 4,663,123.00
200C North Elev. -- 7 th floor & above	\$ 1,677,341.00	\$ 2,685,911.00
200D Flat roof & north roof	\$ 746,026.00	\$ 834,567.00
300A West Elev. -- Below 7 th floor	\$ 1,656,623.00	\$ 2,501,227.00
300B East Elev. -- Below 7 th floor	\$ 1,521,627.00	\$ 2,586,298.00
300C North Elev. -- Below 7 th floor	\$ 885,183.00	\$ 1,228,582.00
Recommended award of present low bid Phase One (100A + 200A + 300A)	\$23,623,647.00	\$47,928,727.00



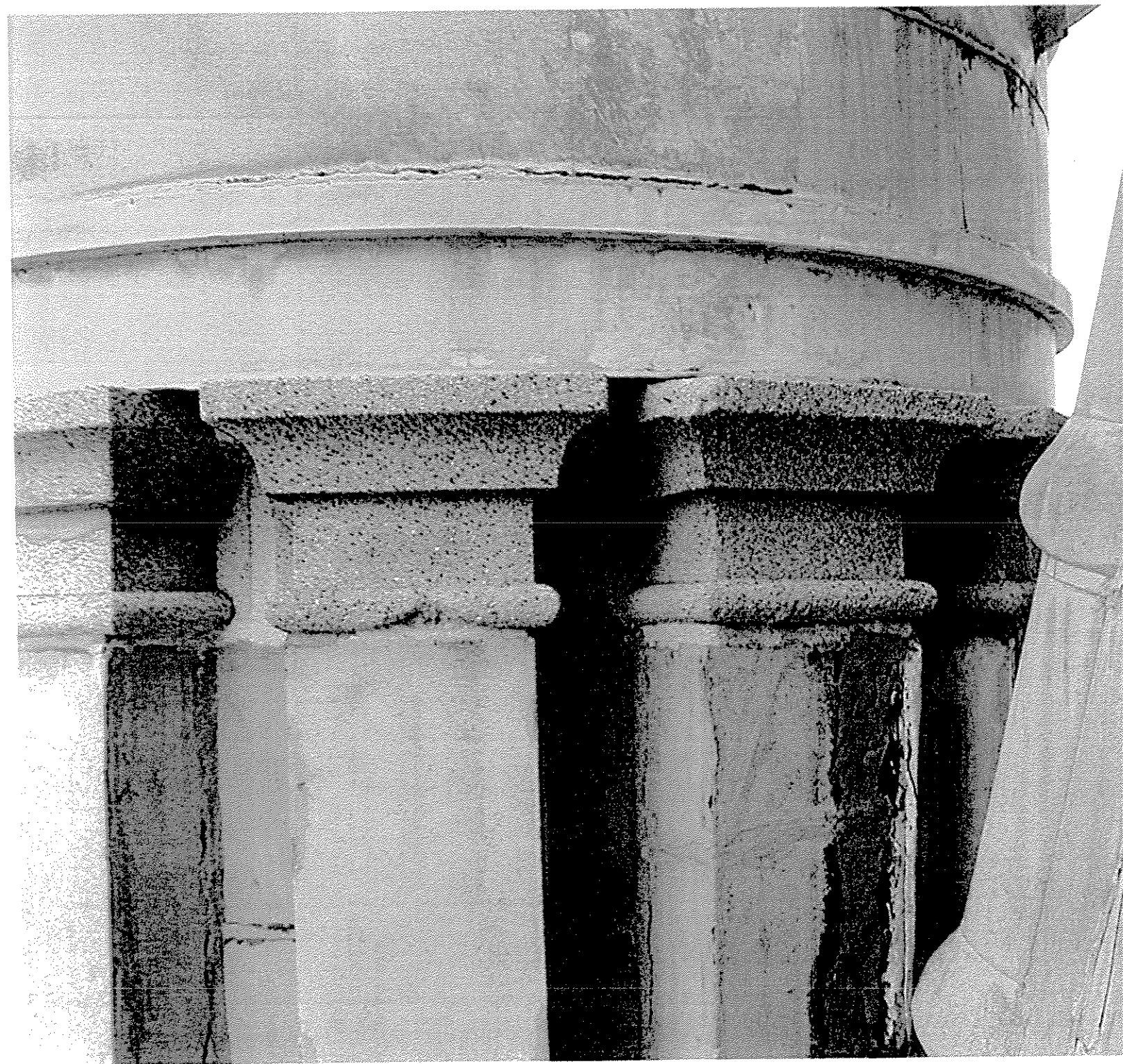


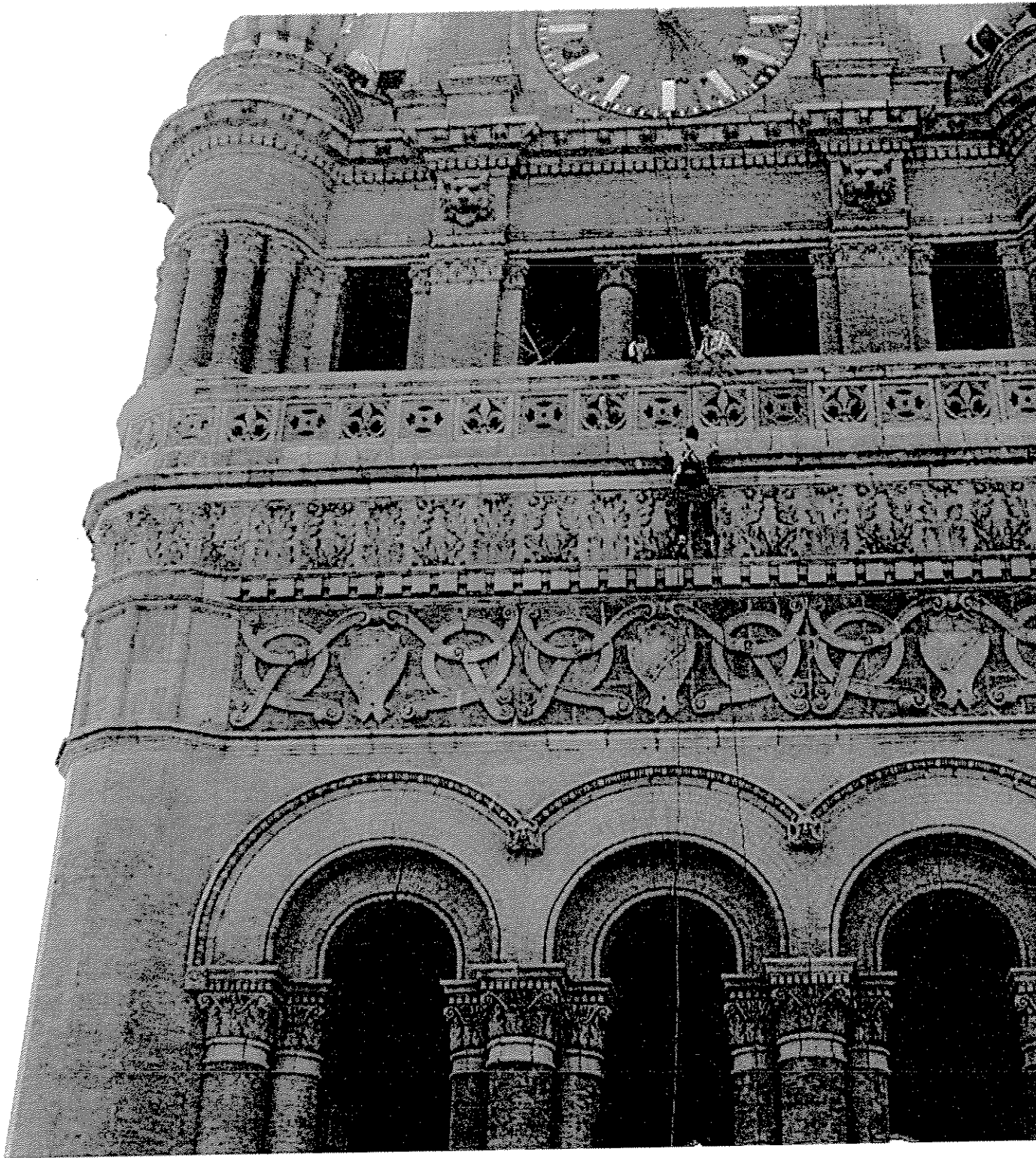


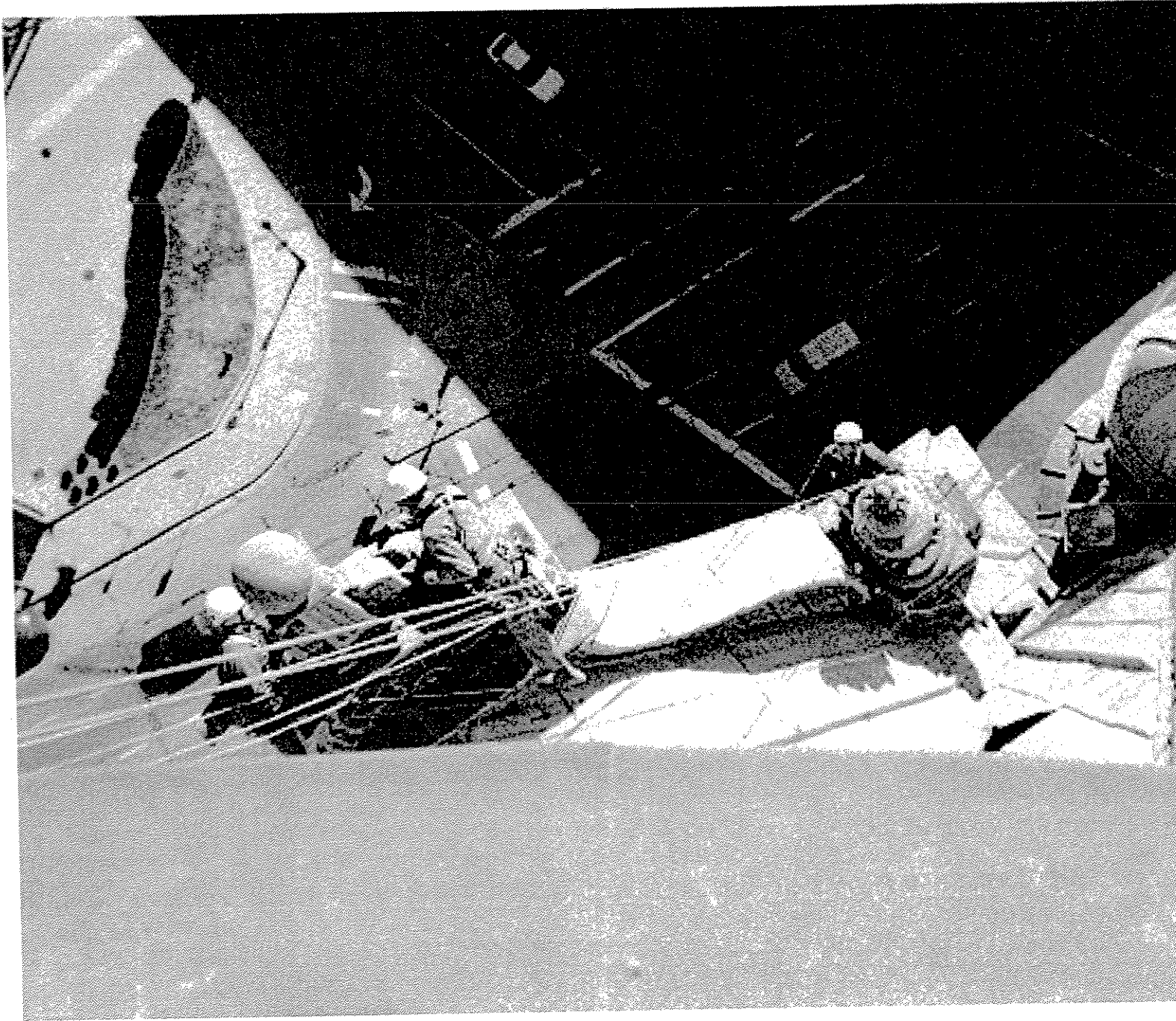


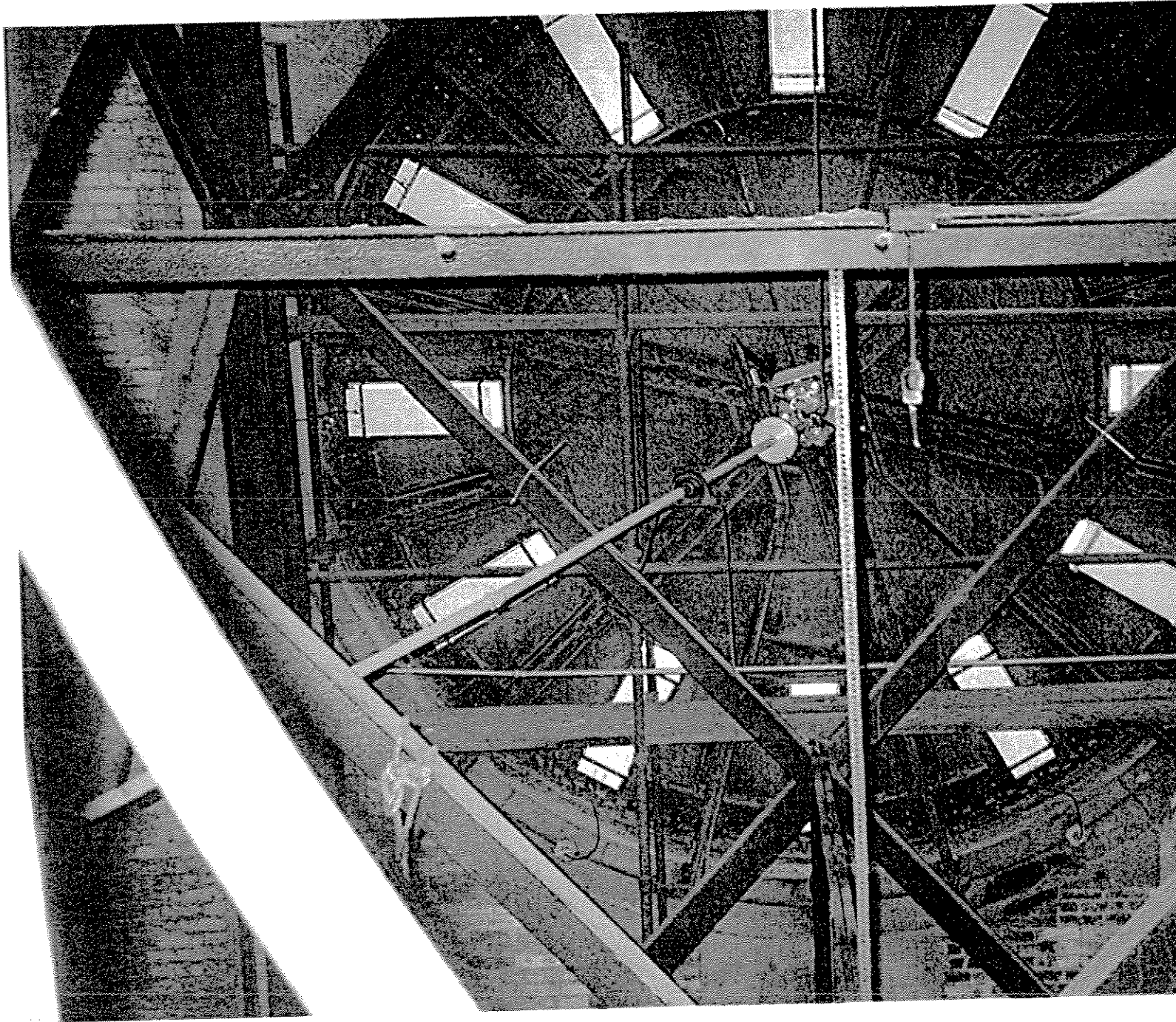


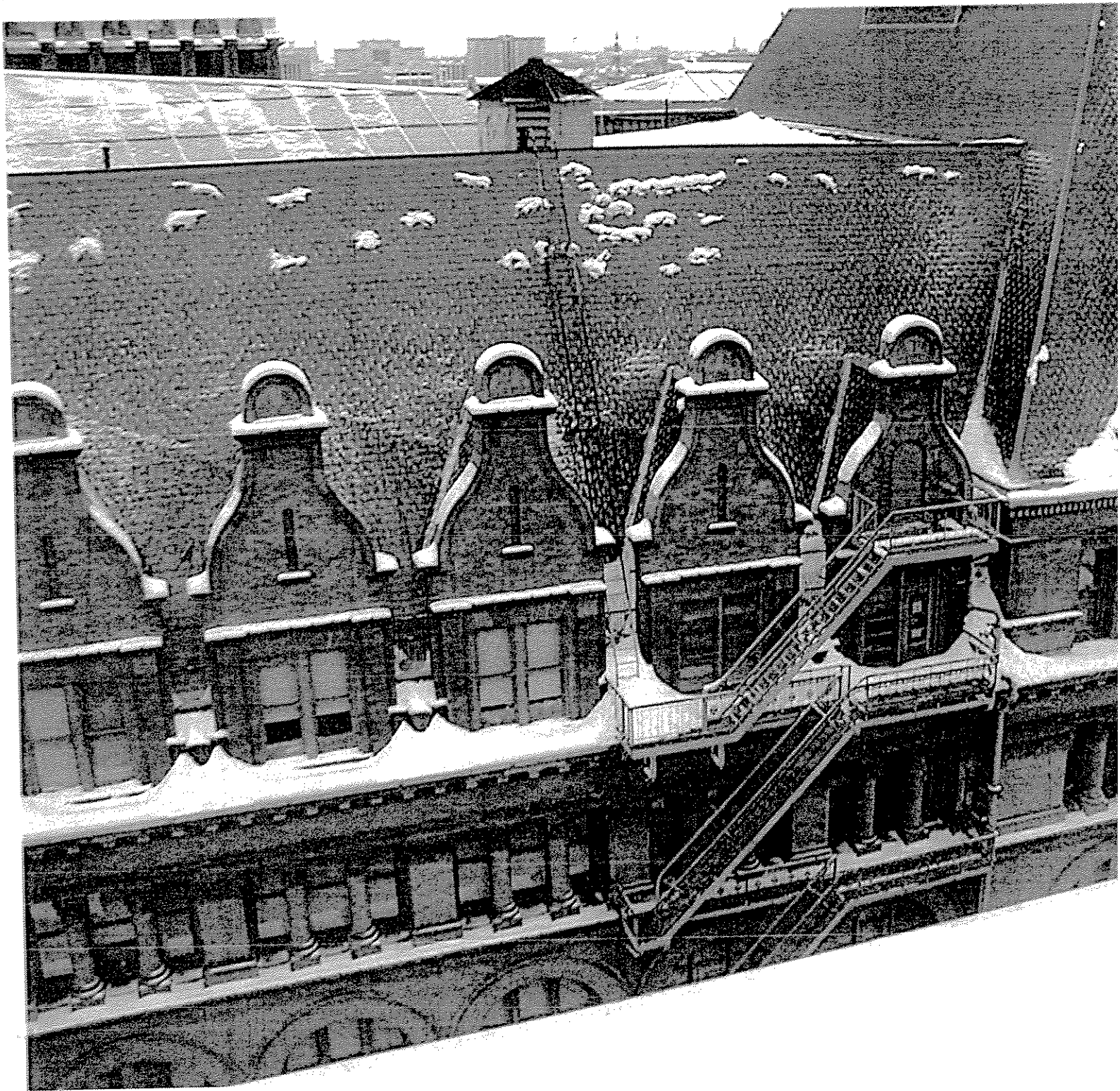


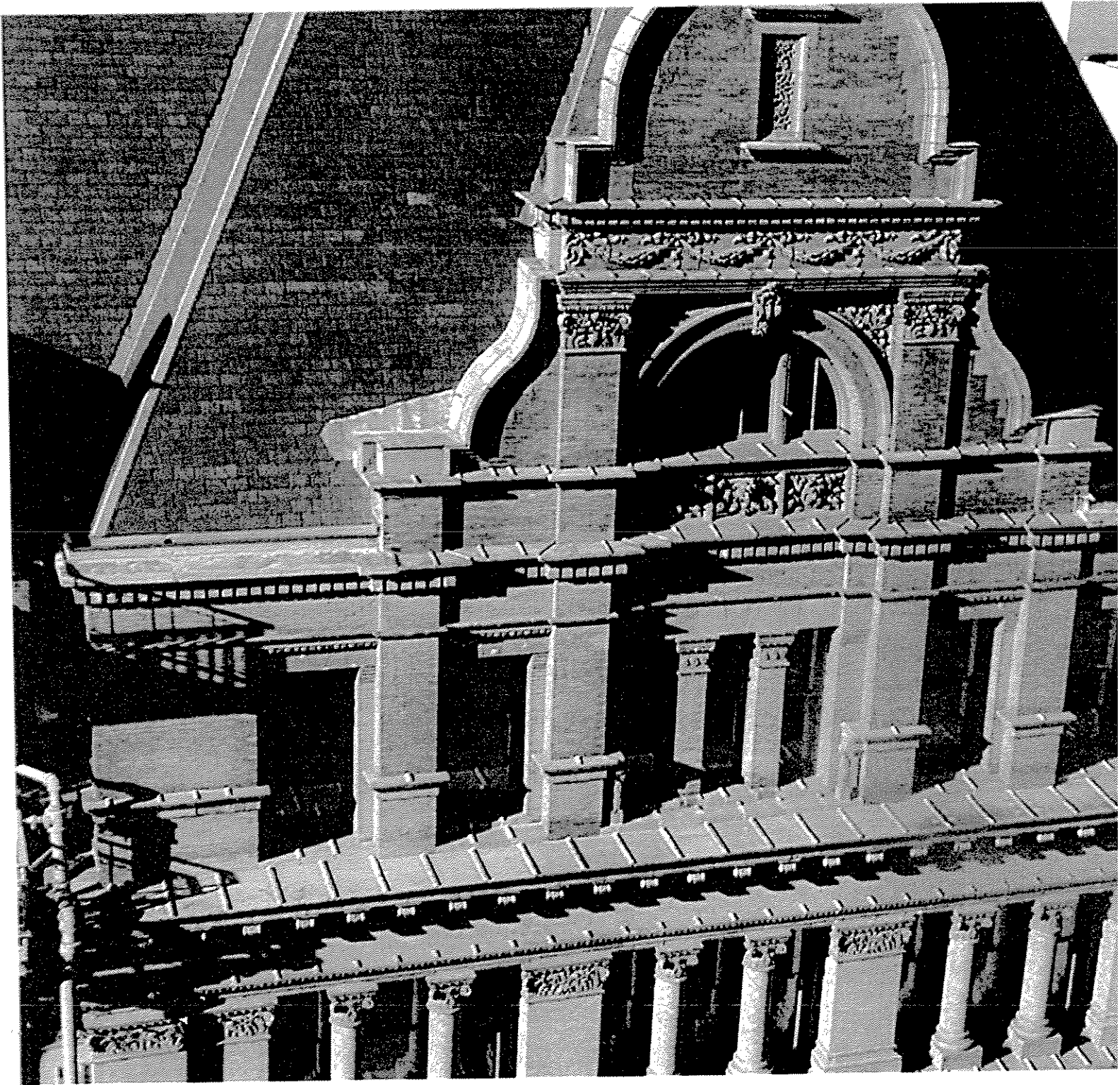
















CITY HALL

ERECTED IN 1893 AND DESIGNATED IN 1971
AS A LANDMARK OF THE CITY OF MILWAUKEE
BY THE MILWAUKEE LANDMARKS COMMISSION
IN RECOGNITION OF ITS ARCHITECTURAL AND
HISTORICAL SIGNIFICANCE TO THE COMMUNITY