

CITY OF RICHLAND CENTER

AGENDA ITEM DATA SHEET

Agenda Item: Request for Additional Funding for Municipal Building Generator

Requested by: Ashley Oliphant

Meeting Date: Finance Committee on 7/1/2025 and 8/5/2025 and Common Council on 8/5/2025

Background: On June 4, 2025, Electric Superintendent Gald requested the City jointly purchase a generator with City Utilities. At that time, the Municipal Building had one generator serving only the Police Department. The purchase of a new generator would ensure the entire building would have a secondary power source in the event of an outage. Superintendent Gald obtained estimates from Miller Electric and Wallace Electric ranging from \$19,732.95 to \$50,122.72. The Common Council approved the purchase and installation of a Kohler generator from Wallace Electric, the lowest bidder.

Following the completed installation in June 2025, Wallace Electric notified Mayor Coppernoll of additional costs and requested additional payment. It was reported that upon consultation with the Building Inspector, a larger unit than previously believed was necessary. This change was the primary cause of additional costs. It was also verified that this change was not communicated to City or Utility personnel and no authorizations were provided to Wallace Electric allowing the additional expenditure.

It was determined that the incorrect sizing of the generator stemmed from two key issues. First, inaccurate initial load calculation data was provided to bidders, leading to an undersized generator specification (~21 kW instead of the required ~30 kW). Second, upon receiving updated load calculation data, Wallace Electric independently decided to procure a larger generator (38 kW) without consulting city personnel or seeking prior authorization.

On July 9, 2025, the Utility Commission approved their portion of the additional expenditure.

Municipal Building Generator			
	CITY	UTILITY	TOTAL
Original Bid	\$9,866.47	\$9,866.48	\$19,732.95
Amount Paid	\$9,866.47	\$9,866.48	\$19,732.95
Remaining Balance	\$0.00	\$0.00	\$0.00
Add'l Cost (Unapproved)	\$4,083.52	\$4,083.53	\$8,167.05
Total Actual Project Cost	\$13,949.99	\$13,950.01	\$27,900.00

Financial Impact: \$4,083.52 unbudgeted expenditure

Funding Source(s): Unallocated Contingency 10-59100-390

Requested Action:

Finance Committee: Motion to recommend to the Common Council to approve the additional expenditure of \$4,083.52 for the purchase and installation of a generator for the Municipal Building from unallocated contingency.

Council: Motion to approve the additional expenditure of \$4,083.52 for the purchase and installation of a generator for the Municipal Building from unallocated contingency.

Attachments: Original Estimate from April 2024, Invoice from June 2025, All Estimates Received