

# Dane County Contract Cover Sheet

*Res 54  
significant*

<b>Dept./Division</b>	Dane County Department of Solid Waste
<b>Vendor Name</b>	Joe Daniels Construction Co., Inc.
<b>Vendor MUNIS #</b>	3873
<b>Brief Contract Title/Description</b>	Biogas Facility Construction, Site #2
<b>Contract Term</b>	June 18, 2018 to November 23, 2018
<b>Total Contract Amount</b>	\$ 6,111,204.47

<b>Contract #</b> <small>Admin will assign</small>	13398
<b>Addendum</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Type of Contract</b>	
<input checked="" type="checkbox"/>	Dane County Contract
<input type="checkbox"/>	Grant
<input type="checkbox"/>	County Lessee
<input type="checkbox"/>	County Lessor
<input type="checkbox"/>	Intergovernmental
<input type="checkbox"/>	Purchase of Property
<input type="checkbox"/>	Property Sale
<input type="checkbox"/>	Other

<b>Purchasing Authority</b>	<input type="checkbox"/> <b>\$10,000 or under – Best Judgment</b> (1 quote required)		
	<input type="checkbox"/> <b>Between \$10,000 – \$36,000 (\$0 – \$25,000 Public Works)</b> (3 quotes required)		
	<input checked="" type="checkbox"/> <b>Over \$36,000 (\$25,000 Public Works)</b> (Formal RFB/RFP required)	<b>RFB/RFP #</b>	317049
	<input type="checkbox"/> <b>Bid Waiver – \$36,000 or under</b> (\$25,000 or under Public Works)		
	<input type="checkbox"/> <b>Bid Waiver – Over \$36,000</b> (N/A to Public Works)		
	<input type="checkbox"/> <b>N/A – Grants, Leases, Intergovernmental, Property Purchase/Sale, Other</b>		

MUNIS Req.	Org Code	SWMETHGO	Obj Code	58087	Amount	\$ 6,111,204.47
<b>Req #</b> 1667	Org Code		Obj Code		Amount	\$
<b>Year</b> 2018	Org Code		Obj Code		Amount	\$

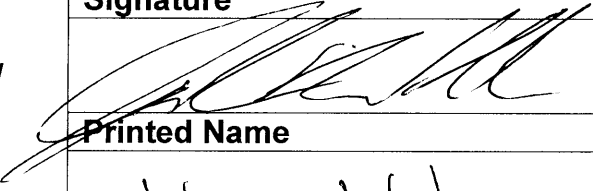
<b>Resolution</b>	<b>A resolution is required if the contract exceeds \$100,000 (\$40,000 Public Works). A copy of the Resolution must be attached to the contract cover sheet.</b>						
	<input type="checkbox"/> Contract does not exceed \$100,000 (\$40,000 Public Works) – a resolution is not required.						
	<input checked="" type="checkbox"/> Contract exceeds \$100,000 (\$40,000 Public Works) – resolution required.					<b>Res #</b>	054
	<input checked="" type="checkbox"/> A copy of the Resolution is attached to the contract cover sheet.					<b>Year</b>	2018

Contract Review/Approvals				
Initials	Dept.	Date In	Date Out	Comments
<i>MG</i>	Received by DOA	5/24/18		
<i>CA</i>	Controller		5/25/18	
<i>PCP</i>	Purchasing	5/29/18	5/29/18	
<i>JK</i>	Corporation Counsel	5/29/18	5/29/18	
<i>DL</i>	Risk Management	5/29/18	5/29/18	
	County Executive			

Dane County Dept. Contact Info		Vendor Contact Info	
<b>Name</b>	Ali Rathsack	<b>Name</b>	Jacob Cates
<b>Phone #</b>	608-266-4990	<b>Phone #</b>	608-271-4800
<b>Email</b>	rathsack.allison@countyofdane.com	<b>Email</b>	jcates@danielsco.com
<b>Address</b>	1919 Alliant Energy Center Way Madison, WI 53713	<b>Address</b>	919 Applegate Road Madison, WI 53713


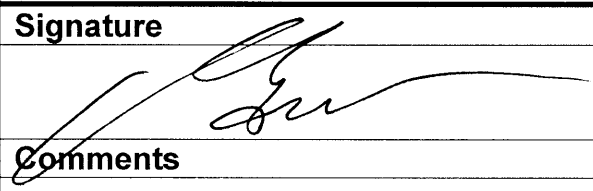
<b>Certification:</b> The attached contract is a:	
<input checked="" type="checkbox"/>	Dane County Contract <u>without</u> any modifications.
<input type="checkbox"/>	Dane County Contract <u>with</u> modifications. <b>The modifications have been reviewed by:</b>
<input type="checkbox"/>	Non-standard contract.

### Contract Cover Sheet Signature

Department Approval of Contract		
Dept. Head / Authorized Designee	Signature	Date
		
	Printed Name	5/23/18
John Welch		

### Contracts Exceeding \$100,000

Major Contracts Review – DCO Sect. 25.11(3)

Director of Administration	Signature	Date
		
	Comments	5/31/18
Corporation Counsel	Signature	Date
		
	Comments	5/29/18

COUNTY OF DANE

PUBLIC WORKS CONSTRUCTION CONTRACT

Contract No. 13398 Bid No. 317049

Authority: 2018 RES - 054

**THIS CONTRACT**, made and entered into as of the date by which authorized representatives of both parties have affixed their signatures, by and between the County of Dane (hereafter referred to as "COUNTY") and Joe Daniels Construction (hereafter, "CONTRACTOR"), and

**WITNESSETH:**

**WHEREAS**, COUNTY, whose address is c/o Solid Waste Manager, 1919 Alliant Energy Center Way, Madison, WI 53713, desires to have CONTRACTOR provide Biogas Facility Construction ("the Project"); and

**WHEREAS**, CONTRACTOR, whose address is 919 Applegate Road, Madison, WI 53713 is able and willing to construct the Project, in accordance with the Construction Documents;

**NOW, THEREFORE**, in consideration of the above premises and the mutual covenants of the parties hereinafter set forth, the receipt and sufficiency of which is acknowledged by each party for itself, COUNTY and CONTRACTOR do agree as follows:

1. CONTRACTOR agrees to construct, for the price of \$6,111,204.47 (Base Bid & Alternate Bid 2) the Project and at the CONTRACTOR'S own proper cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence labor, insurance, and other accessories and services necessary to complete the Project in accordance with the conditions and prices stated in the Bid Form, General Conditions of Contract, the drawings which include all maps, plats, plans, and other drawings and printed or written explanatory matter thereof, and the specifications therefore as prepared by Cornerstone Environmental Group LLC (hereinafter referred to as "the Architect / Engineer"), and as enumerated in the Project Manual Table of Contents, all of which are made a part hereof and collectively evidence and constitute the Contract.

2. COUNTY agrees to pay the CONTRACTOR in current funds for the performance of the Contract subject to additions and deductions, as provided in the General Conditions of Contract, and to make payments on account thereof as provided in Article entitled, "Payments to Contractor" of the General Conditions of Contract.

3. Contract Times

*Time of the Essence*

- A. All time limits for Substantial Completion and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

*Contract Times: Dates*

- B. The Work shall be substantially completed on or before the following date: November 16, 2018.

Substantially complete means the following Work shall be completed:

1. Any start-up or commissioning required for operation,
  2. Final walk through completed,
  3. Development of punch-list, and
  4. Final planting, seeding and mulching.
- C. Work shall be completed and ready for final payment on or before the following date: November 23, 2018.

*Liquidated Damages*

- D. Contractor and Owner recognize that time is of the essence as stated above and that Owner will suffer financial and other losses if the Work is not completed within the times specified above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. Substantial Completion: Contractor shall pay Owner \$10,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion until the Work is substantially complete.
  2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$5,000 for each day that expires after such time until the Work is completed and ready for final payment.
  3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.
  4. Liquidated damages for failing to timely attain Substantial Completion and Final Completion shall be capped at 10% of the total contract amount.
  5. There shall be no delays or adjustment to the dates for weather delays for the first 5 days of weather delays. Following the first 5 days of weather delays, when weather prevents Contractor from continuing Work for a full day, the deadlines listed above shall be extended by the number of days of the delay caused by weather. In the event of a dispute, the County Project Manager shall determine whether there is a weather delay on a specific day. In the event of a delay in delivery of Owner supplied equipment or materials, the deadlines for Substantial and Final completion shall be extended by the number of days the delivery of the Owner supplied materials or equipment is delayed.

*Bonus*

- E. Contractor and Owner recognize that time is of the essence as stated above and that Owner will suffer financial and other losses if the Work is not completed within the times specified above.
1. Contractor and Owner further recognize the Owner will realize financial and other benefits if the Work is completed by the time specified for Substantial Completion. Accordingly, Owner and Contractor agree that as a bonus for timely completion, Owner shall pay Contractor \$5,000 for each day prior to

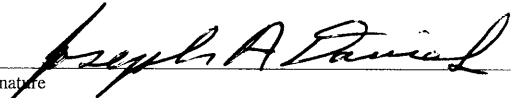
the date specified above for Substantial Completion (as duly adjusted pursuant to the Contract) that the Work is substantially complete. The maximum value of the bonus shall be limited to \$100,000.

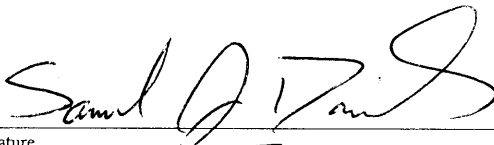
4. During the term of this Contract, CONTRACTOR agrees to take affirmative action to ensure equal employment opportunities. The CONTRACTOR agrees in accordance with Wisconsin Statute 111.321 and Chapter 19 of the Dane County Code of Ordinances not to discriminate on the basis of age, race, ethnicity, religion, color, gender, disability, marital status, sexual orientation, national origin, cultural differences, ancestry, physical appearance, arrest record or conviction record, military participation or membership in the national guard, state defense force or any other reserve component of the military forces of the United States, or political beliefs. Such equal opportunity shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff, termination, training, rates of pay, and any other form of compensation. CONTRACTOR agrees to post in conspicuous places, available to all employees and applicants for employment, notices setting forth the provisions of this paragraph.
5. CONTRACTOR shall file an Affirmative Action Plan with the Dane County Contract Compliance Officer in accord with Chapter 19 of the Dane County Code of Ordinances. CONTRACTOR must file such plan within fifteen (15) business days of the effective date of this Contract. During the term of this Contract CONTRACTOR shall also provide copies of all announcements of employment opportunities to COUNTY'S Contract Compliance Office, and shall report annually the number of persons, by race, ethnicity, gender, and disability status, which apply for employment and, similarly classified, the number hired and number rejected.
6. During the term of this Contract, all solicitations for employment placed on CONTRACTOR'S behalf shall include a statement to the effect that CONTRACTOR is an "Equal Opportunity Employer".
7. CONTRACTOR agrees to furnish all information and reports required by COUNTY'S Contract Compliance Officer as the same relate to affirmative action and nondiscrimination, which may include any books, records, or accounts deemed appropriate to determine compliance with Chapter 19, Dane County Code of Ordinances, and the provisions of this Contract.
8. This Contract is intended to be a Contract solely between the parties hereto and for their benefit only. No part of this Contract shall be construed to add to, supplement, amend, abridge or repeal existing rights, benefits or privileges of any third party or parties including, but not limited to, employees of either of the parties.
9. The entire agreement of the parties is contained herein and this Contract supersedes any and all oral agreements and negotiations between the parties relating to the subject matter hereof. The parties expressly agree that the express terms of this Contract shall not be amended in any fashion except in writing, executed by both parties.
10. CONTRACTOR must be pre-qualified as a Best Value Contractor with Dane County Public Works Solid Waste Division before award of Contract. Subcontractors must be pre-qualified ten (10) business days prior to commencing Work under this Contract.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR, by their respective authorized agents, have caused this Contract and its Schedules to be executed, effective as of the date by which all parties hereto have affixed their respective signatures, as indicated below.

\*\*\*\*\*

**FOR CONTRACTOR:**

  
Signature \_\_\_\_\_ Date 5-23-18  
JOSEPH A DANIELS  
Printed or Typed Name and Title

  
Signature \_\_\_\_\_ Date 5-23-18  
SAMUEL J DANIELS - CORPORATE SECRETARY  
Printed or Typed Name and Title

NOTE: If CONTRACTOR is a corporation, Secretary should attest. In accordance with IRS Regulations, unincorporated entities are required to provide either their Social Security or Employer Number in order to receive payment for services rendered.

\*\*\*\*\*

This Contract is not valid or effectual for any purpose until approved by the appropriate authority designated below, and no work is authorized until the CONTRACTOR has been given notice to proceed by COUNTY'S Assistant Public Works Director.

**FOR COUNTY:**

\_\_\_\_\_  
Joseph T. Parisi, County Executive Date \_\_\_\_\_

\_\_\_\_\_  
Scott McDonell, County Clerk Date \_\_\_\_\_

# **WHITE PAPER ON FALSE CARPENTERS UNION ACCUSATIONS**

**December 31, 2017**

The Carpenters Union has been bannering, hand-billing, sending letters, and visiting our customers. They are stating that Joe Daniels Construction Co., Inc. mistreats its employees. Those claims are simply not true. The Carpenters Union has failed to do its research on Daniels Construction resulting in false accusations. The purpose of this White Paper is to explain how exceptionally well Daniels Construction treats its employees and how that benefits its customers.

## **COMPANY PROFILE**

Daniels Construction is a general contractor primarily serving Southern Wisconsin and other select parts of the state. The Company is primarily known as a commercial / industrial contractor in multiple categories. Daniels Construction specializes in general building construction and remodeling of structures that are less than five stories in height. General building construction includes masonry, wood framing, pre-cast concrete and metal buildings. Other services that the Company offers are street, sewer, water and underground construction, commercial and residential concrete, shoreline restoration, cabinetry and millwork, and snow removal.

## **EXCEPTIONAL EMPLOYEES**

Daniels Construction thrives on hiring, training, and retaining the most qualified workers in the construction industry. Once a field construction worker is hired, they are extensively cross-trained in many different trades to allow them to be efficient in completing any type of job. This gives Daniels Construction an advantage over other Union contractors by being able to successfully complete a more diverse portfolio of projects, while having no obligation to send different tradesmen to a job in which one construction worker can perform. Cross-training also benefits the employees, allowing them to experience many trades (i.e. equipment operator, cement finisher, mason, etc.). This minimizes the potential for mundane repetition leading to stagnated personal growth. Therefore, Daniels Construction employees, like those with carpentry experience, are not confined to one trade classification.

## **EMPLOYEE SATISFACTION**

Employee satisfaction at Daniels Construction can be confirmed by the total years of service the employees have worked for the company. As of 12/31/17, the employees of Daniels Construction have been with the company for an average of 19.71 years. This retention rate is extraordinarily high especially when you consider that the Company is performing construction work in a seasonal Wisconsin environment. The low turnover rate provides evidence of the trust and mutual respect between Daniels Construction and its employees.

## **EMPLOYEE STOCK OWNERSHIP PLAN**

Daniels Construction is an employee-owned company. Through an Employee Stock Ownership Plan (ESOP) all employees become part owners who share in the profits and benefit in the growth of the Company. Countless studies have shown that an ESOP makes good financial sense since companies with broad-based employee ownership outperform comparable companies where employees are not stakeholders. When the success of the Company is directly linked to the employees' ownership, this encourages productivity and better quality control.

## **RETIREMENT PLAN**

Besides the ESOP as a retirement source, Daniels Construction also generously contributes toward a 401k retirement plan for all employees. The employees have control over selecting from a diverse portfolio of retirement funds. Low administrative costs allow Daniels Construction employees to retain more of their principal balance to invest.

The retirement plan for employees at Daniels Construction is fully funded, whereas the Carpenters Union plan continues to experience severe financial problems. The Carpenters Union has, once again, notified their members that as of the plan year ending March 31, 2017 its Plan is in an "endangered status," with an advanced elected certification of "critical status." Daniels Construction employee retirement is not burdened by the legacy costs or the risk of unfunded liability that plague the Carpenters Union.

## **HEALTH BENEFITS**

Daniels Construction provides its employees a health benefit package which is at least comparable to, if not in excess of, that provided by the Carpenters Union. It also provides many advantages to employees that the Carpenters Union does not provide. For example, Daniels Construction pays single health insurance for all employees and has a cafeteria plan through which employees can pay for family health coverage. This means that, unlike the Carpenters Union plan, single employees and employees whose spouses have separate health insurance can preserve within their paycheck all of the money that would otherwise be paid for unwanted family health insurance. The employees at Daniels Construction have better coverage and lower co-pays than the employees under the Carpenters Union plan. Daniels Construction also provides a short-term disability and life insurance policy, along with an employee assistance program, at no cost to its employees. Daniels Construction provides more value to its employees through its fringe benefits than those of the Carpenters Union plan.

## **BASE COMPENSATION**

Daniels Construction is a merit shop firm, which means that an employee is compensated based on the value they provide the Company. The employees are all different, acquiring or developing diverse knowledge, skills, experiences, and work ethic through the years. While this means not everyone makes the same amount, this ultimately allows the employees to potentially make more than the prevailing wage and get more work from being cross-trained in different trades. In 2017 the wage for a construction worker with carpentry experience at Daniels Construction averaged \$44.99 for each hour worked. That is more than the average area "Gross Wages" with the Carpenters Union of \$33.79 (\$33.56 from 1/1/17 through 6/4/17 and \$34.02 from 6/5/17 through 12/31/17). Daniels Construction employees are paid for their hard work and growing experience level and are not restricted by lower mandated Carpenters Union wage amounts. Furthermore, Daniels Construction employees are not subjected to Carpenters Union "Dues" and "Savings" deduction which is approximately another 8% of gross wages.

## **TOTAL COMPENSATION AND BENEFITS**

Daniels Construction's average total package of wages and benefits exceeds that of the Carpenters Union rate. In year 2017, the average total compensation package for each hour worked by a construction worker with carpentry experience at Daniels Construction was \$57.99. The total package for a Carpenters Union journey person was \$51.68 (1/1/17 through 6/4/17) and \$53.23 (6/5/17 through 12/31/17 per hour). Of course, keep in mind the rate above does not include Carpenters Union "Dues" they automatically deduct from its members. Daniels Construction employees are not forced to give up hard-earned money to the Carpenters Union for benefits that they may not receive.

## **CUSTOMER SATISFACTION**

Even though labor compensation rates are higher than the Carpenters Union rates, Daniels Construction is competitive in the construction industry. This is due to efficient operations, better equipment and the ability to assign cross-trained employees to do any type of work for which they are qualified. Daniels Construction is simply not handcuffed by work limitations or restrictions on duties that employees can perform. Daniels Construction customers benefit from both cost and time savings from this flexibility and efficiency.

Daniels Construction has many satisfied and repeat customers in both the private and public sectors. At least seventy percent of Daniels Construction work is performed for a variety of state, federal, municipal agencies, and school districts. The Company operates in compliance with the regulations of all government agencies.

## **AMERICAN WAY OF LIFE**

Although Daniels Construction has a unique wage and benefit structure, it is undoubtedly better than that of the Carpenters Union. The employees are happy to work for a merit shop and an employee-owned company. They work together to create a positive, fulfilling, and safe work environment. Ownership in the company ESOP and fair treatment of employees with an above-standard compensation package rewards employees for their hard work and talent. This encourages a true experience in the American Way of Life.

Daniels Construction has been the object of an untruthful information campaign by the Carpenters Union. The real reason for this inaccurate campaign may be a result of Daniels Construction ability to provide its customers with quality work at a lower cost while compensating the employee exceptionally well. Daniels Construction success may frustrate the Carpenters Union and Union employers that have to work under very restrictive and archaic job description rules, but it ultimately benefits both Daniels Construction employees and the customers they serve.