

MEMORADUM

TO: Public Market Advisory Commission
FROM: Sarah DeWitt, Farmers Market Manager
RE: Market Infrastructure Project Update – November 2016
DATE: November 8, 2016

The Market Infrastructure Improvement Project site plan was approved by City Council in August and the construction contract was put out for bid in September. Bids received significantly exceeded the cost estimate. A total project budget had been identified as \$875,000.00, comprised of various funding sources. The low bid for the construction portion of the project came in at almost \$1,200,000.00. Staff met with the low bidder to explore opportunities for lowering the contract amount while retaining the integrity of the project. While some progress was made, the total project budget for construction, design, contingency, and construction oversight resulted in a total project budget of approximately \$1,375,000.00, equating to a shortfall of approximately \$500,000.00 in funding.

Staff worked to identify additional funds to close this gap. The Public Market Advisory Commission supported the use of an additional \$100,000.00 from the market's available designated funds at their meeting in October. Additional developer contributions earmarked for downtown parks were identified to contribute additional funding to the market project, but not all of these funds have been received yet. The Downtown Development Authority is further evaluating its contribution to the parking lot improvements that were incorporated into this project with the aim of providing additional financial support but any such funding would not be available until fiscal year FY2018. As such, funds are not currently available to move the project forward. Consequently, staff recommends delaying the project.

The project's site plan is approved for a three-year period, and current funds for the project will remain available for when the project can begin. Delaying the project at this time provides staff the opportunity not only to identify additional funding, but to rebid the project and explore other opportunities for potential cost savings. From a construction schedule standpoint the timing for work this year is becoming tight, even if funding were available, so a delay will allow construction to begin earlier in the fall next construction season decreasing the potential for final stages of construction to cause negative operational impacts at the beginning of the following spring season when work would be scheduled for completion.

The Vendor Operations Advisory Committee will be convened in the interim period to continue to work through operational aspects of the project, including loading and unloading, vendor parking strategies and stall assignment procedures.

Parking lot repairs

Without the immediate construction of a new building, which would have included the complete resurfacing of the parking lot, Staff are working on identifying an interim plan for repairing the lot.

Annual assignment of stalls

The Annual Stall Move Up Process will be postponed until a confirmed construction timeline can be established for the Market Infrastructure Project. This will allow the necessary flexibility for staff to accommodate all existing Annual Vendors within the existing market space while accounting for the reduction of two existing market stalls as a result of the new building addition in the space. This does not impact any vendors' ability to participate in the market as they currently do.

Prepared by: Sarah DeWitt, Ann Arbor Farmers Market Manager
Reviewed by: Colin Smith, Manager of Parks and Recreation Services