



Legislation Text

File #: 13-0629, **Version:** 2

Resolution to Award Contract for the Barton and South Industrial Pump Stations Electrical Improvements Project to Shaw Electric Company (\$2,619,000.00)

This memorandum and resolution requests approval to award a contract to Shaw Electric Co. for the Barton and South Industrial Pump Stations Electrical Improvements Project (\$2,619,000.00).

The Barton and South Industrial Pumping stations are an integral part of the City's drinking water system. The electrical equipment at both stations has exceeded its useful life and is in need of replacement. In addition, neither site is compliant with current National Electrical Code and creates an unsafe working condition for City staff. Replacement of electrical equipment at the pump stations was identified as part of the 2004 Drinking Water Facilities Master Plan and is included as a high priority project for FY14 in the City's approved Capital Improvement Plan. This project includes replacement of the primary and secondary switchgear at Barton Pump station and replacement of electrical controls and a check valve at South Industrial Pump Station. In addition to the electrical work at Barton Pump station, a new maintenance and storage building is to be constructed, as well as minor necessary improvements to the existing pump station.

City staff conducted a public meeting on April 3, 2013 to share the project scope and solicit feedback from City residents and neighbors. No one from the public attended. On May 7, 2013 this project was recommended for approval by the City's Planning Commission.

The City received the following four bids:

| | |
|-----------------------|----------------|
| Shaw Electric Company | \$2,619,000.00 |
| Sorenson Gross | \$2,966,935.00 |
| Huron Valley Electric | \$3,059,600.00 |
| J Ranck Electric Inc. | \$3,292,438.86 |

Since Shaw Electric Company submitted the lowest responsible bid in the amount of \$2,619,000.00, it is recommended that their bid for \$2,619,000.00 be accepted, and that Shaw Electric Company be awarded the contract for the Barton and South Industrial Pump Stations Electrical Improvements Project.

The overall budget for the project is estimated at \$3,534,165.00 which includes the contract for Shaw Electric Company, project management and inspection services by City Staff (\$120,000.00), contingency for the contract with Shaw Electric Company for change orders to be approved by the City Administrator (\$260,000.00), a bond issue fee (\$29,500.00), engineering services provided by Stantec (\$460,665.00), and contingency for the contract with Stantec for change orders to be approved by the City Administrator (\$45,000.00).

The funds for this project are included in the approved Water Fund Capital Budget. The Barton Pump Station Electrical Improvements portion of this project (\$2,023,000.00) will be financed by the City

through a low interest loan through the State of Michigan's Drinking Water Revolving Fund Program. This project is part of the State's FY13 funding for DWRP projects. Receipt of a loan through the DWRP program is contingent upon Council approval of the construction contract by July 15, 2013.

The South Industrial Pump Station Electrical Improvements and Maintenance Building at Barton Pump Station portions of this project (\$596,000.00) are not eligible for DWRP and will be funded from the approved Water Supply System Fund capital budget.

Shaw Electric Company has received Human Rights approval on May 22, 2013, and complies with the living wage ordinance.

Prepared by: Brian Steglitz, P.E., Sr. Utilities Engineer, WTP

Reviewed by: Craig Hupy, Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, It is necessary to complete the Barton and South Industrial Pump Station Electrical Improvements Project to replace critical electrical infrastructure that is currently unsafe and exceeded its life;

Whereas, the Barton and South Industrial Pump Stations Electrical Improvements Project was identified as a high priority project in the approved the Capital Improvement Plan and Budget;

Whereas, The Barton Pump Station Electrical Improvements portion of this project is included as part of the Drinking Water Revolving Loan Fund (DWRP) application made by the City for a select number of water system projects and was accepted for funding through this program;

Whereas, The City is required to receive Council authorization to sign a contract with a general contractor by July 15, 2013 to receive funding through the DWRP program to complete this improvement project;

Whereas, Of the four bids received, Shaw Electric Company provided the lowest responsible bid in the amount of \$2,619,000.00;

Whereas, Shaw Electric Company has received Human Rights approval on May 22, 2013, and complies with the living wage ordinance;

Whereas, Funding in the amount of \$2,023,000.00 for the Barton Pump Station Electrical Improvements portion of this project is to be advanced from the Water Supply System Operating Fund Balance to be repaid pending the sale of water revenue bonds through the DWRP Program; and

Whereas, Funding in the amount of \$596,000.00 for the South Industrial Pump Station Electrical Improvements and Barton Pump Station Maintenance Building portions of this project are to be funded via the approved Water Supply Fund capital budget.

RESOLVED, That Council accepts the proposal and awards a contract to Shaw Electric Company in the amount of \$2,619,000.00 that includes the Base Bid and Alternate #1 for the Barton and South Industrial Pump Stations Electrical Improvements Project;

RESOLVED, That a contingency in the amount of \$260,000.00 is approved within the project budget

to finance change orders to the contract with Shaw Electric Company to be approved by the City Administrator;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute the contract for services after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the City makes the following declaration for the purpose of complying with the reimbursement rules of Treas. Reg. 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.