



Legislation Text

File #: 13-0574, **Version:** 1

Resolution to Award a Construction Contract to Pamar Enterprises, Inc. (\$2,283,524.30, Bid No. ITB-4288) for the West Madison Street Improvements Project

Attached for your review and approval is a resolution to award a construction contract to Pamar Enterprises, Inc. in the amount of \$2,283,524.30 for the West Madison Street Improvements Project.

Currently West Madison Street from South Seventh Street to South Main Street is in need of several improvements. The pavement is in a poor condition and it is in need of repaving. The existing water main is in old and undersized. This project will replace the existing 6-inch water main with new 8-inch and 12-inch ductile iron water mains, and fully reconstruct the street.

Stormwater management features will also be included in this project. These features will utilize infiltration and detention techniques such as bio-retention (rain gardens) and upsized storm sewer pipes to improve storm water quality; and reduce and delay flows into Allen Creek.

The project will include the addition of a designated bicycle lane along the north side of the street, and provisions for curb bump outs along the south side to better delineate parking, furnish an area for the rain gardens, and also allow for shortened crosswalks. The project also includes the removal and replacement of concrete curb and gutter, sidewalk ramps, driveway approaches, and some sidewalk repair as needed.

Plans and specifications were distributed electronically to contractors, subcontractors, and suppliers. Three bids were received and opened on May 8, 2013. The lowest responsible bid from Pamar Enterprises, Inc. of \$2,283,524.30 is approximately the same as the Engineer's Estimate. The construction of the project is scheduled to begin in late June or early July of 2013 and to be completed in November of 2013.

The total cost of the project is \$ 3,162,000.00. This project is being funded by the Water Fund (\$455,000.00), Street Resurfacing Millage (\$1,727,000.00), and the Storm Water Maintenance Fund (\$ 980,000.00), the latter of which will be repaid as a loan to the State Revolving Fund (SRF). It is anticipated that the City will receive 50% loan forgiveness on this project.

As the Water Resources Commissioner will be assessing the City over a maximum of 20 years for the Stormwater related portion of this project, the City will not have to expend the full cost of this project at the time of construction. Rather, the reimbursement of the WCWRC will be paid over the financing period, with installments not to exceed \$31,800.00 per year. The first payment is included in the approved Storm Water Fund Capital budget for FY 14.

Pamar Enterprises, Inc. received Human Rights approval on April 9, 2013. The contractor employees on this project will be compensated in accordance with the City of Ann Arbor Living Wage Ordinance.

Prepared by: Nicholas Hutchinson, P.E., Interim Project Management Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The pavement on West Madison Street from South Seventh Street to South Main Street is in poor condition and is need of reconstruction;

Whereas, The existing water main between South Seventh Street and South Main Street is old and undersized, and must be replaced prior to reconstructing the street;

Whereas, It is necessary to make stormwater improvements at West Madison Street prior to reconstructing the street in order to address Chapter 63 stormwater detention requirements and provide improvements to stormwater quality as required by the City's NPDES stormwater permit;

Whereas, The project is included in the City's Capital Improvement Plan;

Whereas, Funding for this project is included in the approved water, storm, and street millage fund capital budgets;

Whereas, Competitive bids were received by the Procurement Unit on May 8, 2013 and Pamar Enterprises, Inc. of New Haven, MI was the lowest responsible bidder at \$2,283,524.30;

Whereas, It is now necessary to enter into a Contract with Pamar Enterprises, Inc. company for the construction of the West Madison Street Improvements Project; and

Whereas, Pamar Enterprises, Inc., received Human Rights approval on April 9, 2013 and complies with the Living Wage Ordinance;

RESOLVED, That a contract in the amount of \$2,283,524.30 be awarded to Pamar Enterprises, Inc. for the construction of the West Madison Street Improvements Project (Bid No. ITB-4288);

RESOLVED, That a contract contingency amount of \$230,000.00 be established within the project budget and that the City Administrator be authorized to approve additional change orders to the construction contract with Pamar Enterprises, Inc. not to exceed \$230,000.00 in order to satisfactorily complete this project;

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

RESOLVED, That the City makes the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 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.