



Legislation Details (With Text)

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Title: Resolution to Award a Construction Contract to Ajax Paving Industries, Inc. (ITB. 4529, \$4,928,322.54) for the 2018 Street Resurfacing, and to Appropriate the Related Funds (8 Votes Required)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ITB 4529 Street Resurfacing Project - 2018_Contract Documents.pdf, 2. 2018-004_2018 Street Resurfacing_STREET BID LIST.pdf

Date	Ver.	Action By	Action	Result
5/7/2018	1	City Council	Approved	Pass

Resolution to Award a Construction Contract to Ajax Paving Industries, Inc. (ITB. 4529, \$4,928,322.54) for the 2018 Street Resurfacing, and to Appropriate the Related Funds **(8 Votes Required)**

Attached for your review and consideration for approval, please find a resolution to authorize the award of a construction contract to Ajax Paving Industries, Inc., in the amount of \$4,928,322.54, for resurfacing various City streets. The resolution also appropriates \$4,928,322.54 from the Street, Bridge, and Sidewalk Millage Unobligated Fund Balance.

This year's resurfacing project includes planned resurfacing of approximately five miles of streets throughout the City, including three (3) major streets, thirteen (13) local streets, and approximately 7,900 feet of shared use asphalt path. Attached, is a list of the proposed locations.

Construction will begin in mid-to-late May 2018, and will conclude by late October 2018. The Contractor will provide an exact schedule for each street, as required, to coordinate with planned community events, such as Art Fair and U of M home football games, in-session school days, holiday periods, and other construction projects.

The contract is a unit-price contract because actual construction quantities may vary. This allows removal, or substitution, of any streets on the proposed list for any reason. Depletion of available funds prior to the completion of all the streets on the list will result in termination the construction contract and deferral of the balance of the streets to a future resurfacing project. The City may add additional streets if the available budget allows.

Budget/Fiscal Impact

The current City of Ann Arbor Capital Improvements Plan (CIP) includes the Annual Street Resurfacing Program. The estimated cost for this year's project is \$7,110,000.00, and includes

estimated revenue from the following sources:

Revenue Source	Amount
Street, Bridge, and Sidewalk Millage Fund	\$4,695,000.00
County Road Millage Funds	\$2,005,000.00
Stormwater Fund	\$350,000.00
Water Fund	\$30,000.00
Sanitary Fund	\$30,000.00
Total	\$7,110,000.00

This project includes the annual, planned resurfacing program, which is funded by Street, Bridge, and Sidewalk Millage funds, County Road Millage funds, and various utility operating budget funds. Construction projects span fiscal years and due to fluctuations of project schedules, appropriation of \$4,928,322.54 from the Street, Bridge, and sidewalk Millage Fund is required to align funding with project construction costs for FY 2018. The project includes no unplanned operational impacts.

Maintenance of Traffic

The contract requires maintenance of local access throughout the majority of all construction. On major streets, the contract requires part-width construction. The contractor will maintain traffic in at least one direction, with the opposite direction temporarily detoured. The contractor will, at the staff's direction, install message boards to notify drivers of upcoming detours and related traffic delays.

Public Outreach

In early May, staff plans to meet with affected residents and property owners, which includes those in the Earhart Knolls and Glacier Highlands neighborhoods, where the majority of the work will occur this year.

In mid-April, staff will mail an informational postcard to all residents and property owners within the resurfacing limits of each street. This notice will inform them of the project and invite them to attend the meeting. It will also provide information about the project (i.e., staff contacts, the project web page; <https://www.a2gov.org/departments/engineering/Pages/Construction-Projects.aspx>).

Staff will distribute a more detailed notice prior to construction on each street. Residents and property owners may opt for periodic e-mails from the City providing updates on the progress of the work. The Contractor will distribute additional notices, as required, when its work activities and operations directly impact residents and property/business owners.

Bidding

The City advertised the proposed work for bid on its procurement webpage and on the Michigan Inter-governmental Trade Network (MITN) website with the bidding documents being available to interested contractors. Staff received two (2) bids, which were opened on March 29, 2018. The lowest responsible bid, from Ajax Paving Industries, Inc. in the amount of \$4,928,322.54 is 2.07% lower than the Engineer's Estimate. Attached is a summary of the bids.

Ajax Paving Industries, Inc. complies with the City of Ann Arbor Non-Discrimination and Living Wage Ordinances.

Prepared by: Nicholas Hutchinson, P.E., City Engineer

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The City of Ann Arbor Adopted FY2018 Capital Budget includes the Annual Street Resurfacing Program;

Whereas, The 2018 Street Resurfacing Project includes resurfacing three (3) major streets, thirteen (13) local streets, and approximately 7,900 feet of shared use path located throughout the City;

Whereas, The 2018 Street Resurfacing Project is necessary to improve and maintain the streets in the City of Ann Arbor;

Whereas, Competitive bids were received by the City's Procurement Office on Thursday, March 29, 2018, and Ajax Paving Industries, Inc. was the lowest responsible bidder at \$4,928,322.54;

Whereas, The contract sets forth, among other things, the services to be performed by said company, and the payments to be made by the City therefore, all of which are agreeable to the City;

Whereas, It is now necessary to enter into a contract with said company for said construction project;

Whereas, Ajax Paving Industries, Inc. complies with the City of Ann Arbor Non-Discrimination and Living Wage Ordinances; and

Whereas, Construction projects span fiscal years and fluctuations of project construction schedules have occurred, an appropriation of \$4,928,322.54 is required to align funding with project construction costs for FY 2018;

RESOLVED, That a contract in the amount of \$4,928,322.54 be awarded to Ajax Paving Industries, Inc. for the construction of the 2018 Street Resurfacing Project;

RESOLVED, That the 2018 Street Resurfacing Project expenditure and revenue budgets be increased by \$4,928,322.54 with the sources of funding being the Street, Bridge, and Sidewalk Millage Unobligated Fund Balance; and

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 a contingency amount of \$495,000.00 be established within the project budget and that the City Administrator be authorized to approve additional change orders to the construction contract with Ajax Paving Industries, Inc. not to exceed \$495,000.00 in order to satisfactorily complete this project;

RESOLVED, That the City Administrator be authorized to take necessary administrative actions to implement this project, including issuing Traffic Control Orders for the streets included in the 2018 Street Resurfacing project, including parking prohibitions as needed in excess of one (1) block and/or ninety (90) days; and

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