



## Legislation Details (With Text)

**File #:** 09-0997      **Version:** 1      **Name:** 11/16/09 Irish Construction - Lime Feed System Improvements  
**Type:** Resolution      **Status:** Passed  
**File created:** 11/16/2009      **In control:** City Council  
**On agenda:** 11/16/2009      **Final action:** 11/16/2009  
**Enactment date:** 11/16/2009      **Enactment #:** R-09-463

**Title:** Resolution to Award Contract for the Lime Feed System Improvements Project to Irish Construction Company (\$2,895,000.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Revenue and Expenses.pdf

Date	Ver.	Action By	Action	Result
11/16/2009	1	City Council	Approved	Pass

Resolution to Award Contract for the Lime Feed System Improvements Project to Irish Construction Company (\$2,895,000.00)

This memorandum and resolution requests approval to award a contract to Irish Construction Company for the Lime Feed System Improvements Project (\$2,895,000.00).

The Lime Feed System Improvements Project is included as a high priority project for 2010 in the City's approved Capital Improvement Plan. This project includes replacing three lime slakers and modifying the associated lime storage bins at the Water Treatment Plant (WTP). The existing lime slakers are in poor condition and were identified during the WTP Facilities Master Plan - 2006 as one of the highest priority capital improvements. The lime slakers are some of the most critical pieces of equipment at the WTP. Without operating slakers, the treatment process is ineffective and the WTP would not be able to meet state drinking water standards. A second critical component to this project is address safety concerns associated with the existing lime bins. The WTP has experienced several lime slides of varying degrees over the past 5 years that have caused minor injury to staff and damaged lime slaking and other equipment in the vicinity. Modifications to the bins will eliminate the occurrence of these events.

The City received the following nine bids to complete the full scope of work:

Irish Construction Company	\$2,895,000.00
Tooles Contracting Group	\$3,022,100.00
Reliance Building Company	\$3,164,000.00
Krull Construction Company	\$3,165,000.00
Brencal Contractors, Inc.	\$3,290,300.00
Pipe Systems, Inc.	\$3,318,000.00
The E&L Construction Group	\$3,369,300.00
Process Piping & Equipment	\$3,477,000.00

DeMaria Building Company      \$3,860,371.00

Since Irish Construction Company submitted the lowest responsible bid in the amount of \$2,895,000.00, it is recommended that their bid for \$2,895,000.00 be accepted, and that Irish Construction Company be awarded the contract for the Lime Feed System Improvements Project.

The overall budget for the project is estimated at \$4,275,000.00 which includes the contract for Irish Construction Company, project management and inspection services by City Staff (\$175,000.00), contingency for the contract with Irish Construction Company for change orders to be approved by the City Administrator (\$300,000), a bond issue fee (\$130,000.00), materials and supplies (\$75,000.00), and engineering services provided by CDM (\$700,000.00).

Council approved this project and associated funding during the FY09 and FY10 Capital Budget process.

Funds for this project are to be advanced from the Water Supply System Unobligated Fund Balance to be repaid pending the sale of water revenue bonds via the Drinking Water Revolving Loan Fund (DWRF). This project is part of the first quarter FY10 funding for DWRF projects. First quarter funded projects are eligible for principal relief of their loans up to a value of 40% of the loan amount as part of the American Recovery and Reinvestment Act Stimulus funding. The amount requested does not account for this principal relief as the exact amount of relief will not be available until after the project has commenced and the total amount available to the State of Michigan for this purpose is identified.

After bid opening Irish Construction Company was required to select a replacement electrical subcontractor. The replacement electrical subcontractor selected was reviewed and is acceptable to the City. The City has learned that the new subcontractor is a non-union shop. However, Irish Construction Company has agreed to be responsible for making arrangements for a separate access gate, at no additional cost to the City, so that the use of the non-union electrical subcontractor will not disrupt either the work at the Water Treatment Plant or the work on the Lime Feed System Improvements Project.

Irish Construction Company has received Human Rights approval on October 13, 2009, and complies with the living wage ordinance.

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

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, It is necessary to complete the Lime Feed System Improvements Project to replace three lime slakers that are in poor condition and can no longer be repaired, and to address safety concerns associated with the existing lime storage facilities at the Water Treatment Plant (WTP);

Whereas, This project is included as part of the Drinking Water Revolving Loan Fund application made by the City for a select number of water system projects and was accepted for funding through this program;

Whereas, Of the nine bids received, Irish Construction Company provided the lowest responsible bid in the amount of \$2,895,000.00;

Whereas, Irish Construction Company has received Human Rights approval on October 13, 2009,

and complies with the Living Wage Ordinance; and

Whereas, Council approved this project and associated funding during the FY09 and FY10 Capital Budget process;

RESOLVED, That Council accepts the proposal and awards a contract to Irish Construction Company in the amount of \$2,895,000.00 for the Lime Feed System Improvements Project;

RESOLVED, That a contingency in the amount of \$300,000.00 is approved to finance change orders to the contract with Irish Construction Company to be approved by the City Administrator;

RESOLVED, That the Mayor and City Clerk be 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 make 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;

RESOLVED, That funding for this project was approved in the FY10 Capital Projects Budget and are to be advanced from the Water Supply System Operating Fund Balance to be repaid pending the sale of water revenue bonds; and

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