



Legislation Text

File #: 13-0410, **Version:** 2

Resolution to Award a Construction Contract to E. T. MacKenzie Co. (\$741,900.00, Bid No. ITB-4280) for the South Fourth Avenue Improvements Project
Attached for your review and approval is a resolution to award a construction contract to E. T. MacKenzie Co. in the amount of \$741,900.00 for the South Fourth Avenue Improvements Project.

Currently South Fourth Avenue from East Huron Street to East Liberty Street is in need of several improvements. The street pavement is in a poor condition and it is in need of repaving. The existing water main between East Huron Street and East Washington is in poor condition and undersized. This project will replace the existing 4-inch water main with approximately 320 feet of new 12-inch ductile iron water main.

Also included in this project is the installation of a Stormwater Management System which will allow rainwater to collect in a stone reservoir located under the street surface and infiltrate back into the ground, thereby removing flow from the City's storm sewer system. The project will also include the reconstruction of the street, replacement of the curb and gutter, and replacement of curb ramps and some sidewalk.

Plans and specifications were distributed electronically to contractors, subcontractors, and suppliers. Four bids were received and opened on April 5, 2013. The lowest responsible bid from E. T. MacKenzie Co. of \$741,900.00 is approximately the same as the Engineer's Estimate. The construction of the project is scheduled to begin in May of 2013 and be completed in July of 2013, prior to the Ann Arbor Art Fairs.

This work on this project is being funded by the Water Fund, Street Resurfacing Millage, and the Storm Water Maintenance Fund, 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 Washtenaw County 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 \$19,000.00 per year. The first payment is included in the approved Storm Water Fund Capital budget for FY 14.

E. T. MacKenzie Co. received Human Rights approval on April 8, 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 South Fourth Avenue from East Huron Street to East Liberty Street is in poor condition and is need of repaving;

Whereas, The existing water main between East Huron and East Washington is in poor condition and undersized, and must be replaced prior to reconstructing the street;

Whereas, It is necessary to install a Stormwater Management System at South Fourth Avenue prior to reconstructing the street to address Chapter 63 stormwater detention requirements and provide improvements to stormwater quality as required by the City's NPDES stormwater permit;

Whereas, This 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 April 5, 2013 and E. T. MacKenzie Co. of Grand Ledge, MI was the lowest responsible bidder at \$741,900.00;

Whereas, It is now necessary to enter into a contract with E. T. MacKenzie Co. for the construction of the South Fourth Avenue Improvements Project; and

Whereas, E. T. MacKenzie Co., Inc. received Human Rights approval on April 8, 2013 and complies with the Living Wage Ordinance;

RESOLVED, That a contract in the amount of \$741,900.00 be awarded to E. T. MacKenzie Co. for the construction of the South Fourth Avenue Improvements Project (Bid No. ITB-4280);

RESOLVED, That a contract contingency amount of \$75,000.00 be established and that the City Administrator be authorized to approve additional change orders to the construction contract with E. T. MacKenzie Co. not to exceed \$75,000.00 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.