



Legislation Text

File #: 13-0715, **Version:** 1

Resolution to Approve an Amended Grant Contract with the Michigan Department of Transportation for Work Related to the Snow Removal Equipment Building Project at the Ann Arbor Municipal Airport (\$91,533.00)

Attached for your review and approval is a resolution to approve an amended grant contract with the Michigan Department of Transportation-Office of Aeronautics (MDOT-Aero) in the amount of \$91,533.00 for the Snow Removal Equipment (SRE) Building Project at the Ann Arbor Municipal Airport. The original grant agreement was in the amount of \$1,297,864.00 and the amended total would be \$1,389,397.00.

The grant amount amendment of \$91,533.00 is comprised of \$82,379.00 in state funds and \$9,154.00 in airport matching funds. All funding (local and state) for this project will come from fees paid by users of aviation industry services. The grant is administered by MDOT-Aero.

In 2012, the City completed a project to construct a new SRE Building at the Ann Arbor Airport at a cost of approximately \$1.3 million. This project was funded by a mix of local, state and federal aviation dollars. During construction of the project, MDOT-Aero approved a change order for additional water utility work. This change order caused MDOT-Aero to exceed the approved amount of their grant.

MDOT-Aero decided to wait until the end of the project to amend the grant agreement in case there were any additional change orders necessary. The project lasted multiple years because of contractor issues and MDOT-Aero forgot to amend the grant agreement. This needed amendment came back to light when MDOT-Aero recently went to close out the project.

The airport would have needed to provide matching funds towards the grant amendment in any case. The local matching funds are available in the airport's SRE/Box Hangar Project which has not yet been closed out.

Prepared by: Matthew J. Kulhanek, Fleet & Facility Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The City completed the construction of a Snow Removal Equipment (SRE) Building at the Ann Arbor Airport in 2012 using funds provided by federal, state and local aviation sources;

Whereas, During the Project, the Michigan Department of Transportation - Office of Aeronautics (MDOT-Aero) approved a change order that exceeded the approved grant amount;

Whereas, MDOT-Aero has amended the original grant agreement to provide the additional funds that will allow for the closeout of the Project at the Ann Arbor Airport;

Whereas, MDOT-Aero and City staff recommend that City Council approve the amended grant agreement;

Whereas, MDOT-Aero will administer the amended grant; and

Whereas, The local matching funds (\$9,154.00) for this amended grant agreement are available in the Airport's SRE/Box Hangar Project fund;

RESOLVED, That the City Council approve grant contract number 2008-0235/A1, as amended, with the Michigan Department of Transportation in the amount of \$91,533.00 for work related to the SRE Building Project at the Ann Arbor Municipal Airport;

RESOLVED, That the Mayor and City Clerk be authorized and directed to sign said agreements upon approval as to form by the City Attorney, and upon approval as to substance by the City Administrator; and

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