



Legislation Text

File #: 08-0948, **Version:** 1

Resolution to Award a Contract to Sorensen Gross Construction Services, L.L.C. to Construct the Facilities Renovations - Storage Building Demolition and Improvements Project, ITB No. 3971 (\$1,474,000.00) Your approval is requested to award a contract to Sorensen Gross Construction Services, L.L.C. (Sorensen) for \$1,474,000.00 to construct the Facilities Renovations - Storage Building Demolition and Improvements Project (SBDI) for the City's Wastewater Treatment Plant (WWTP).

The Facilities Renovations Project (FRP) is one of two major plant renovation projects included in the City's Capital Improvements Plan (CIP) for the WWTP. The FRP includes complete demolition and replacement of the older portion of the plant (West Plant) and modifications to the newer portion (East Plant), which will improve process reliability and ensure appropriate treatment capacity currently and in the future.

The FRP is a two-phase project that will extend over six fiscal years. The first phase is the SBDI, which is scheduled to start this winter and last approximately 12 months. The SBDI includes demolition of the Solids Reaeration Tank and the former Solids Handling Building, as well as electrical modifications to enable existing equipment to be powered during construction. Both project phases are critical to maintaining treatment and solids processing capacity at the WWTP and are sequenced to minimize construction conflicts, risks and financial impacts to the City.

WWTP staff solicited public bids for the SBDI as specified in ITB No. 3971. Eight bids were received on September 19, 2008, as follows:

Sorensen Gross Construction Services, L.L.C. - \$1,474,000.00
O'Neil Construction - \$1,540,000.00
Beal Inc. - \$1,591,000.00
E.L. Construction Group - \$1,727,940.00
Spence Brothers - \$1,791,000.00
Irish Construction Co. - \$1,825,000.00
Dover Environmental - \$1,947,580.00
W-3 Construction - \$2,172,000.00

WWTP and Malcolm Pirnie, Inc. staffs reviewed the bids and recommend Sorensen be awarded a contract as the lowest responsible bidder to construct this project. Sorensen received Human Rights approval on September 19, 2008, and complies with the City's living wage requirements.

The budget for this project was approved by Council during the FY09 budget process and is included in the approved FY08-13 CIP. Bonds were sold in spring 2008 for the FRP and funding is still available for this contract.

You are requested to approve award of this contract for the life of the project with funds to be available until expended without regard to fiscal year and to authorize the City Administrator to

approve amendments to the contract.

You are requested to approve a contingency of \$300,000.00 to finance change orders to the contract. This construction contingency is higher than the amount that would typically be recommended due to the uncertainty involved with underground demolition of the existing facilities and the increased probability of encountering unforeseen conditions.

Prepared by: Michael D. Amicangelo, P.E., Senior Engineer, WWT Services

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The Facilities Renovations Project (FRP) is major plant renovation project that is critical to maintaining treatment and solids processing capacity at the City's Wastewater Treatment Plant (WWTP);

Whereas, The FRP is identified in the City of Ann Arbor WWTP Facilities Master Plan and is included in the approved FY08-13 Capital Improvements Plan;

Whereas, The FRP is a two phase project that will extend over six fiscal years and the Storage Building Demolition and Improvements Project (SBDI) is the first phase of the FRP;

Whereas, Eight bids were received for the services specified in ITB No. 3971 on September 19, 2008, and Sorenson Gross Construction Services, L.L.C. (Sorenson) submitted the lowest bid in the amount of \$1,474,000.00;

Whereas, WWTP and Malcolm Pirnie staff have reviewed the bids and recommend Sorensen as the lowest responsible bidder;

Whereas, Sorensen received Human Rights approval on September 19, 2008 and complies with the City's living wage requirements; and

Whereas, Council approved the FRP as part of the FY08 and FY09 Capital Budget process and funds are still available for this contract in the approved project budget.

RESOLVED, That Council approve a contract to Sorenson in the amount of \$1,474,000.00 to perform the work specified in ITB No. 3971;

RESOLVED, That Council approve a contingency of \$300,000.00 to finance change orders;

RESOLVED, That the City make the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to reimburse itself for the expenditures for the cost of the Project with proceeds of Bonds;

RESOLVED, That Council approve the agreement for the life of the project with funds to be available until expended without regard to fiscal year and authorize the City Administrator to approve change orders; and

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