



Legislation Text

File #: 23-0608, Version: 2

Resolution to Approve a Construction Contract with Fonson Company, Inc. for the West Madison - Madison Place Water Main and Resurfacing Project (\$2,122,850) and to Appropriate \$1,133,000 in Internal Contributing Funds **(8 Votes Required)**

Attached for your review and approval, please find a resolution to approve a construction contract between the City of Ann Arbor and Fonson Company, Inc. (Fonson) in the amount of \$2,122,850 for the West Madison - Madison Place Water Main and Resurfacing (RFP 23-08).

The scope of this project includes the following:

- Water main replacement, miscellaneous catch basin replacement, and road resurfacing on West Madison Street/Madison Place from Soule Boulevard to the south end of Madison Place.
- Construct a turnaround on the City owned parcel at the south end of Madison Place
- Intersection improvements at Madison Street & Eberwhite Blvd, including a mini-roundabout, crosswalks, pavement markings, and signage.

Engineering staff supervised the creation of plans and contract documents and bid the project through the City's Procurement Unit. On March 30, 2023, three proposals were received for this work. A selection committee comprised of Public Services staff reviewed the proposals and determined which bidder was the best value based on the criteria in ORD-21-41:

- Qualifications, Experience, & Accountability (20%)
- Workplace Safety (20%)
- Workforce Development (20%)
- Social Equity & Sustainability (20%)
- Schedule of Pricing/Cost (20%)

After reviewing and scoring the proposals, staff ranked the responding firms in the following order:

1. Fonson Company, Inc.
2. Bailey Excavating, Inc.
3. E.T. Mackenzie Company, Inc.

Fonson received the highest score among the proposals reviewed by the selection committee. Therefore, staff recommends entering into a contract for this project with Fonson. Fonson complies with the City's Non-Discrimination and Living Wage ordinances.

The construction of the project is scheduled to occur from July through November of 2023.

Budget/Fiscal Impact: This project is included in the FY23-28 Capital Improvements Plan (UT-WS-14-06, UT-WS-18-48, and MF-SW-20-22). The estimated total cost of the project is \$2,974,000. Funding for the project is included in the capital budgets of the Water Supply System; Street, Bridge

and Sidewalk Millage Fund; and the unobligated fund balance of the Stormwater Fund; and Solid Waste Fund.

<u>Fund</u>	<u>Project Cost</u>
Water Supply System Fund	\$1,841,000
Street, Bridge and Sidewalk Millage Fund	\$ 858,000
Stormwater Fund	\$ 51,000
<u>Solid Waste Fund</u>	<u>\$ 224,000</u>
Total	\$2,974,000

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

Reviewed by: Brian Steglitz, Public Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The existing water mains in the project area have been identified as needing upsizing and/or replacement;

Whereas, The project will also provide the opportunity to create a solid waste truck turnaround, Madison-Eberwhite intersection improvements, and needed street repaving within the project limits;

Whereas, Funding for the project is included in the capital budgets of the Water Supply System; Street, Bridge and Sidewalk Millage Fund; and available in unobligated fund balance for the Stormwater Fund, and Solid Waste Fund;

Whereas, The City of Ann Arbor received three proposals for this work on March 30, 2023, and Fonson Company, Inc. received the highest score among the proposals reviewed by the selection committee; and

Whereas, It is now necessary to enter into a contract with Fonson Company, Inc. for the performance of this work,

RESOLVED, That City Council approves a construction contract with Fonson Company, Inc. in the amount of \$2,122,850 for the W. Madison - Madison Place Water Main and Resurfacing (RFP 23-08);

RESOLVED, That a contingency amount of \$220,000 be established within the project budget and that the City Administrator be authorized to approve construction change orders not to exceed that amount, in order to satisfactorily complete this project;

RESOLVED, That \$858,000 be appropriated from the Street, Bridget and Sidewalk Millage Fund capital budget to the W. Madison - Madison Place Water Main and Resurfacing Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That \$51,000 be appropriated from the unobligated Stormwater Sewer Fund fund Balance to the W. Madison - Madison Place Water Main and Resurfacing Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That \$224,000 be appropriated from the unobligated Solid Waste Fund fund Balance to the W. Madison - Madison Place Water Main and Resurfacing Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement 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 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;

RESOLVED, That the City Administrator be authorized to take necessary administrative actions to implement this resolution, including issuing temporary and permanent Traffic Control Orders and night work authorizations as required for the construction of the project; and

RESOLVED, The contract shall be amended to include provisions that require the contractor to provide the names of all craft laborers who will work on the project and sufficient evidence that each of them have completed the prescribed OSHA safety training requirements prior to work commencing on the project; and that failure to provide such evidence shall constitute a breach of contract.

As Amended and Approved by Ann Arbor City Council on May 1, 2023