



City of Ann Arbor

301 E. Huron St.
Ann Arbor, MI 48104
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Council Action

Resolution: R-26-081

File Number: 26-0273

Enactment Number: R-26-081

Resolution to Approve a Construction Contract with Bailey Excavating, Inc. for the Ann Street Improvements Project (\$6,312,780.85) and to Appropriate \$2,000,000.00 from the Street, Bridge, Sidewalk Millage Fund, \$1,580,000.00 from the Stormwater Fund, \$1,961,000.00 of Funding from the Downtown Development Authority **(8 Votes Required)**

Whereas, The existing water mains and stormwater infrastructure in the project area have been identified as needing upgrade or replacement;

Whereas, The pavement on Ann Street is in poor condition and in need of replacement;

Whereas, Public engagement has been conducted for the final design chosen to promote an All Ages and Abilities network and Vision Zero Transportation Plan.

Whereas, Funding for the project is included in the approved capital budgets of the Water Supply System Fund; Stormwater Fund; and Street, Bridge and Sidewalk Millage Fund;

Whereas, The Downtown Development Authority will contribute funds for the streetscape and related improvements;

Whereas, The City of Ann Arbor received three proposals for this work on January 27, 2026 and Bailey Excavating, Inc. received the highest score among the proposals reviewed by the selection committee;

Whereas, Bailey Excavating, Inc. complies with the City's Non-Discrimination and Living Wage ordinances; and

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

RESOLVED, That City Council approves a construction contract with Bailey Excavating, Inc. in the amount of \$6,312,780.85 for the Ann Street Improvements Project (RFP 26-03);

RESOLVED, That \$1,580,000.00 be appropriated from the Stormwater Fund Capital Budget to the Ann Street Improvements Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That \$2,000,000.00 be appropriated from the Street, Bridge, and Sidewalk Millage Fund Capital Budget to the Ann Street Improvements Project, thereby increasing the

project revenue and expenditure budgets;

RESOLVED, That a contingency amount of \$630,000.00 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 the Mayor and City Clerk be authorized and directed to execute said construction contract agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the project revenue and expenditure budgets be increased by \$1,961,000.00 of funding from the Downtown Development Authority based on a Cost Allocation Agreement for the Ann Street Improvements Project;

RESOLVED, That the Mayor and City Clerk be authorized to execute a Cost Allocation Agreement with the Downtown Development Authority for the project 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; and

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.

At a meeting of the City Council on 3/2/2026, a motion was made by Travis Radina, seconded by Ayesha Ghazi Edwin, that this Resolution R-26-081 be Approved. The motion passed.

Yeas: 0

Nays: 0

Absent: 2 Councilmember Disch, and Councilmember Harrison