



Legislation Text

File #: 15-1141, **Version:** 1

Resolution to Award Contract for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work to E&L Construction Group, Inc. (\$321,978.00)

This memorandum and resolution requests approval to award a contract to E&L Construction Group, Inc. for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work (\$321,978.00).

The Manchester tank is a 500,000 gallon steel spheroid elevated water tank located near the corner of Stadium Blvd. and Washtenaw Avenue. The existing coating has exceeded its service life and the tank has developed corrosion. Removal of the existing coating and recoating is necessary to extend the service life of the water tank. This project is included in the approved CIP for FY16.

The scope of this project has been divided into two separate contracts. Contract 1 is to perform replacement of corroded piping, sump pump improvements, installation of a new platform to improve safety, overflow channel repair, electrical, lighting and instrumentation improvements. Contract 2 is to erect containment around the tank, perform blasting to remove the existing coating, painting of the exterior and dry interior of the tank, painting of the art work on the exterior tank bowl, and other miscellaneous metal repairs.

This project was originally bid back in May 2015 as one single contract. However, the bidding environment was not competitive. Based upon feedback from the bidders, the project was divided into the two separate contracts to generate greater interest among contractors and painters. By separating the project into two contracts, the City realized a savings of approximately \$310,000.00 from the original bids in May 2015.

On September 3, 2015, the City received the following five bids for Contract 1:

E&L Construction Group, Inc.	\$321,978.00
Weiss Construction	\$380,500.00
Sorensen Gross	\$402,004.00
A.Z. Shmina	\$428,100.00
Spence Brothers	\$445,165.00

The Bids identified include Bid Alternate No. 1 to provide temporary power to the aviation beacon mounted on top of the tank while the construction work is underway.

Since E&L Construction Group, Inc. submitted the lowest responsible bid in the amount of \$321,978.00, it is recommended that their bid for \$321,978.00 be accepted, and that E&L Construction Group, Inc. be awarded the contract for the Manchester Tank Miscellaneous

Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work.

The overall budget for the project is estimated at \$1,051,658.00 which includes the contract for Contract 1 E&L Construction Group (\$321,978.00), Contract 2 L.C. United Painting Base Bid plus Alternate 2 (\$361,000.00), Contract 2 L.C. United Painting Alternate 1 Art Painting (\$89,000.00), project management and inspection services by City Staff (\$35,000.00), contingency for Contract 1 for change orders to be approved by the City Administrator (\$32,000.00), contingency for Contract 2 for change orders to be approved by the City Administrator (\$45,000.00), and design and construction engineering services provided by Tetra Tech of Michigan, PC (\$167,680.00).

Because of their interrelationship, Contract 1 and Contract 2 must be jointly constructed and are both before Council at this meeting. Approval of each contract is contingent upon the approval of the other.

The funds for this project are available the approved Water Supply System Capital Budget.

E&L Construction Group complies with the City's Living Wage and Non-discrimination Ordinances.

Prepared by: Brian Steglitz, Manager, Water Treatment Services

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, It is necessary to complete the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work to perform repair work, improve safety, and extend the service life of the elevated tank;

Whereas, The Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work will replace critical infrastructure that has reached the end of its service life;

Whereas, Of the five bids received, E&L Construction Group, Inc. provided the lowest responsible bid in the amount of \$321,978.00;

Whereas, E&L Construction Group complies with the City's Living Wage and Non-discrimination Ordinances; and

Whereas, Funding in the amount of \$1,051,658.00 for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contracts 1 and 2 is available in the approved Water Supply System Capital Budget;

RESOLVED, That Council accepts the proposal and awards a contract to E&L Construction Group, Inc. in the amount of \$321,978.00 for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work, subject to City Council also approving the award of a contract for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 2 - Tank Coating, Art Painting, Metal Repairs and Miscellaneous Work;

RESOLVED, That a contingency in the amount of \$32,000.00 be approved to finance change orders to the contract with E&L Construction Group, Inc. to be approved by the City Administrator;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the contract for

services after approval as to substance by the City Administrator and approval as to form by the City Attorney;

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;

RESOLVED, That funds for this project are available for the life of the project without regard to fiscal year; and

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