



Legislation Text

File #: 10-0461, **Version:** 1

Resolution to Award a Construction Contract to Bailey Excavating, Inc. (\$855,402.00) Bid No. 4087 for the Bird / Newport / Warrington Utility Improvements Project

Attached for your review and approval is a resolution to award a contract to Bailey Excavating, Inc. in the amount of \$855,402.00 for the Bird / Newport / Warrington Utility Improvements Project.

The construction contract titled "Bird / Newport / Warrington Utility Improvements Project" includes the installation of sanitary sewers, water main, and replacement of the storm sewer culvert at three locations. These projects have been combined into one construction contract for the public's convenience and cost savings.

The Bird Road Sanitary Sewer consists of installation of approximately 1,550 feet of 8-inch sanitary sewer along Bird Road westerly to the intersection with Newport Road and then southerly along Newport Road. The new sanitary sewer will be available for connections to an estimated eleven properties. Any new construction on the lots currently vacant will be required to connect to the new sanitary sewer.

The Warrington Drive Sanitary Sewer and Water Main consist of installation of approximately 1,170 feet of 8-inch sanitary sewer and 900 feet of 8-inch Ductile Iron water main along Warrington Drive between Lincolnshire Lane and Newport Road. The new sanitary sewer and water main will be available for connections to two City and ten Township properties.

This project also includes the replacement of the existing temporary Newport Creek culvert under Newport Road immediately north of Warrington Drive. In recent years, during severe rain events, the roadway has been washed out by floodwaters due to the undersized culvert and lack of a headwall on the upstream side of the road. A gabion basket headwall and waterproof liner will be constructed at the upstream end of the Huron River Drive culvert in order to protect the embankment from increased flows caused by the larger culvert installed at Newport Road.

Two Public Meetings were held on November 12, 2009 and April 27, 2010 to present the project to local residents and receive feedback from the residents during the design phase of the project. We gave a brief presentation about the project, and answered questions from the residents. The discussion focused mainly on the extent of the construction work to be done, its effect on the residents, project schedule, and City of Ann Arbor utility connection policies.

The project was advertised on Michigan Intergovernmental Trade Network (MITN) and plans and specifications were distributed electronically to contractors, subcontractors, and suppliers. Six bids for the construction were received and opened on Wednesday, May 5, 2010. The lowest responsible bid from Bailey Excavating, Inc. of \$855,402.00 is approximately 18% below the Engineer's Estimate.

This project budget is estimated to be \$1,375,000.00 and is being funded by the approved Sanitary Fund Capital budget (\$785,000.00), the approved Water Supply System Capital budget

(\$190,000.00), and the approved Stormwater Capital budget (\$400,000.00).

The construction of the project is scheduled to begin in June 2010 and to be completed in October of 2010.

Bailey Excavating, Inc. received Human Rights approval on May 6, 2010.

Prepared by: Homayoon Pirooz, P.E., Project Management Manager

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, Bird / Newport / Warrington Utility Improvements Project is included in the current Capital Improvements Plan (CIP);

Whereas, Competitive bids were received by the City of Ann Arbor Procurement Unit on May 5, 2010 and Bailey Excavating, Inc. of Jackson Michigan was the lowest responsible bidder at \$ 855,402.00;

Whereas, The contractual proposal sets forth the services to be performed by Bailey Excavating, Inc., and the payments to be made by the City for those services, all of which are agreeable to the City;

Whereas, It is now necessary to enter into a contract with Bailey Excavating, Inc. for this construction;

Whereas, Bailey Excavating, Inc. received Human Rights approval on May 6, 2010 and complies with the Living Wage Ordinance;

Whereas, The total estimated project budget is \$1,375,000.00; and

Whereas, Funding for this project is available in the approved Sanitary Capital budget (\$785,000.00), Water Supply Capital budget (\$190,000.00), and the Stormwater Capital budget (\$400,000.00)

RESOLVED, That a contract in the amount of \$855,402.00 be awarded to Bailey Excavating, Inc. for the construction of the Bird / Newport / Warrington Utility Improvement Project (Bid No. 4087);

RESOLVED, That a contingency amount of \$ 90,000.00 be established within the project budget and that the City Administrator is authorized to approve additional change orders to the construction contract with the Bailey Excavating, Inc., not to exceed \$ 90,000.00 in order to satisfactorily complete the project;

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

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; and

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

