



Legislation Text

File #: 11-0049, **Version:** 1

Resolution to Award a Construction Contract to Douglas N. Higgins, Inc. for the Arbor Oaks Water Main Replacement Project (\$2,480,456.25; Bid No. ITB-4100)
Attached for your review and approval please find a resolution that awards a construction contract to Douglas N. Higgins, Inc. in the amount of \$2,480,456.25 for the Arbor Oaks Water Main Replacement Project.

The project will replace the majority of the water mains in the Arbor Oaks Subdivision (also known as the Bryant Neighborhood), including Champagne Drive; Hemlock Drive; Champagne Courts #1, 2, & 3; Stratton Court, Downing Court, Englewood Court, Manitou Court, Metroview Court, Faust Court, Trowbridge Court, Kilbrennan Court, East and West Eden Court, Rockland Court and Plainview Court.

The existing water main in this neighborhood is in poor condition, and currently experiences multiple breaks each year. The project will install approximately 6,150 feet of new 8-inch water main and approximately 3,500 feet of 12-inch water main. The project also includes a complete restoration of the streets on which the water main work will be performed. The project is expected to begin in March 2011 and be completed in the autumn of 2011.

At the present time, the streets at the Arbor Oaks subdivision are built with the prefabricated "Riser" type storm water inlet structures which do not allow alterations or new connections to the catch basins in the street. With this project we are upgrading the streets storm sewer system and replacing all the Riser type inlets with new 2-foot diameter storm water structures, located at the streets' curb line. This improvement will allow for future off-road storm water improvement plans to discharge the off-site storm water to the new streets' improved storm sewer system. This effort, combine with the installation of new edge drains along the curb lines and the installation of new storm manholes at the connection points of private yard drains will assist the subdivision in the development and the installation of its future storm water management system without disturbing the new roads.

Plans and specifications were made available through various on-line construction bidding sites. Five bids were received and opened on January 28, 2011. The lowest responsible bid, in the amount of \$2,480,456.25 is approximately \$261,912.00 lower than the engineer's estimate of \$2,742,368.00. Attached is a tabulation of the bids received for the project.

Douglas N. Higgins, Inc. received Human Rights approval on January 28, 2011. All employees of Douglas N. Higgins, Inc., who will work on the project, will receive compensation in accordance with the Living Wage Ordinance.

Under Part 54 of PA 451, 1994, Michigan established the Drinking Water Revolving Fund (DWRF) program, which is designed to assist water suppliers in satisfying the requirements of the Safe Drinking Water Act by offering low interest loans of 2.5% for improvements to the water treatment

process and distribution system.

City Council adopted the 2009 Drinking Water Revolving Fund (DWRf) Project Plan for Water System Improvements and the multi-year DWRf applications on April 20, 2009 (R-09-145). The Project Plan was submitted to the Michigan Department of Environmental Quality on May 1, 2009 and was included on the DWRf Fiscal Year 2010 Project Priority List.

Funding for this project is contained in the approved Capital Budget. This project was also included in our Drinking Water Revolving Fund (DWRf) project plan and has been selected to receive funding.

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, The City of Ann Arbor Adopted Capital Budget includes the Arbor Oaks Water Main Replacement Project;

Whereas, The Arbor Oaks Water Main Replacement Project was included in the City's 2009 Drinking Water Revolving Fund Project Plan which was adopted by City Council April 20, 2009 and it will be funded through the state of Michigan's Drinking Water Revolving Loan Fund (DWRf) program;

Whereas, It is necessary to replace the existing water mains in the Arbor Oaks Subdivision to ensure safe drinking water and reduce maintenance costs;

Whereas, Competitive bids were received by the Office of Procurement on January 28, 2011 and Douglas N. Higgins, Inc. was the lowest responsible bidder with a submitted bid of \$2,480,456.25;

Whereas, The contractual proposal sets forth the services to be performed by said company, and the payments to be made by the City therefore, all of which are agreeable to the City;

Whereas, It is now necessary to enter into a Contract with said company for this construction project; and

Whereas, Douglas N. Higgins, Inc. has received Human Rights approval on January 28, 2011 and its employees will receive compensation in accordance with the Living Wage Ordinance;

RESOLVED, That a contract in the amount of \$2,480,456.25 be awarded to Douglas N. Higgins, Inc. for the construction of the Arbor Oaks Water Main Replacement Project;

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

RESOLVED, That a contingency amount of \$248,000.00 be established within the project budget and that the City Administrator be authorized to approve change orders to the construction contract with Douglas N. Higgins, Inc., not to exceed \$248,000.00 in order to satisfactorily complete this project;

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 and Sunday work authorizations as required for the construction of the project.