



Legislation Text

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Resolution to Approve a Change Order with Bidigare Contractors, Inc. for 2006 Curb Drain Construction Project (\$1,815,491.00)

Attached for your approval is a resolution to approve a change order with Bidigare Contractors, Inc. for the 2006 Curb Drain Construction Project. This change order will add 30,000 feet of curb drain to the existing contract. The City's adopted FY08 Capital Budget includes the approved project budget in the amount of \$5,000,000.00. Funds will be advanced from the Sewage Disposal System Operating Fund Balance pending the sale of Sewer Revenue Bonds.

On August 20, 2001, the City Council approved Ordinance No 32-01 for the implementation of a citywide footing drain disconnection (FDD) process. An Administrative Consent Order (ACO) was signed with the Michigan Department of Environmental Quality (MDEQ) to work toward the elimination of sanitary sewer overflow and compliance with Natural Resources and Environmental Protection Act, 1994 PA 451, Part 31.

On July 3, 2006, after a competitive bid process, the City Council awarded the 2006 Curb Drain Construction Project to Bidigare Contractors, Inc. (R-321-7-06). Bidigare is ahead of schedule (currently over 75% complete) and is expected to meet all contract requirements by the end of 2007. Bidigare has agreed to hold their unit prices for installation of an additional 30,000 feet of HDPE curb drain, despite the volatility in oil prices that in recent years have led to substantial increases in pipe prices. By approving this change order, the project would benefit from 2006 material and labor costs and is guaranteed a pipe price regardless of the fluctuation in oil prices.

As a result of many homes experiencing wastewater back-ups from the sanitary sewers through basement floor drains, the City formed the Sanitary Sewer Overflow Prevention Advisory Task Force in 1999 to understand the causes of these backups and develop solutions to the problem. The SSO Task Force study determined that during heavy storms, rainwater from home footing drains overloads the sanitary sewer system and is the primary cause of basement backups. It was also determined that even homes with no current basement backup problems were significant contributors to the basement backup problem for neighboring homes. The SSO study identified five study areas, where more than 50% of the basement backups had occurred.

This additional curb drain installation will focus primarily on priority Phase 2A areas, which consist of approximately 2,330 homes or businesses that contribute flow within the five study areas. New curb drain layouts have been identified and were prioritized by the FDD Citizen Advisor Committee with actual installations expected to begin this winter and continue through fall of 2009. Curb drain installations for Phase 1A, homes that suffered basement backup located within the five study areas, and Phase 1B, homes that suffered basement backups located outside of the five study areas, were completed in September 2003 and June of 2006, respectively. A total of 1401 properties have been invited into the program, by receiving homeowner information packets. Approximately 1070 homes have approved funding, and approximately 981 homes have completed the FDD work through the program.

Bidigare Contractors, Inc. received Human Rights approval on June 5, 2007. All employees of Bidigare Contractors, Inc. who will work on the project, will receive compensation in accordance with the Living Wage Ordinance.

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

Reviewed by: Sue F. McCormick, Public Services Administrator

Whereas, The City of Ann Arbor is required to remain in conformance with the Michigan Department of Environmental Quality, Natural Resources and Environmental Protection Act, 1994 PA 451, Part 31;

Whereas, On August 20, 2001, the City Council approved Ordinance No. 32-01, to provide for implementation of a citywide footing drain disconnection process;

Whereas, Approximately 30,000 feet of curb drain is needed to continue to collect sump pump discharges from homes in Priority Phase 2A Areas of the program;

Whereas, On May 18, 2006, competitive bids were received by the Procurement Unit for the 2006 Curb Drain Construction Project and Bidigare Contractors, Inc. was the lowest responsible bidder;

Whereas, On July 3, 2006, City Council awarded a construction contract to Bidigare Contractors, Inc. for the 2006 Curb Drain Construction Project;

Whereas, Bidigare Contractors, Inc. has received Living Wage and Human Rights approval on June 5, 2007;

Whereas, The City's adopted FY08 Capital Budget includes the project budget in an amount of \$5,000,000.00; and

Whereas, The funds for the project will be advanced from the Sewage Disposal System Operating Fund Balance pending the sale of Sewer Revenue Bonds;

RESOLVED, That Council approves Change Order No. 1 to the Contract with Bidigare Contractors, Inc. in the amount of \$1,815,491.00 for the curb drain installation for the 2006 Curb Drain Construction Project (Bid No. 3786) with funds to be available until expended without regard to fiscal year;

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

RESOLVED, That City Council authorize the City Administrator to approve change orders to the construction contract within the approved project budget;

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.