



Legislation Text

File #: 16-1211, **Version:** 1

Resolution to Award a Construction Contract to Lawrence M. Clarke, Inc. for the Downtown Valve Replacement Project (\$342,160.00; Bid No. ITB-4449)

Attached for your review and approval is a resolution to award a contract to Lawrence M. Clarke, Inc. in the amount of \$342,160.00 for the Downtown Valve Replacement Project.

Currently there are a number of water main valves in the downtown area that will not function and would not facilitate the isolation of segments of the water main system in case of failure. Staff has identified valves essential for the operation of the water system in this area. The replacement of the existing valves in the downtown area is complicated by their location and by the inconvenience the work will create for the businesses and residents. With that in mind, the decision was made to use insertion valves for this task. Using this kind of valve will minimize disruption and should not interrupt water service.

In response to the invitation to bid (ITB-4449), three (3) bids were received on Monday, June 20, 2016. The low bid from Lawrence M. Clarke, Inc. of \$702,860.00 was approximately 45% higher than the Engineer's Estimate.

Due to the fact that this bid exceeded the project budget, the scope of the project was reduced to the most critical valves. As the low bidder, the reduced scope of work was offered to Lawrence M. Clarke, Inc. to be performed at their original contract unit prices. The contractor accepted this offer.

The construction of the project is scheduled to begin in the Fall of 2016 and is to be completed in the Spring of 2017.

Budget/Fiscal Impact

Work for this project is included in the Capital Improvement Plan (CIP) as the Downtown Valve Replacement Project (UT-WS-08-30) and is being funded by the approved Water Fund Capital budget.

Lawrence M. Clarke, Inc. complies with the City of Ann Arbor Non-Discrimination and Living Wage Ordinances.

Prepared by: Nicholas Hutchinson, P.E., City Engineer

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, Many of the water main valves in the downtown area are currently not functioning and would not be able to isolate many parts of the water main in the case of a break;

Whereas, New valves must be installed for appropriate operation of the water system in this area;

Whereas, This project is included in the City's Capital Improvement Plan;

Whereas, Funding for this project is included in the approved water fund capital budget;

Whereas, Competitive bids were received by the Procurement Unit on June 20, 2016, and Lawrence M. Clarke, Inc. of Belleville, MI, was the lowest responsible bidder at \$702,860.00;

Whereas, Because the original bid exceeded the project budget, the scope of the project was reduced;

Whereas, Lawrence M. Clarke, Inc. agreed to perform the reduced scope of work at the original contract unit prices;

Whereas, It is now necessary to enter into a contract with Lawrence M. Clarke, Inc. for the construction of the Downtown Valve Replacement Project; and

Whereas, Lawrence M. Clarke, Inc. complies with the City of Ann Arbor's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That a contract in the amount of \$342,160.00 be awarded to Lawrence M. Clarke, Inc. for the construction of the Downtown Valve Replacement Project (Bid No. ITB-4449) with a reduced scope of work;

RESOLVED, That a contract contingency amount of \$40,000.00 be established and that the City Administrator be authorized to approve additional change orders to the construction contract with Lawrence M. Clarke, Inc. not to exceed \$40,000.00 in order to satisfactorily complete this 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 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.