



Legislation Text

File #: 15-1143, Version: 2

Resolution to Award Contract for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 2 - Tank Coating, Art Painting, Metal Repairs and Miscellaneous Work to L.C. United Painting Co., Inc. (\$450,000.00)

This memorandum and resolution requests approval to award a contract to L.C. United Painting Co., Inc. for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 2 - Tank Coating, Art Painting, Metal Repairs and Miscellaneous Work (\$450,000.00).

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 three bids for Contract 2:

L.C. United Painting Co., Inc.	\$450,000.00
Seven Brothers Painting	\$561,000.00
Classic Protective Coatings	\$721,600.00

The Bids presented include alternate pricing to provide art work on the exterior of the tank bowl (Alternate 1) and a new vent on the tank (Alternate 2). The art work design will be voted on by the public through A2OpenCityHall subsequent to Council’s approval of this Contract. L.C. United Painting provided art work quotes ranging from \$38,000.00 to \$89,000.00 depending on the selected design from the public vote. Five designs were selected for public vote by a committee that included the Mayor, and representatives from the City of Ann Arbor Public Schools, University of Michigan, University of Michigan Art Museum, City Commission on Public Art, the Ann Arbor Film Festival, and the Ann Arbor Arts Alliance. The Total Bid price above includes sufficient funds to complete any of the finalist’s designs.

Since L.C. United Painting Co., Inc. submitted the lowest responsible bid in the amount of \$450,000.00, it is recommended that their bid for \$450,000.00 be accepted, and that L.C. United Painting Co., Inc. be awarded the contract for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 2 - Tank Coating, Art Painting, Metal Repairs 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 included in the approved Water Supply System Capital Budget.

L.C. United Painting Co., Inc. 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 2 - Tank Coating, Art Painting, Metal Repairs 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 2 - Tank Coating, Art Painting, Metal Repairs and Miscellaneous Work will replace critical infrastructure that has reached the end of its service life;

Whereas, Of the three bids received, L.C. United Painting Co., Inc. provided the lowest responsible bid in the amount of \$450,000.00;

Whereas, L.C. United Painting Co., Inc. 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 for the Base Bid plus Alternate 2 and awards a contract to L.C. United Painting Co., Inc. in the amount of \$361,000.00 for the Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 2 - Tank Coating, Art Painting, Metal Repairs and Miscellaneous Work, subject to City Council also approving the award of a contract for Manchester Tank Miscellaneous Improvements and Tank Coating Project Contract 1 - Mechanical, Electrical and Miscellaneous Work;

RESOLVED, That Council approves the inclusion of art on the exterior of the tank in an amount not-to-exceed of \$89,000.00;

RESOLVED, That a contingency in the amount of \$45,000.00 is approved to finance change orders to the contract with L.C. United Painting Co., Inc. to be approved 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 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; and

RESOLVED, That funds for this project be 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.