



Legislation Text

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Resolution to Approve Addendum No. 2 to the TIGER II Grant Agreement between the United States Department of Transportation, Federal Highway Administration for the East Stadium Boulevard Bridges Replacement Project

On March 17, 2011 the City of Ann Arbor entered into a grant agreement with the United States Department of Transportation, Federal Highway Administration for the E. Stadium Boulevard Bridges Replacement Project. This agreement provided funding for a substantial portion of the construction of the E. Stadium Boulevard Bridges and the supporting infrastructure, right-of-way acquisition, and construction engineering services. The project was bid through the Michigan Department of Transportation (MDOT) in September 2011. Ultimately, the construction was completed and the E. Stadium Boulevard was opened to traffic in November 2012. A two year landscape maintenance and warranty period commenced in Spring 2013 and all plantings were successfully established by Fall 2014.

As part of the grant agreement, the City was to be reimbursed for its construction engineering expenditures that were incurred as part of the project's work. To that end, on August 31, 2015 the City of Ann Arbor submitted its final invoice to MDOT for construction engineering expenditures in the amount of \$150,187.00. Unfortunately, MDOT staff mistakenly de-obligated the existing federal funding for the project during Summer 2015. Consequently, Project Management Services Unit staff worked with the Federal Highway Administration (FHWA) and MDOT staff to rectify their mistake. It was determined by FHWA that in order to allow the City to receive its final request for reimbursement, it is necessary to create and approve this amendment which will allow FHWA to transfer existing federal funding within the previously approved federal budget for this project. The approval of this amendment **does not** require any additional city funds to be appropriated or expended (other than the additional time that was spent working with MDOT and FHWA staff to rectify their oversight.)

With the approval and execution of this amendment, staff will submit the addendum to MDOT and FHWA personnel for their execution, the City will receive the requested reimbursement from MDOT, and staff will continue with the final performance monitoring as outlined within the original grant agreement.

Prepared by: Michael G. Nearing, P.E., Senior Project Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, On October 15, 2010 the City of Ann Arbor was selected by the United States Department of Transportation to receive \$13,900,000.00 in funding pursuant to the National Infrastructure Investments Discretionary Grant Program (Tiger II Discretionary Grants);

Whereas, The project's design and construction was completed within the established project parameters and the work was completed within the established project budget without any significant schedule or scope changes;

Whereas, The City of Ann Arbor is entitled to be reimbursed for its construction engineering

expenditures on the project at the agreed upon participation ratio of eighty percent (80%);

Whereas, The City of Ann Arbor has submitted its final reimbursement request in the amount of \$150,187.00 of which it is expected to receive \$120,149.60 (80%);

Whereas, An error was made by Michigan Department of Transportation staff that de-obligated the remaining federal funding for the project;

Whereas, The approval of this addendum will not require the obligation of any additional City Funds, and

Whereas, In order for the City of Ann Arbor to be reimbursed for its remaining construction engineering expenditures, it is now necessary to approve Addendum No. 2 to the existing grant agreement;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute Addendum No. 2 to the existing Grant Agreement (FHWA TIGER II Grant No. TDGHII-C-01) that is in the form attached, following approval as to substance by the City Administrator, and approval as to form by the City Attorney; and

RESOLVED, That Council authorize the City Administrator to take the necessary administrative actions to implement this resolution.