



## Legislation Text

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**File #:** 10-0738, **Version:** 1

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Resolution to Award a Construction Contract to Utility Services Authority, LLC for the 2010 Sewer Lining Project (\$1,224,978.00; Bid No. ITB-4084)

Attached for your review and approval is a resolution to award a contract to Utility Services Authority, LLC in the amount of \$1,224,978.00 for the 2010 Sewer Lining Project.

This project includes the lining of approximately 6,572 lineal feet of sanitary sewer, and 7,672 lineal feet of storm sewer, at 24 locations in the City. Lining is a trenchless technology which enables the pipe to be repaired without disturbing the asphalt above. The project also includes contingencies to repair some lengths of pipe where lining is not possible. The 24 locations are combined in one construction contract for efficiency and cost savings.

The sewers included in this project were flagged by the Field Operation Services Unit as in need of repair. Lining is a process by which new material is pumped into the pipe, creating a new pipe inside the existing one. The process is not only cost effective, but also eliminates the need for extensive traffic control measures and disruption.

The construction contract was advertised on Bidnet and plans and specifications were distributed to contractors who expressed interest in the project. Three bids were received and opened on July 13, 2010. The lowest responsible bid from Utility Services Authority, LLC of \$1,224,978.00 is approximately 32% below the Engineer's Estimate. The construction of the project is scheduled to begin in October 2010 and to be completed by February 2011.

The project budget was established at \$1,886,500.00 and is being funded by the approved Sewage Disposal System Capital budget (\$867,790.00), and the approved Stormwater Sewer Capital Budget (\$1,018,710.00).

Utility Services Authority, LLC received Human Rights approval on July 16, 2010. Employees working on this project will be paid prevailing wages (which exceed the "living wage") per the contract.

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Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, It is necessary to repair sanitary and storm sewers in 24 locations across the city in order to provide reliable sewer service for residences at these locations;

Whereas, Bids were received by the Procurement Unit on July 13, 2010 and Utility Services Authority, LLC of Belleville, Michigan, was the lowest responsible bidder at \$1,224,978.00;

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 said

construction project; and

Whereas, Utility Services Authority, LLC received Human Rights approval on July 16, 2010 and complies with the living wage ordinance; and

Whereas, funding for this project is available in the approved Sewage Disposal System and Stormwater Sewer Capital Budgets;

RESOLVED, That a contract in the amount of \$1,224,978.00 be awarded to Utility Services Authority, LLC for the construction of the 2010 Sewer Lining Project (Bid No. ITB-4084);

RESOLVED, That a construction contract contingency amount of \$125,000.00 be established and that the City Administrator be authorized to approve additional change orders to the construction contract with Utility Services Authority, LLC, not to exceed \$125,000.00, 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 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.