



Legislation Text

File #: 14-0783, **Version:** 1

Resolution to Approve Award of a Construction Contract to Lanzo Lining Services, Inc. - Michigan for the 2014 Sewer Lining Project (\$1,566,121.00; Bid No. ITB-4322)

Attached for your review and consideration for approval is a resolution to authorize the award of a contract to Lanzo Lining Services, Inc. - Michigan in the amount of \$1,566,121.00 for the 2014 Sewer Lining Project.

This project includes the lining of approximately 18,028 lineal feet of sanitary sewer and 2,942 lineal feet of storm sewer at 16 locations throughout the City. Lining is a trenchless technology which enables the pipe to be repaired without disturbing the surface above. The project also includes contingencies to repair some segments of pipe where lining is not feasible. The 16 locations are combined into one construction contract for efficiency and cost savings.

The project budget is \$3,000,000.00 with funding being provided from the approved Sewage Disposal System Capital budget (\$2,250,000.00) and the approved Stormwater Sewer Capital Budget (\$750,000.00).

The sewers included with this project were identified by City staff as being in critical need of repair. Lining is a process by which new material is pumped into the existing pipe, creating a new pipe inside the existing one. The process is not only cost effective, but also eliminates the need for extensive excavation and lengthy traffic control measures, thereby minimizing traffic disruption.

Other sewers throughout the city not included with this project have also been identified as needing repair, and an opportunity may arise for some of these to be lined as part of this project. Should the budget allow for this, approval may be sought to extend this contract for the purpose of performing additional work.

The project was advertised for bid on the Michigan Inter-governmental Trade Network (MITN) with the plans and specifications being available to interested contractors. Five bids were received and opened on May 9, 2014. The lowest responsible bid from Lanzo Lining Services, Inc. - Michigan in the amount of \$1,566,121.00 is approximately 10% below the Engineer's Estimated Opinion of Costs. Project construction is expected to commence in July 2014 and be complete by November 2014.

Lanzo Lining Services, Inc. - Michigan received Human Rights approval on May 13, 2014. Employees working on this project will be paid prevailing wages (which exceed the "living wage") per the contract.

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

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

Whereas, Competitive bids were received by the Procurement Unit on May 9, 2014 and Lanzo Lining Services, Inc. - Michigan of Roseville, Michigan was the lowest responsible bidder at \$1,566,121.00;

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, Lanzo Lining Services, Inc. - Michigan received Human Rights approval on May 13, 2014 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 \$1,566,121.00 be awarded to Lanzo Lining Services, Inc. - Michigan for the construction of the 2014 Sewer Lining Project (Bid No. ITB-4322);

RESOLVED, That a contingency amount of \$160,000.00 be established within the project budget and that the City Administrator be authorized to approve additional change orders to the construction contract with Lanzo Lining Services, Inc. - Michigan, not to exceed \$160,000.00, in order to satisfactorily complete this project;

RESOLVED, That the City Administrator is authorized to take necessary administrative actions to implement construction of this project and issue, as required, temporary and permanent Traffic Control Orders including parking prohibition in excess of one (1) block and/or ninety (90) days, and night and Sunday work authorizations;

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 the necessary administrative actions to implement this resolution.