



Legislation Details (With Text)

**File #:** 22-0631      **Version:** 1      **Name:** 5/16/22 S State Street Reconstruction Contract  
**Type:** Resolution      **Status:** Passed  
**File created:** 5/16/2022      **In control:** City Council  
**On agenda:** 5/16/2022      **Final action:** 5/16/2022  
**Enactment date:** 5/16/2022      **Enactment #:** R-22-141

**Title:** Resolution to Approve a Construction Contract with Fonson Company, Inc. for the South State Street Reconstruction Project (\$6,727,358.01) and to Appropriate \$9,083,000 in Contributing Funds (8 Votes Required)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. PROPOSAL\_Fonson.pdf, 2. RFP 22-19 South State Project.pdf, 3. Fonson Contract RFP22-19.pdf

Date	Ver.	Action By	Action	Result
5/16/2022	1	City Council	Approved	Pass

Resolution to Approve a Construction Contract with Fonson Company, Inc. for the South State Street Reconstruction Project (\$6,727,358.01) and to Appropriate \$9,083,000 in Contributing Funds (**8 Votes Required**)

Attached for your review and approval, please find a resolution to approve a construction contract between the City of Ann Arbor and Fonson Company, Inc. in the amount of \$6,727,358.01 for the South State Street Reconstruction Project (RFP 22-19).

S. State Street reconstruction, from E. William St. to E. Washington St. includes the following elements and (funding sources):

- Replacement of water main (Water Supply System Funds; UM contribution for water main consolidation)
- New stormwater infiltration system (Stormwater funds)
- New concrete road with flush curb (Street, Bridge, Sidewalk Millage and DDA funds)
- New sidewalks, streetscape, lighting, pedestrian signal improvements (DDA)

The project also includes resurfacing one block of S. State Street, from E. Washington St. to E. Huron St. (Street, Bridge, Sidewalk Millage Funds)

The construction of the project is scheduled in two stages over two years:

- Stage 1: June-August, 2022; all work from E. Liberty St. to E. William St.
- Stage 2: March-August, 2023; all work from E Liberty St. to E. Huron St.

Work will be shut down for the week of Art Fairs, and all pedestrian areas will be paved with temporary asphalt.

The DDA and Engineering supervised the creation of plans and contract documents and bid the

project through the City’s Procurement Unit. On March 24, 2022, one proposal from Fonson Company, Inc. was received for this work. A selection committee comprised of Public Services staff reviewed the proposal and determined the proposal from Fonson Company, Inc. provided value based on the criteria provided in ORD-21-41, adopted by Council on January 3, 2022:

- Qualifications, Experience, & Accountability (20%)
- Workplace Safety (20%)
- Workforce Development (20%)
- Social Equity & Sustainability (20%)
- Schedule of Pricing/Cost (20%)

Therefore, staff recommends awarding the contract for this project to Fonson Company, Inc. Fonson Company, Inc. complies with the City’s Non-Discrimination and Living Wage ordinances.

Budget/Fiscal Impact: This project is included in the FY23-28 Capital Improvements Plan (TR-SC-14 -06 and UT-WS-20-16). The estimated total cost of the project is \$9,083,000. Appropriations are necessary to allocate the major funding sources to the existing project budget, including cost sharing arrangements with the Downtown Development Authority and the University of Michigan.

<b>Fund</b>	<b>Total Project Cost</b>
Water Supply System Fund	\$1,488,000
Street, Bridge and Sidewalk Millage Fund	\$1,377,000
Stormwater Fund	\$ 935,000
DDA	\$4,729,000
<u>University of Michigan</u>	<u>\$ 554,000</u>
Total	\$9,083,000

Prepared by: Nicholas S. Hutchinson, P.E., City Engineer  
Reviewed by: Brian Steglitz, Interim Public Services Area Administrator  
Approved by: Milton Dohoney Jr., Interim City Administrator

Whereas, The City and DDA have entered into an agreement for the design of improvements on S. State Street from E. William Street to E. Huron Street;

Whereas, Based upon evaluation of the infrastructure and outreach to the State Street area, the improvements incorporate new water main, stormwater infiltration, new concrete road and sidewalks, new lighting, signal enhancements, hardscaping and landscaping;

Whereas, Funding for the project is available in the Water Supply System, Stormwater Fund and Street, Bridge and Sidewalk Millage;

Whereas, The University of Michigan will contribute funds for the project improvements;

Whereas, the DDA is sharing the project cost for road improvements; and is providing funds for new sidewalks, hardscape and landscape improvements, lighting, and signal improvements;

Whereas, The City of Ann Arbor received one proposal for this work on March 24, 2022 from the Fonson Company, Inc., and after review, staff recommends award of the construction contract to Fonson Company, Inc.; and

Whereas, It is now necessary to enter into a contract with Fonson Company, Inc. for the performance of this work;

RESOLVED, That \$1,488,000.00 be appropriated from the Water Supply System Fund unobligated fund balance to the South State Street Reconstruction Project; thereby increasing the project revenue and expenditure budgets;

RESOLVED, That \$1,377,000.00 be appropriated from the Street, Bridge, Sidewalk Millage Fund unobligated fund balance to the South State Street Reconstruction Project; thereby increasing the project revenue and expenditure budgets;

RESOLVED, That \$935,000.00 be appropriated from the Stormwater Sewer Fund unobligated fund balance to the South State Street Reconstruction Project; thereby increasing the project revenue and expenditure budgets;

RESOLVED, That the DDA's estimated cost-share of \$4,729,000.00 be appropriated to the South State Street Reconstruction Project; thereby increasing the project revenue and expenditure budgets;

RESOLVED, That the University of Michigan's estimated cost-share of \$554,000.00 be appropriated to the South State Street Reconstruction Project; thereby increasing the project revenue and expenditure budgets;

RESOLVED, That City Council approves a construction contract with Fonson Company, Inc. in the amount of \$6,727,358.01 for the South State Street Reconstruction Project (RFP 22-19);

RESOLVED, That a contingency amount of \$680,000.00 be established within the project budget and that the City Administrator be authorized to approve construction change orders not to exceed that amount, in order to satisfactorily complete this project;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

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.