



Legislation Text

File #: 12-0849, **Version:** 1

Resolution to Award a Contract to Margolis Companies, Inc. (\$295,925.00; Bid No. ITB-4223) for the Purchase, Delivery and Planting of Trees along City Street Rights-of-Way
Your approval is requested to award a contract to Margolis Companies, Inc., in the amount of \$295,925.00 for the purchase, delivery, and planting of trees along City street rights-of-way including a one-year guarantee for the tree plantings.

The contract calls for the contractor to plant 1,000 trees along City street rights-of-way within the City of Ann Arbor. A tree planting plan was developed focusing on areas with at least one of the following: low canopy cover; large areas of impervious surfaces; significant impact by the emerald ash borer; or, an aging tree canopy. The tree planting plan, which was included as part of ITB-4223, is attached. Trees decrease the quantity of stormwater runoff and improve the quality of the run-off that does reach local lakes and streams. Ann Arbor's public trees intercept 65 million gallons of stormwater each year (Source: City of Ann Arbor i-Tree Streets Analysis, 2009).

Bid documents and specifications were distributed electronically to contractors and suppliers. Three bids were received and opened on May 16, 2012. Margolis Companies, Inc., with a bid of \$295,925.00, was the lowest responsible bidder.

The resolution establishes a project contingency in the amount of \$17,746.50 for an estimated total project budget of \$313,671.50. This project is being funded by the approved FY13 Storm Water Capital Budget. The project costs will be reimbursed and repaid as a loan to the State Revolving Fund (SRF). It is anticipated that the City will receive 50% loan forgiveness on this project.

As the Washtenaw County Water Resources Commissioner (WCWRC) will be assessing the City over a maximum of 20 years for this project, the City will not have to expend the full cost of this project at the time of the work. Rather, the reimbursement of the WCWRC will be paid over the financing period, with installments not to exceed \$20,739.39. The first payment is included in the approved FY13 Storm Water Fund operations and maintenance budget.

Margolis Companies, Inc. received Human Rights approval on June 11, 2012 and complies with the Living Wage ordinance.

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Reviewed by: Craig Hupy, Interim Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, the Public Service Area has a goal of planting 1,000 street trees per fiscal year;

Whereas, Bids were received by the Procurement Unit on May 16, 2012 and Margolis Companies of Ypsilanti, MI was the lowest responsible bidder at \$295,925.00.

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 tree purchasing and planting project; and

Whereas, Margolis Companies has received Human Rights approval on June 11, 2012 and complies with the Living Wage ordinance;

Whereas, the total project costs are estimated to be \$313,671.50 and funding is available in the approved Storm Water Capital budget without regard to fiscal year;

Whereas, a low-interest SRF loan has been secured through the Washtenaw County Water Resources Commissioner for the project, which may include up to 50% loan forgiveness;

Whereas, proceeds from the SRF loan will reimburse the Storm Water Fund; and

Whereas, the SRF debt payment is included in the approved FY13 Storm Water operations and maintenance budget;

RESOLVED, That a contract in the amount of \$295,925.00 be awarded to Margolis Companies for the purchase, delivery and planting of trees along City street rights-of-way (Bid No. ITB-4223);

RESOLVED, That a contract contingency in the amount of \$17,746.50 be established and the City Administrator be authorized to approve change orders to the contract with Margolis Companies, Inc., not to exceed \$17,746.50 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; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.