



## Legislation Text

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### Resolution to Approve City of Ann Arbor - Michigan Department of Transportation Contract No. 12-5572 for Improvements to Miller Avenue (Maple Road to Newport Road)

Attached for your review and consideration, please find a resolution to approve a contract agreement between the City of Ann Arbor and the Michigan Department of Transportation (MDOT) for improvements to Miller Avenue between Maple Road and Newport Road. This Agreement is required for the project to receive its share of Federal funding from the Surface Transportation Program (STP).

In 2009, the City began the planning phase for this improvement project recognizing there was a need to address numerous deficiencies identified within the proposed project corridor related to vehicular and non-motorized traffic safety and mobility, significantly poor pavement conditions, storm water management, and City owned utility infrastructure.

A major component of this effort included public involvement to collect input from citizens and other stakeholders in advance of any design engineering. The City formed a **Design Advisory Committee (DAC)** composed of City Staff and other stakeholders, including members of the public familiar with the corridor. In the spring of 2009, the City held a Public Input Meeting and also surveyed area residents to solicit comments and gain a better understanding of the various concerns and issues citizens had about the corridor. The results of these two endeavors were used by the City and the DAC to develop and prioritize the main objectives for the project. The resulting goals included new pavement, safer pedestrian crossings, safer bicycle passage, storm water quality improvements, reduction of storm water runoff, driveway access for residents, sidewalk/sidewalk ramps improvements, access to bus stops, traffic flow improvements at the Miller/Newport intersection, and traffic flow improvements and accommodations for left turns throughout the corridor. With these goals in mind, City staff developed several conceptual design alternatives, which were presented at a public workshop in July 2009. At this meeting, participants were divided into small groups to discuss each of the options. Following the discussion, participants were asked to select their preferred options for improving this area. The results were compiled to determine the preferred improvement alternatives for the project.

Following the planning phase the project was placed on hold pending the resolution of funding issues. When the design engineering phase commenced the selected preferred improvement alternatives were used as the basis. These consisted of complete reconstruction of the roadway to include improved bicycle lanes, pedestrian crossings with raised islands, and intermittent left turn lanes to facilitate improved traffic flow; installation of new sidewalks, sidewalk ramps and concrete bus stop pads to comply with current Americans with Disabilities Act (ADA) standards; storm water improvements that include new storm sewers with detention, bio-swales, and rain gardens; and utility work that involves replacing a distribution water main within the project limits and a portion of sanitary sewer.

Nearing the end the design phase another public meeting was held in July 2012 to gather final comments prior to the completion of the plans. Revisions were made to address as many of these remarks as possible and reasonable. The construction plans were then finalized and submitted to MDOT in November 2012.

The project has been advertised for the March 1, 2013 MDOT bid letting. This memorandum and resolution were prepared prior to the letting date so bid results were not available. MDOT will award a contract to the qualified low bidder and administer the contract. The City will act as the project engineer.

Construction is anticipated to begin in mid/late April 2013 and be complete by early November 2013. During this time work will be staged utilizing part-width construction to allow traffic movement through the construction zone in variable directions for the duration of the project. In the first stage traffic will be shifted to the south side of Miller Avenue while work occurs on the north side. Two-way traffic (one lane each direction) will be allowed to operate in this stage. In the second stage inbound traffic headed toward the City will be shifted to the newly constructed north side so that work on the south side can be completed. Traffic on the north side will be maintained with one lane operating in the eastbound direction. Outbound traffic will detoured in this stage. The posted detour route will be South Main Street to West Huron

Street to Jackson Avenue to North Maple Road. Also, access to northbound Newport Road will be closed off at various times throughout the project to reconstruct the Miller/Newport intersection. A separate detour route using Brooks Street and Sunset Road will be set up to allow for access to/from Newport Road north of Miller Avenue.

### Estimated Expenditures

Based on the Engineer's Estimate, the total anticipated project cost is \$6,537,766.90. A breakdown of the costs is identified in the table below.

Description of Work	Construction Amount	<sup>1</sup> PE & <sup>2</sup> CE	TOTAL
Road: Participating	\$2,712,498.50	\$0.00	\$2,712,498.50
Storm Sewer Utility: Participating	\$84,050.00	\$0.00	\$84,050.00
Water Main Utility: Participating	\$12,000.00	\$0.00	\$12,000.00
Sanitary Sewer Utility: Participating	\$12,650.00	\$0.00	\$12,650.00
<i>Sub-Total: Participating</i>	<i>\$2,821,198.50</i>	<i>\$0.00</i>	<i>\$2,821,198.50</i>
Road: Non-Participating	\$143,155.00	\$1,142,261.40	\$1,285,416.40
Storm Sewer Utility: Non-Participating	\$861,650.00	\$378,280.00	\$1,239,930.00
Water Main Utility: Non-Participating	\$697,020.00	\$283,608.00	\$980,628.00
Sanitary Sewer Utility: Non-Participating	\$111,460.00	\$49,644.00	\$161,104.00
Telecommunication Utility: Non-Participating	\$35,350.00	\$14,140.00	\$49,490.00
<i>Sub-Total: Non-Participating</i>	<i>\$1,848,635.00</i>	<i>\$1,867,933.40</i>	<i>\$3,716,568.40</i>
<b>Total</b>	<b>\$4,669,833.50</b>	<b>\$1,867,933.40</b>	<b>\$6,537,766.90</b>

<sup>1</sup>Preliminary Engineering (PE) includes project management, planning, survey, design, right-of-way/easement acquisition, administrative, and other miscellaneous expenses.

<sup>2</sup>Construction Engineering (CE) includes project management, inspection, material testing, equipment rental, administrative, and other miscellaneous expenses.

### Expected Revenues

A requirement for this type of project is that the City enters into a contract agreement with the State of Michigan stipulating the funding split and other rights and responsibilities of either party. It is the same form of contract the City has used on other federally funded projects. Based on estimated project costs Federal Surface Transportation Funds are expected to pay for 53% of the construction costs eligible for participation. These funds are capped at \$1,493,709.00.

All other costs for construction, preliminary engineering, and construction engineering that are either eligible or not eligible for Federal participation will be financed by several resources including the Street Repair Millage Fund, the Water Distribution System Fund, the Sewage Disposal System Fund, the Storm Water System Fund, and the Information Technology Project Budget for Network Improvements and Replacements approved Capital Budgets. The expected revenue amount required to fund project costs not covered Federal Surface Transportation Funds is \$5,044,057.90.

In addition to the above funds, the storm water quality management portion of this project is being financed with State Revolving Funds (SRF) and has been approved for a low interest (2.5%) loan, which will be secured by the Washtenaw County Water Resources Commissioner. The reason for financing a portion of the storm water improvements with SRF is the potential eligibility for 50% loan forgiveness. This loan will reimburse a portion of the Storm Water System Funds being allocated to the project. The Water Resources Commissioner will be assessing the City over a maximum of 20 years for this project for repayment of the loan. The first payment is included in the approved Storm Water Fund Capital Budget for FY14 and subsequent payments will be included in the annual storm water budget submittals. Resolution R-12-456 authorized the annual payment to the County for this project from the Storm Water System Fund pending annual budget approvals by Council.

<u>Description of Funding Source</u>	<u>Amount</u>	<u>Financed Work</u>
Surface Transportation Program (STP)	\$1,493,709.00	Road Work, Storm Sewer, Water Main, &
Sanitary Sewer Utilities		
<u>Street Repair Millage Fund</u>	<u>\$2,612,905.90</u>	<u>Road Work and Related PE &amp; CE</u>
<i>Sub-Total: Road/Utility Work</i>	<i>\$4,106,614.90</i>	
Storm Water System Fund	\$1,239,930.00	Storm Sewer Utility and Related PE & CE
Water Distribution System Fund	\$ 980,628.00	Water Main Utility and Related PE & CE
Sewage Disposal System Fund	\$ 161,104.00	Sanitary Sewer Utility and Related PE & CE
<u>Information Technology Project Budget</u>	<u>\$ 49,490.00</u>	<u>Telecommunication Utility and Related PE &amp; CE</u>
<i>Sub-Total: Utility Work</i>	<i>\$2,431,152.00</i>	
<b>Total</b>	<b>\$6,537,766.90</b>	

Prepared by: Nicholas Hutchinson, P.E., Interim Project Management Manager

Reviewed by: Craig Hupy, Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, Numerous deficiencies have been identified within the Miller Avenue corridor between Maple Road and Newport Road related to vehicular and non-motorized traffic safety and mobility, significantly poor pavement conditions, storm water management, and City owned utility infrastructure;

Whereas, The City conducted public involvement efforts to collect input from citizens and other stakeholders in advance of any design engineering, and formed a Design Advisory Committee to assist City Staff with developing and prioritizing the main project goals necessary to address the known deficiencies;

Whereas, In consideration of the project goals, City staff developed several conceptual design alternatives, and again sought public input to select and determine the preferred improvement alternatives for the project;

Whereas, The preferred improvement alternatives were used as the basis for design engineering, and will be implemented through construction of the project;

Whereas, The Federal Highway Administration will allocate Surface Transportation Program Funds in the amount of \$1,493,709.00 for the improvements to Miller Avenue between Maple Road and Newport Road;

Whereas, Funding for the City's share of the project is included in the Street Repair Millage Fund, the Water Distribution System Fund, the Sewage Disposal System Fund, the Storm Water System Fund, and the Information Technology Project Budget for Network Improvements and Replacements approved Capital Budgets in the amounts shown below;

<u>Description of Funding Source</u>	<u>Amount</u>
Street Repair Millage Fund	\$2,612,905.90
Storm Water System Fund	\$1,239,930.00
Water Distribution System Fund	\$980,628.00
Sewage Disposal System Fund	\$161,104.00
<u>Information Technology Project Budget</u>	<u>\$49,490.00</u>
<b>Total</b>	<b>\$5,044,057.90</b>

Whereas, The storm water quality management portion of this project is being financed with State Revolving Funds (SRF) and has been approved for a low interest (2.5%) loan, which will be secured by the Washtenaw County Water Resources Commissioner;

Whereas, The SRF loan will reimburse a portion of the expenditures from the Storm Water System Fund being allocated to the project, and the Water Resources Commissioner will be assessing the City over a maximum of 20 years for this project for repayment of the loan; and

Whereas, The first loan payment is included in the approved Storm Water Fund Capital Budget for FY14 and subsequent payments will be included in the annual storm water budget submittals pursuant to Resolution R-12-456 which authorized the annual payment to the County for this project from the Storm Water System Fund pending annual budget approvals by Council;

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;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the City of Ann Arbor - Michigan Department of Transportation Contract No. 12-5572 for Improvements to Miller Avenue between Maple Road to Newport Road, following approval as to substance by the City Administrator, and approval as to form by the City Attorney; and

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