



Legislation Text

File #: 13-0974, **Version:** 1

Resolution Awarding a Construction Contract to Fonson, Inc. for the Belmont Sanitary Sewer Extension Project (\$71,625.00; Bid No. ITB-4299)

Attached for your review and approval please find a resolution that awards a construction contract to Fonson, Inc. in the amount of \$71,625.00 for the Belmont Sanitary Sewer Extension Project. The estimated project budget, including the construction costs will be funded by the approved Sanitary Sewer Capital Budget.

This project includes the installation of approximately 196 feet of new 8-inch sanitary sewer including one sanitary sewer manhole, which will extend public sanitary sewer to properly serve the residence at 2250 Belmont. The property located at 2250 Belmont is currently being served by sanitary sewer through a shared lead with the adjacent property at 2240 Belmont, which is a non-conforming configuration. The shared lead has shown signs that failure is imminent, which has resulting in this project becoming a high priority. The project is expected to begin in late September and be completed by mid-November of 2013.

Estimated Project Budget

Construction	\$ 71,625.00
Design Engineering	\$ 8,600.00
Construction Engineering	\$ 10,700.00
Construction Material Testing	\$ 5,700.00
Miscellaneous	\$ 5,700.00
Contingency	<u>\$ 7,160.00</u>
Total	\$ 109,485.00

Plans and specifications were made available through BidNet. Six bids were received and opened on August 9, 2013. The lowest responsible bid, in the amount of \$71,624.15 is \$1,069.15 above the engineer's estimate of \$70,555.00. Attached is a tabulation of the bids received for the project.

Fonson, Inc. received Human Rights approval on August 14, 2013. All employees of Fonson, Inc., who will work on the project, will receive compensation in accordance with the Living Wage Ordinance.

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The City of Ann Arbor Adopted FY 2014 Sanitary Sewer Capital Budget includes adequate funds for the Belmont Sanitary Sewer Extension Project;

Whereas, It is necessary to extend public sanitary sewer to properly serve the residence at 2250 Belmont prior to failure of the existing non-conforming shared service lead;

Whereas, Competitive bids were received by the Procurement Unit on August 9, 2013 and Fonson, Inc. was the lowest responsible bidder with a submitted bid of \$71,624.15;

Whereas, The contract 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 this construction project; and

Whereas, Fonson, Inc. has received Human Rights approval on August 14, 2013 and its employees will receive compensation in accordance with the Living Wage Ordinance;

RESOLVED, That City Council approves the award of a contract in the amount of \$71,625.00 to Fonson, Inc. for the construction of the Belmont Sanitary Sewer Extension Project and approves a construction contingency of \$7,160.00 to cover potential contract change orders during the life of the 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 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 funds be available in the capital improvements project budget for the life of the project until expended without regard to fiscal year; 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 and including the authority to approve change orders within the approved contingency.