



Legislation Text

File #: 17-0742, **Version:** 2

Resolution to Award a Contract to Margolis Companies, Inc. for the Purchase, Delivery and Planting of Trees along City Street Rights-of-Way (\$327,455.00; Bid No. ITB-4481)

Attached for your review and action is a resolution to authorize the awarding of a contract to Margolis Companies, Inc. in the amount of \$327,455.00 for the planting of trees along City street rights-of-way.

ITB-4481 was issued on BidNet for Street Tree Planting, which included the purchase, delivery, and planting of 1,000 trees along City street rights-of-way, and a one-year guarantee. Two bids were received and opened on April 17, 2017. Margolis Companies, Inc., with a bid of \$327,455.00, was the lowest responsible bidder.

The 1,000 street trees to be planted as part of this project, will be planted in areas identified in the FY2018 Street Tree Planting Plan. The Street Tree Planting Plan, which was included as part of ITB-4481, is attached. Trees provide many environmental, social and economic benefits to the city including, decreasing the quantity of stormwater runoff and improving the quality of the run-off that reaches local lakes and streams. Ann Arbor's public street and park trees intercept an estimated 65 million gallons of stormwater each year (Source: City of Ann Arbor i-Tree Streets Analysis, 2009).

Sustainability Framework

The work completed through this contract will help to achieve tree canopy targets identified in the Urban and Community Forest Management Plan, adopted by City Council in June 2014 (R-14-0696). In addition, it will help further goals in the City's Sustainability Framework, including Sustainable Systems, Clean Air and Water and Healthy Ecosystem.

Budget/Fiscal Impacts

City of Ann Arbor street tree planting has been identified as an eligible project for funding through the Michigan Department of Environmental Quality's State Revolving Fund (SRF) loan program. The Washtenaw County Water Resources Commissioner (WCWRC) has secured this low-interest loan on behalf of the City, which will reimburse the City's Stormwater Fund for its share of the project. This project may be eligible for loan forgiveness. The WCWRC will be assessing the City over a maximum of 20 years with annual installments not to exceed \$22,000.00. The first payment is included in the approved FY18 Stormwater Fund Operations and Maintenance Budget.

The resolution also includes a request for a 5% contingency in the amount of \$16,372.75 to cover potential change orders to be approved by the City Administrator.

Prepared by: Kerry Gray, Urban Forest & Natural Resource Planner, Systems Planning

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard Lazarus, City Administrator

Whereas, Ann Arbor's urban and community forest is a defining and valued characteristic of the city that residents call "Tree Town," making it a desirable place to live, work and play;

Whereas, The City's Urban and Community Forest Management Plan has identified tree planting as an important component in maintaining a sustainable urban forest;

Whereas, Trees provide many environmental social and economic benefits to the city, including, decreasing the quantity of stormwater runoff and improving the quality of runoff that reaches local lakes and streams;

Whereas, Bids were received by the Procurement Unit on April 17, 2017 and Margolis Companies, Inc. of Ypsilanti, Michigan was the lowest responsible bidder at \$327,455.00;

Whereas, Margolis Companies, Inc. complies with the City's non-discrimination and Living Wage Ordinances;

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

Whereas, Proceeds from the SRF loan will reimburse the City's Stormwater Fund; and

Whereas, The SRF debt payment estimated at \$22,000.00 annually is included in the approved Stormwater Operations and Maintenance Budget;

RESOLVED, That a contract in the amount of \$327,455.00 be awarded to Margolis Companies, Inc. for the purchase, delivery and planting of trees along City street rights-of-way (Bid No. ITB-4481);

RESOLVED, That a contract contingency in the amount of \$16,372.75 (5%) be established and the City Administrator be authorized to approve change orders to the contract with Margolis Companies, Inc., 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;

RESOLVED, That funding for the contract and contingency amount be available for the life of the project until expended without regard to fiscal year; and

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