



Legislation Text

File #: 18-2192, **Version:** 1

Resolution to Approve a Construction Contract with Pamar Enterprises, Inc. for the Riverview Drive/Dover Place Sanitary Sewer and Water Main Extension Project (\$1,822,523.01)
Attached for your review and approval, please find a resolution that approves a construction contract with Pamar Enterprises, Inc., in the amount of \$1,822,523.01, for the Riverview Drive/Dover Place Sanitary Sewer and Water Main Extension Project.

This project includes construction of a new, 8" sanitary sewer in Riverview Drive to service parcels from Geddes Avenue to approximately 485 Riverview Drive. The project will also construct several sections of water main: a 12" water main to service properties located along Riverview Drive from Geddes Avenue to Huntington Place; a 12" water main along Huntington Place from Riverview Drive to Onaway Place; an 8" water main in Dover Place from Riverview Drive to its end; and, an 8" cross-lot water main adjacent to 505 Riverview Drive to create a looping water main to the Geddes Ridge Subdivision located to the east of the project.

As background, two township residents petitioned the City for sanitary sewer and water service because their septic tanks and tile fields had failed or were in the process of failing. Further, a city resident along Huntington Place also requested the City to provide their property with city water service as well.

The project was originally scheduled for construction in Spring 2018, but the City only received only one bid for the project, which it determined to be non-competitive. Consequently, it was re-bid this fall.

Plans and contract documents were prepared and the project was bid through the City's Procurement Unit following standard city procedures. On November 30, 2018, three bids were received for this work. Pamar Enterprises, Inc., of New Haven, Michigan, was the lowest responsible bidder with a bid amount of \$1,822,523.01.

The following is the tabulation of the bids received:

Pamar Enterprises, Inc.	\$1,822,523.01
Fonson Company, Inc.	\$1,911,982.00
E.T. MacKenzie Company, Inc.	\$2,053,900.00

The Engineer's Estimate for the project's construction was \$1,629,330.75. The lowest responsible bid for this project is 11.9% above the Engineer's Estimate. Upon review of the bids received, the lowest bid conforms with the contract requirements, the contractor has good references, and a history of successfully completing this type of work. The cost of the work reflects the difficulty of the project and the limited working area available. We recommend awarding this contract to Pamar Enterprises, Inc.

Construction should start in April 2019, after the seasonal weight restrictions (Frost Laws) are removed from the area roadways. The Contractor has 120 consecutive calendar days to complete the work once they are provided Notice to Proceed.

Maintaining traffic along the roadways of this project, and Riverview Drive in particular, will be a challenge. To that end, and in an effort to make this project both more constructible and affordable, the Contractor will be allowed to work un-interrupted along Riverview Drive for 30 minutes at a time during the work day.

The Contractor will be required to allow residential traffic to pass at the top and bottom of each working hour and at the end of each workday. The Contractor is required to provide emergency vehicles access should the need should arise. It is expected that the construction in this area will cause disruption to the residents of the area due to the narrow street width and limited work areas. Personnel from the Engineering Unit will oversee and manage the project, and will work with the Contractor to help minimize disruption during the construction.

The City held three public meetings to discuss the project in detail with residents of the area and discuss issues such as maintaining traffic, construction impacts, Extension and Capital Cost Recovery Charges, annexation issues, and several others. Most residents were concerned with costs associated with the work, but seemed to be understanding of the need for the project.

Budget/Fiscal Impact

The estimated total cost of the project is \$2,520,500.00. The work for this project will be funded through the approved Water and Sanitary Capital Budgets in the following amounts:

Approved Water Capital Budget	\$1,503,900.00
Approved Sanitary Capital Budget	<u>\$1,016,600.00</u>
Total	\$2,520,500.00

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The City of Ann Arbor was requested to provide city water and sanitary sewer service to two township parcels that have failed or failing septic tanks and tile fields;

Whereas, The City of Ann Arbor was also requested by a resident of Huntington Place to provide city water service to their parcel;

Whereas, Township residents have petitioned for annexation and have completed the annexation process;

Whereas, This project serves the public needs for municipal water and sanitary sewer services in this area;

Whereas, The cost of this work will be funded through the approved Water System and Sanitary Sewer Capital Budgets;

Whereas, The City of Ann Arbor received three bids for this work on November 30, 2018 and Pamar Enterprises, Inc., of New Haven, Michigan, was the lowest responsible bidder for this work with a total amount of work to be performed of \$1,822,523.01;

Whereas, It is now appropriate to contract with Pamar Enterprises, Inc. for the work; and

Whereas, Pamar Enterprises, Inc. has submitted all required Non-Discrimination, Living Wage, and Conflict of Interest Disclosure forms and complies with the requirements of the City's Non-Discrimination and Living Wage ordinances.

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the construction contract with Pamar Enterprises, Inc. in the amount of \$1,822,523.01 in the form on file with the City Clerk, following approval as to substance by the City Administrator, and approval as to form by the City Attorney;

RESOLVED, The City Administrator be authorized to approve amendments to the contract with Pamar Enterprises, Inc. up to \$182,250.00 in order to satisfactorily complete the project; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution including approval of needed Traffic Control Orders, night work authorizations, and other similar administrative approvals to allow the work of the project to proceed without delay.