



Legislation Text

File #: 19-0443, **Version:** 1

Resolution to Approve an Agreement with the Downtown Development Authority for the William Street Improvement Project (\$1,329,964.00)

Attached for your review and approval is a resolution to authorize an agreement with the Ann Arbor Downtown Development Authority (DDA) to split construction costs for the William Street improvements Project, which will extend from Fourth Street to State Street.

Over the past several years the City and DDA have worked closely to improve infrastructure project coordination. In spring 2019, the DDA will begin construction on the City's first two-way protected bike lane on William Street. In addition to the bikeway, the project will include key pedestrian crossing improvements and road resurfacing identified through the City's pavement condition assessment. The project presents an opportunity for the City to consolidate dual water mains without incurring the full cost of resurfacing. The cost share agreement reflects this breakdown; the DDA will pay for 100% of the work related to the protected bikeway and crosswalk changes and 65% of the cost of the street resurfacing. The City will pay for 100% of the cost of the watermain consolidation work and 35% of the resurfacing costs. Combining the work into a single contract will minimize overall cost, City staff time, and disruption to the community.

The DDA conducted a formal procurement process through the City's Procurement Unit and awarded the contract to Fonson Company, Inc. Construction for this project is scheduled to begin in the spring of 2019. Formal approval by mid-April 2019 is critical to minimize impact to the Art Fair and complete the project within a single construction season.

Construction cost responsibilities for different portions of the work were discussed with the DDA, and these percentages were used as a basis to determine the respective amounts that each party will pay for the construction of the project. The DDA will have the contractual relationship with the Contractor, and the City will reimburse the DDA for its portion of the construction costs. The attached document outlines the terms of the agreement between the City and the DDA to complete the work described above. This same cost-share mechanism has been used on similar City/DDA projects with positive result, including the Fifth & Detroit and South University Projects.

Budget Impact: The William Street Project is in the City's Capital Improvements Plan (UT-WS-20-21 & TR-SC-20-13). Funding for the City's share of the project is as follows:

Water Supply	\$ 643,034.00
Sewage Disposal	\$ 38,000.00
Major Street	\$ 648,930.00
TOTAL	\$1,329,964.00

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The City and the Downtown Development Authority (“DDA”) agreed it would be beneficial to collaborate on the design and construction of the infrastructure improvements for the William Street Improvement Project;

Whereas, The DDA agreed to solicit bids for the construction of the project;

Whereas, Funding for the City’s share of this project is available in the approved Major Street Fund, Water Supply, and Sewage Disposal Capital Budgets;

Whereas, Following the procurement process, the DDA is preparing to enter into a contract with Fonson Company, Inc.;

Whereas, The City and DDA have drafted the attached cost-sharing agreement for the construction phase of the project; and

Whereas, The DDA will pay the contractor and will invoice the City for its share of the construction costs as detailed in the attached Agreement;

RESOLVED, That City Council approve the attached Agreement with the Ann Arbor Downtown Development Authority for responsibilities and cost allocations for the construction of the William Street Improvement Project;

RESOLVED, That the City Administrator be authorized to approve amendments to the agreement within the project budget to reflect the actual final value of the work;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement 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 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.