



Legislation Text

File #: 22-0761, **Version:** 1

Resolution to Approve an Agreement with the Downtown Development Authority for the South State Street Reconstruction Project

Attached for your review and approval is a resolution to authorize an agreement with the Ann Arbor Downtown Development Authority ("DDA") to participate in construction costs for the South State Street reconstruction (from E. William to E. Washington) and resurfacing (from E Washington to E Huron).

The City and DDA collaborated in the design and preparation of plans for streetscape improvements, road reconstruction, water main replacement, intersection improvements, and storm water management as part of the City's upcoming South State Street Reconstruction project. Because all of these design elements impact each other, it was determined to be the best course of action to have all of the design work performed at the same time. The DDA had the contractual relationship with the design consultant, who fulfilled their contract by completing plans and specifications for bidding.

The City conducted a formal RFP process and is presenting a separate resolution to Council to award the contract to the Fonson Company ("Contractor"). Construction for this project is scheduled to begin in the spring of 2022.

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 City will have the contractual relationship with the Contractor, and the DDA will reimburse the City 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.

Budget/Fiscal Impact: The City's Capital Improvement Plan includes projects related to the South State Street Project (TR-SC-14-06 and UT-WS-20-16). The DDA's portion of the cost allocation for this contract is an estimated \$4,218,283.00.

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

Reviewed by: Brian Steglitz, Interim Public Services Area Administrator

Approved by: Milton Dohoney Jr., Interim City Administrator

Whereas, The City's Capital Improvement Plan includes TR-SC-14-06 and UT-WS-20-16 for the South State Street Project and funds have been allocated for stormwater infiltration improvements;

Whereas, The City and the Downtown Development Authority ("DDA") agreed it would be beneficial in collaborating on the design of the infrastructure improvements and the streetscape improvements;

Whereas, The City agreed to solicit an RFP for the construction of the project;

Whereas, Following the RFP process, the City 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 City will pay the contractor and will invoice the DDA 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 South State Street Reconstruction Project;

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 and to approve amendments to the agreement within the project budget.