Legislation Text

File #: 25-0171, **Version:** 2

Resolution to Approve a Construction Contract with Bailey Excavating, Inc. for the 2025 Miscellaneous Utility Projects (RFP 25-01; $4,384,077.17) and to Appropriate $3,473,600.00 in Contributing Funds **(8 Votes Required)**
Attached for your review and approval, please find a resolution to approve a construction contract between the City of Ann Arbor and Bailey Excavating, Inc. (Bailey) in the amount of $4,384,077.17 for the 2025 Miscellaneous Utility Projects (RFP 25-01).

The annual Miscellaneous Utilities project typically combines smaller utility projects from the City's Capital Improvements Plan (CIP) into one construction contract to reduce administrative costs and bid prices. This year's project includes the following:

- Harding Road:
  - New sanitary sewer installed on Harding and Morton to allow for standard sewer connections
  - New water main installed to allow for standard service connections
  - Storm catch basin replacements
  - Wallingford/Harding Intersection safety improvements
  - Replacement of pavement
- Glastonbury Road and Weldon Boulevard:
  - Water main replacement
  - Curb drain installation (at specific locations)
  - Storm catch basin replacements
  - Replacement of pavement
- South Fifth Avenue
  - Water main replacement
  - Storm catch basin replacements
  - Coordination with 2025 Resurfacing Program for resurfacing

The construction of the project is scheduled to begin in April 2025 and continue through November 2025.

Engineering staff supervised the creation of plans and contract documents and issued a request for proposals through the City's Procurement Unit. On January 21, 2025, five proposals were received for this work. A selection committee comprised of Public Services staff reviewed the proposals and determined which bidder was the Best Value based on the criteria in ORD-21-41:

· Qualifications, Experience, & Accountability (20%)
· Workplace Safety (20%)
· Workforce Development (20%)
· Social Equity & Sustainability (20%)
· Schedule of Pricing/Cost (20%)

After reviewing and scoring the proposals, staff ranked the responding firms in the following order:

1. Bailey Excavating, Inc.
2. Fonson Company, Inc.
3. E.T. MacKenzie Company, Inc.
4. Diponio Contracting, Inc.
5. Major Contracting

Bailey received the highest score among the proposals reviewed by the selection committee. Therefore, staff recommends awarding the contract for this project to Bailey Excavating, Inc. Bailey complies with the City's Non-Discrimination and Living Wage ordinances.

Budget/Fiscal Impact: This project is included in the Capital Improvements Plan (UT-WS-16-29, UT-WS-18-13, UT-WS-22-10, UT-ST-25-05, UT-SN-18-01, TR·SC-25-17, TR-SC-25-16). The estimated total cost of the project is $6,185,000. Funding for the project is partially included in the approved FY25 capital budgets of the Water Supply System Fund; Stormwater Fund; Sewage Disposal Fund; and Street, Bridge and Sidewalk Millage Fund.

Fund	Project Cost
Water Supply System Fund	$ 2,515,000.00
Stormwater Fund	$ 900,000.00
Street, Bridge and Sidewalk Millage Fund	$ 1,620,000.00
Sewage Disposal Fund	$ 1,150,000.00
Total	$ 6,185,000.00

Prepared by: Nicholas S. Hutchinson, P.E., City Engineer
Reviewed by: Jordan Roberts, Public Services Area Administrator
Approved by: Milton Dohoney Jr., City Administrator
Whereas, The existing water mains, sanitary sewer, and stormwater infrastructure in the project areas have been identified as needing upgrade, replacement, or extension;

Whereas, Funding for the project is included in the approved capital budgets of the Water Supply System Fund; Stormwater Fund; Street, Bridge and Sidewalk Millage Fund; and Sewage Disposal Fund;

Whereas, The City of Ann Arbor received five proposals for this work on January 21, 2025 and Bailey Excavating, Inc. received the highest score among the proposals reviewed by the selection committee;

Whereas, Bailey Excavating, Inc. complies with the City's Non-Discrimination and Living Wage ordinances; and

Whereas, It is now necessary to enter into a contract with Bailey Excavating, Inc. for the performance of this work;

RESOLVED, That City Council approves a construction contract with Bailey Excavating, Inc. in the amount of $4,384,077.17 for 2025 Miscellaneous Utility Projects (RFP 25-01);

RESOLVED, That $866,800.00 be appropriated from the Stormwater Fund Capital Budget to 2025 Miscellaneous Utilities Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That $1,110,000.00 be appropriated from the Sewage Disposal Fund Capital Budget to 2025 Miscellaneous Utilities Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That $1,496,800.00 be appropriated from the Street, Bridge, and Sidewalk Millage Fund Capital Budget to 2025 Miscellaneous Utilities Project, thereby increasing the project revenue and expenditure budgets;

RESOLVED, That a contingency amount of $440,000.00 be established within the project budget and that the City Administrator be authorized to approve construction change orders not to exceed that amount, in order to satisfactorily complete this project;

RESOLVED, That the City Administrator is directed and authorized to continue to engage and collaborate with the public and make a decision on final plans for the Harding/Wallingford intersection safety improvements;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

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; 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.

As Amended and Approved by Ann Arbor City Council on March 3, 2025