Legislation Text

File #: 25-1929, **Version:** 1

Resolution to Approve a Construction Contract with Ric-Man Construction Inc. for the High-Level Trunkline Capacity Improvements Project (RFP 25-39; $15,167,121.00)
Attached for your review and approval, please find a resolution to approve a construction contract between the City of Ann Arbor and Ric-Man Construction Inc. (Ric-Man) in the amount of $15,167,121.00 for High-Level Trunkline Capacity Improvements Project (RFP 25-39).

The High-Level Trunkline Capacity Improvements Project (UT-SN-25-01) is the installation of a 36-inch relief sanitary sewer along West Washington Street and North First Street to Miller Avenue. The proposed sewer will remove flow from the high-level sanitary sewer trunkline along First Street and divert it to the low-level trunkline in Miller Avenue.

The project was initiated and is partially funded by the University of Michigan to address sanitary sewer capacity for the proposed flow from their new Central Campus Student Housing Complex during wet weather events. The City is also using the opportunity to improve the sanitary sewer system along West Washington Street and North First Street.

The construction of the project is scheduled to begin in January 2026 and continue through October 2026, with several interim milestones, including that all flows must go (either connected or pumped) to the new sewer by August 22, 2026.

Under the supervision of Engineering staff, OHM Advisors Inc. and their subconsultant Stantec Consulting Michigan, Inc., created plans and contract documents and issued a request for proposals through the City's Procurement Unit. On October 30, 2025, two proposals were received for this work. A selection committee comprised of Public Services and OHM 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%)

Ric-Man proposed an alternative microtunneling plan for construction. They are proposing to microtunnel a 60-inch pipe the entire length of sewer, then install the designed 36-inch sewer inside the larger pipe and grout between the two. All the engineering costs to re-design for the up-sized pipe will be credited to the project by the contractor as stated in the attached letter. The plan was reviewed by City, OHM, and Stantec Staff and found to be an acceptable alternative.

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

1. Ric-Man Construction, Inc.
2. Jay Dee Contractors, Inc.

Ric-Man received the highest score among the proposals reviewed by the selection committee. Therefore, staff recommends awarding the contract for this project to Ric-Man Construction, Inc.

Ric-Man complies with the City's Non-Discrimination and Living Wage ordinances.

Budget/Fiscal Impact: This project is included in the Capital Improvements Plan (UT-SN-25-01). This project is primarily funded by the University of Michigan per a separate agreement previously approved by Council. Funding for the City's share of the project will come from the Sewage Disposal Fund.

The estimated total cost of the project is $20,475,000.00. Funding for the project is included in the approved capital budget of the Sewage Disposal Fund (UT-SN-25-01). The University will contribute funds for the project in accordance with the previously approved cost sharing agreement.

Fund	Project Cost
Sewage Disposal Fund	$ 2,710,000
University of Michigan	$ 17,765,000
Total	$ 20,475,000

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, It is necessary to install a sanitary relief sewer for the high-level trunkline in First Street to alleviate sanitary sewer capacity for the University of Michigan's new Central Campus Student Housing Complex;

Whereas, Funding for the project will come from the University of Michigan and the City's Sewage Disposal Fund;

Whereas, The City of Ann Arbor received two proposals for this work on October 30, 2025 and Ric-Man Construction, Inc. received the highest score among the proposals reviewed by the selection committee;

Whereas, Ric-Man Construction, Inc. complies with the City's Non-Discrimination and Living Wage ordinances; and

Whereas, It is now necessary to enter into a contract with Ric-Man Construction, Inc. for the performance of this work;

RESOLVED, That City Council approves a construction contract with Ric-Man Construction, Inc. in the amount of $15,167,121.00 for High-Level Trunkline Capacity Improvements Project (RFP 25-39);

RESOLVED, That a contingency amount of $1,500,000.00 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 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.