



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

Item Number: 9

DATE: July 16, 2024

TO: Mark Washington, City Manager

COMMITTEE: Community Development Committee

LIAISON: Mary Kate Berens, Deputy City Manager

FROM: Tim Burkman, City Engineer
Engineering

SUBJECT: Resolution awarding a contract with RK Davis, Inc. for Construction of Pump Station on 60th Street (Caledonia Pump Station) in the amount of \$3,746,629 with a total project cost not-to-exceed \$4,881,000 (DWRP Loan 7785-01)

This project consists of constructing a new booster pump station on 60th Street to provide water service to Caledonia Township. The project includes a single-story masonry façade building, two pumps with space for a future pump to accommodate future increases in water demand, site improvements including demolition of an existing house, clearing, a paved driveway with parking, security fencing, and a generator for standby power.

Bids were received on June 28, 2024 for this project. The engineer's estimate, prepared by Fishbeck, Thompson, Carr & Huber, Inc. (Fishbeck) is \$2,955,000 and RK Davis, Inc. (Davis) submitted a bid of \$3,746,629. Due to grant funding requirements, the bid discount program could not be utilized for the purpose of awarding the project. However, Davis will be subcontracting a total amount of approximately \$2,629,395.

The attached resolution provides for the tentative award of the construction contract for this project to Davis in the amount of \$3,746,629 with total expenditures not to exceed \$4,881,000. This amount includes the costs of the construction contract, previously authorized design services by Fishbeck, construction phase services by Fishbeck, testing, administration, and contingencies.

This project is being financed by the State of Michigan's Drinking Water Revolving Fund (DWSRF)/Michigan Finance Authority and Water System Fund.

The overall bid price was higher than expected due to the bidding environment. All of the major work categories were significantly higher than estimated.

Budget requests in the Water System Fund are necessary to finance this project and will be presented to the Fiscal Committee for consideration and approval at a future date.

Prepared by Jeff McCaul, Assistant City Engineer

Tracking Number: {{item.tracking_number}}

cc: Amaad Hardy
Tricia Chapman
Wayne Jernberg

Reviewed by O.E.E.

#23074

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution tentatively awarding a contract to RK Davis, Inc. and authorizing expenditures in connection with Construction of Pump Station on 60th Street (Caledonia Pump Station)

WHEREAS, bids were received on June 28, 2024 for the following project:

Construction of Pump Station on 60th Street (Caledonia Pump Station)
(hereinafter referred to as the "Project")

and RK Davis, Inc. (Davis) submitted a bid of \$3,746,629 for which the engineer's estimate, prepared by Fishbeck, Thompson, Carr & Huber, Inc. (Fishbeck) is \$2,955,000; therefore

RESOLVED:

1. That the City of Grand Rapids tentatively awards the construction contract for the Project to Davis, contingent upon successful financial arrangements with the Michigan Finance Authority (MFA) through the State Revolving Fund Program.
2. That the bid of Davis be accepted and that, upon completion of financing with MFA and upon approval as to form by the City Attorney, the Mayor is authorized to execute a contract with Davis in the amount of \$3,746,629 for the Project on behalf of the City, which execution shall constitute the award of the contract.
3. All resolutions or parts of resolutions in conflict herewith shall be, and the same are, rescinded.
4. That total expenditures for the Project be authorized in an amount not to exceed \$4,881,000 which includes the costs of the construction contract, previously authorized design phase services by Fishbeck, Thompson, Carr & Huber, Inc. (Fishbeck) construction phase services by Fishbeck, testing, administration, and contingencies. Said amount of \$4,881,000 to be charged to the applicable Water System Codes.
5. That the City Comptroller is hereby authorized and directed to make payment, in amounts and to said payees, as the City Engineer or his designee requests in connection with the Project.
6. That the City of Grand Rapids, pursuant to Section 1.150-2 of the Treasury Regulations promulgated pursuant to the Internal Revenue Code of 1986, as amended, declares its intent to reimburse itself the costs of the Project and other related costs in an amount not to exceed \$4,881,000 (Water System Fund) through the issuance of tax-exempt bonds.
7. That a copy of this resolution be available for inspection at the City Clerk's Office, 2nd Floor, City Hall, 300 Monroe Avenue N.W., Grand Rapids, Michigan 49503.

CORRECT IN FORM

DEPARTMENT OF LAW