



Item Number: 16



# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**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 McDonald Plumbing Co. for Private Water Service Installation and Well Abandonment in the Burger-Goodwood Neighborhood in Cascade Charter Township (Phase 2) in the amount of \$1,733,081 with a total project cost not-to-exceed \$1,995,600, and approving a cost sharing agreement with Cascade Charter Township (DWRP Loan 7785-01)

This project consists of installation of 213 private water services from the curb box in the right of way into the property including building a meter setting, installation of an expansion tank, connection to the existing internal water system, well abandonment, and associated restoration, all within Cascade Charter Township (Cascade). A separate project was awarded on April 9, 2024 (Proceeding No 93438), for public water main installation to serve Phase 2 of the Burger Goodwood neighborhood. Together these projects will address PFAS contamination detected in the residential wells in the Phase 2 area of the Burger Goodwood neighborhood by providing connections to the City's public water main.

Bids were received on June 13, 2024 for this project. The engineer's estimate, prepared by Prein & Newhof, Inc. is \$2,035,235 and McDonald Plumbing Co. (McDonald) submitted a bid of \$1,733,081. Due to grant funding requirements, the bid discount program could not be utilized for the purpose of awarding the project. However, McDonald will be subcontracting a total amount of approximately \$510,000.

The attached resolution provides for the approval of a cost sharing agreement with Cascade in connection with the project and for the tentative award of the construction contract for this project to McDonald in the amount of \$1,733,081 with total expenditures not to exceed \$1,995,600. This amount includes the costs of the construction contract, administration, and contingencies.

This project is being financed by the State of Michigan's Drinking Water Revolving Fund

Prepared by Jeff McCaul, Assistant City Engineer

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(DWSRF)/Michigan Finance Authority and Water System Fund. It is anticipated that the Water System Fund will receive an estimated principal forgiveness amount of up to \$1,863,600 for this project from the Bipartisan Infrastructure Law DWSRF emerging contaminants grant. 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.

cc: Amaad Hardy  
Tricia Chapman  
Wayne Jernberg

Reviewed by O.E.E.

#22009A

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution tentatively awarding a contract to McDonald Plumbing Co., approving a cost sharing agreement with Cascade Charter Township in connection with the project, and authorizing expenditures in connection with Private Water Service Installation and Well Abandonment in the Burger-Goodwood Neighborhood in Cascade Charter Township (Phase 2).

WHEREAS, bids were received on June 13, 2024 for the following project:

Private Water Service Installation and Well Abandonment in the Burger-Goodwood Neighborhood in Cascade Charter Township (Phase 2)  
(hereinafter referred to as the "Project")

and McDonald Plumbing Co. (McDonald) submitted a bid of \$1,733,081 for which the engineer's estimate, prepared by Prein & Newhof, Inc. is \$2,035,235; therefore

RESOLVED:

1. That the City of Grand Rapids tentatively awards the construction contract for the Project to McDonald, contingent upon successful financial arrangements with the Michigan Finance Authority (MFA) through the State Revolving Fund Program.
2. That the aforesaid cost sharing agreement with Cascade Charter Township be approved and that, upon approval as to form by the City Attorney, the Mayor and City Clerk be authorized to execute the agreement for the Project on behalf of the City.
3. That the bid of McDonald 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 McDonald in the amount of \$1,733,081 for the Project on behalf of the City, which execution shall constitute the award of the contract.
4. All resolutions or parts of resolutions in conflict herewith shall be, and the same are, rescinded.
5. That total expenditures for the Project be authorized in an amount not to exceed \$1,995,600 which includes the costs of the construction contract, administration, and contingencies. Said amount of \$1,995,600 to be charged to the applicable Water System Codes.
6. 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.
7. 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 \$1,995,600 (Water System Fund) through the issuance of tax-exempt bonds.

8. 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**