

RESOLUTION 2017-19

M-99 (Superior Street) Reconstruction City of Albion Watermain Replacement Upgrade

Background: The Michigan Department of Transportation has commenced the \$2.1 million reconstruction of M-99 (Superior Street) within the City of Albion's downtown area in April 2017. The project includes the replacement of the bricks, concrete base, subbase, curb and gutter, storm sewer system, watermain, sidewalk, and trees.

Albion City Council adopted Resolution 2016-23 to replace the watermain located under M-99 (Superior Street), which is thought to have been constructed in the 1940's and is in need of replacement. Repairs to the water main are costly and cause damage to the roadway.

The Michigan Department of Transportation conducted a water main relocation/replacement study and recommended that the water main be replaced as part of the M-99 (Superior Street) reconstruction project. The replacement includes the main, hydrants, and leads up to the curb stop box. The original cost estimate indicated that the City of Albion would be responsible for 50% of the non-federal costs, approximately 10% of the total cost for design and construction, and 8.75% for brick pavement and sidewalk reconstruction. The City originally budgeted \$59,500 for the local match for the project, which includes 1 inch watermains and service connections. Billing would be based on actual costs.

Findings: Since first designing the project, there has been an increased interest in redeveloping businesses in the downtown area. Expanding the water service from the existing one-inch to two-inches during reconstruction provides economic savings and enhances prospects for future development.

Council Member FRANCIS moved, and was supported by Council Member LAWLER, to approve the following resolution.

Resolved: The City of Albion supports the recommendation to replace the water main within the project limits of the M-99 (Superior Street) reconstruction and agrees to pay 100% of the costs associated with increasing the watermain service leads from one-inch to two-inches and authorizes increasing the total budget from \$59,500 to \$100,000, a \$40,500 increase, from the Water Fund. The City of Albion understands this is an estimated amount and billing will be based on actual costs.

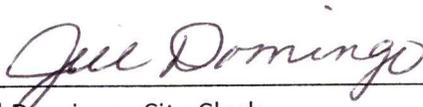
Be It Further Resolved: Local businesses adjacent to the project area requesting upgrades in excess of the 2 inch watermain will be required to assume responsibility for those additional installation costs of the new infrastructure from the watermain to the shut off valve.

I hereby certify that the above resolution was adopted on April 27, 2017, in a regular session of the Albion City Council and that this is a true copy of that resolution.

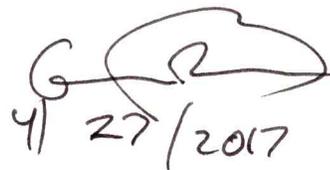
Ayes 6

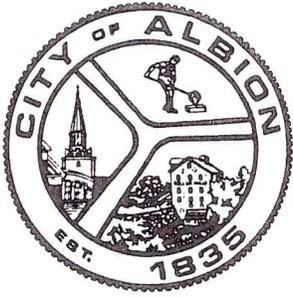
Nays 0

Absent 1 (Barnes)



Jill Domingo, City Clerk


4/27/2017



City of Albion

William L. Rieger Municipal Building
112 West Cass Street • Albion, Michigan 49224
(517) 629-5535 • Fax (517) 629-2238

Sheryl Mitchell, City Manager

04/26/17

RE: Superior St. Project

Sheryl,

As you have requested, below you will find the numbers associated with the up-sizing of the water services for the Superior St. project from 1 inch to 2 inch services lines.

As you are aware, the 1 inch lines that were originally incorporated into the MDOT scope for the project were approximately \$1,100.00 each (short) and \$1,900.00 (long). MDOT has provided us with an up-sizing cost of \$2,400.00 for the 2 inch on the short runs and \$2,930.00 for the longer (far side away from the watermain) runs.

Greg Finnila did indicate that we can deduct the grant funded amount of the original 1 inch lines from the 2 inch installation cost associated with the upsizing. Given the number of two inch services and the installation cost minus the deduction we are looking at approximately \$60,000.00.

Please, also remember that there is a potential charge of \$1,539.00 for each service that may experience a construction conflict (piping may have to be diverted around something).

My recommendation at this point is to look at the project in the \$100,000.00 range which would allow for any other unknown factors to be addressed from the contingency set aside.

Having said that, I believe that we originally budgeted \$59,500.00 for the project which I am uncertain what portion of was slated for watermain versus service connections.

Respectfully Submitted,

Jim Lenardson, Director of Public Services

User: TMEAD
DB: Albion

Date	JNL	Type	Description	Reference #	Debits	Credits	Balance
Fund 591 WATER FUND							
04/25/2017			591-000-001.00 CASH		BEG. BALANCE		689,980.12
04/25/2017			591-000-001.00	END BALANCE	0.00	0.00	689,980.12
04/25/2017			591-000-003.00 CERTIFICATES OF DEPOSIT		BEG. BALANCE		399,821.00
04/25/2017			591-000-003.00	END BALANCE	0.00	0.00	399,821.00
04/25/2017			591-000-017.00 INVESTMENTS		BEG. BALANCE		103,846.65
04/25/2017			591-000-017.00	END BALANCE	0.00	0.00	103,846.65
TOTAL FOR FUND 591 WATER FUND							1,193,647.77
GRAND TOTALS:							1,193,647.77

Calculations as of 12/31/2016

GL NUMBER	DESCRIPTION	2015 ACTIVITY	2016 ORIGINAL BUDGET	2016 ACTIVITY THRU 12/31/16	2016 AMENDED BUDGET	2017 REQUESTED BUDGET	2017 MGR RECOM'D BUDGET	2017 COUNCIL APPR'D BUDGET
	Dept 536-WATER UTILITY OPERATIONS							
	APPROPRIATIONS							
591-536-783.00	DISTRIBUTION MAINTENANCE SUPPL	42,336	35,000	33,885	39,000	99,500	99,500	99,500
	2017 - REPRESENTS \$40,000 IN REGULAR MAINTENANCE AND \$59,500 AS A MATCH TO THE FEDERAL GRANT FOR THE 2017 SUPERIOR ST. WATER LINE WORK.							
	TOTAL APPROPRIATIONS	42,336	35,000	33,885	39,000	99,500	99,500	99,500
	NET OF REVENUES/APPROPRIATIONS - 536-WATER UTILITY OF	(42,336)	(35,000)	(33,885)	(39,000)	(99,500)	(99,500)	(99,500)
	ESTIMATED REVENUES - FUND 591	0	0	0	0	0	0	0
	APPROPRIATIONS - FUND 591	42,336	35,000	33,885	39,000	99,500	99,500	99,500
	NET OF REVENUES/APPROPRIATIONS - FUND 591	(42,336)	(35,000)	(33,885)	(39,000)	(99,500)	(99,500)	(99,500)