



To: Board of Directors
From: Michael Ford, Chief Executive Officer
Date: October 17, 2012
Re: Blake Transit Center

History

This project began as a \$3.5 million project. However, community input and environmental analysis resulted in extensive changes to the design, dramatically raising the cost of construction. The City's approval process has also added several hundred thousand dollars in costs. Therefore, Planning Committee last approved an amendment to the budget which put the budget at about \$7 million. That budget did not include a contingency for unexpected costs. Staff located another federal grant earmarked specifically for BTC which dated back to 2002, which provided an additional \$700,000.

Unfortunately, the project as bid came in at \$8.5 million. Total federal dollars allocated are over \$6 million, much of which cannot be programmed for other purposes but must be used for a central Ann Arbor transit center.

The Performance Monitoring and External Relations Committee was unanimous in supporting a rise in the budget from \$7 million to \$8 million which would use newly found federal funds and add \$300,000 for contingency. The committee was divided about whether to let the project go forward as bid at \$8.5 million or to keep it at \$8 million and voted to have the Board decide the issue. Staff was given the choice what items to cut out of the budget as bid to reduce the budget from \$8.5 million to \$8 million.

Per the direction of the committee, adjustments were made to the project budget. The resolution submitted to the committee was updated to reflect the changes for a new project not to exceed amount of \$8,049,988. This amount represents the necessary funds to complete the construction of the new transit center. The expenses are detailed in a document from Spence Brothers which was updated based on the budget modifications.

There has been a tremendous amount of outreach and engagement through the entire project, particularly in the design of the new transit center. The new facility will meet the needs of our customers and employees and allow the Authority to expand to address the future.

Unfortunately, three items had to be removed from the project scope of work in order to reach the project budget total cost. We would like the board to give consideration to adding these items back into the project. These items are:

LEED Gold Certification – The building has been design to meet the objectives of LEED Gold certification and is a symbol of our environmental stewardship. The decision to include this would have to be done as part of the construction process as it could not be added later. Valued at \$80,000.

Real-Time kiosk signage – This allows us to move the transit center into the 21st century with technology. It is a request we have heard during many of our focus group sessions during the design process. This item could be added a later date, if the decision to postpone it to a later date was made. Valued at \$180,000.

Ticket Vending Machine – This allows us to better serve the customer with the ease of obtaining a boarding pass as well as moving us into the 21st century in technology. This item could be added a later date, if the decision to postpone it to a later date was made. Valued at \$125,000.

The total to include the three items above is \$385,000 which would bring the total project cost to \$8,424,988.00. The request to include these items into the project is the result of input from key stakeholders and feedback from rider surveys which was part of the design process. Our goal continues to be providing a facility that best meets the needs of our customers, employees and the community.

The funding sources are outlined in a memorandum to the PMER committee presented at the October 16 PMER meeting (copy attached). We hope that you will give the additional items your consideration.

AATA MEMORANDUM

To: Performance Monitoring and
External Relations Committee

From: Christopher White

Re: Funding for BTC Reconstruction

Date: October 16, 2012



We currently have a total of \$6,242,012 in approved grants for the BTC project, including design. An additional \$1,500,000 is programmed for FY 2013 (i.e. included in the approved Capital and Categorical Grant Program) for a total of \$7,742,012.

For the additional funds to complete the project, we can use federal formula funds (Section 5307) that have not been committed to another project. The attached sheet shows the forecast for these funds based on the currently approved program for continuation of existing service. As you can see, we have just over \$1 million available in FY 2013. It will require about \$600,000 of this amount plus the \$150,000 state share to reach the \$8.5 million total cost of the project.

Committing additional federal funds has some implications down the road:

- The chart shows a balance of only \$419,281 in 2015 before the addition \$600,000 for this project. If the projection holds, some project will need to be delayed in 2015.
- There is no provision for the use of formula funds for operating assistance after FY13. As you know, we used \$1.474 million in FY 2013 for this purpose and it was an essential component in balancing our budget. If we need to use these funds for operating assistance in FY 2014, we will have to eliminate or defer other projects included in the Capital and Categorical Grant Program
- There is no provision for implementing the TMP in this projection. It was never envisioned that the capital needs in the TMP could be entirely funded with federal formula funds, but they are the only source of funds that we control.

Federal Formula Fund Forecast

Based on Capital &
Categorical Grant Program
Adopted January 2012 for
Continuation of Existing
Service

Shaded cells are actual figures.

Fiscal Year	2011	2012	2013	2014	2015	2016
Balance from prior year	\$5,666,015	\$4,638,981	\$874,493	\$1,044,089	\$3,303,685	\$419,281
Plus Allocation of Section 5307 funds	\$5,063,366	\$5,891,512	\$5,897,596	\$5,897,596	\$5,897,596	\$5,897,596
Plus Allocation of Section 5339 Capital funds		\$0	\$678,000	\$678,000	\$678,000	\$678,000
Plus Additional Allocation (ARRA)	\$0	\$0	\$0	\$0	\$0	\$0
Total Available	\$10,729,381	\$10,530,493	\$7,450,089	\$7,619,685	\$9,879,281	\$6,994,877
Amount Programmed for Federal Formula Funds	\$6,090,400	\$9,656,000	\$6,406,000	\$4,316,000	\$9,460,000	\$3,124,000
Amount Remaining - Carryover to following year	\$4,638,981	\$874,493	\$1,044,089	\$3,303,685	\$419,281	\$3,870,877

2013 allocation estimate for Section 5307 & 5339 from FTA

Resolution 2/2013

AUTHORIZATION TO EXECUTE CONTRACTS FOR THE CONSTRUCTION OF A NEW BLAKE TRANSIT CENTER

WHEREAS, invitations for bid for the construction of a new Blake Transit Center were previously issued on August 24, 2012, and advertised consistent with Federal and State requirements and Ann Arbor Transportation Authority (AATA) purchasing procedures, and

WHEREAS, to ensure better control of the construction process and its cost, the project was broken down into several major trade packages that were bid on by more than eighty (80) different companies, and

WHEREAS, after careful evaluation of all bids received, the following contractors were determined to be responsive and responsible in their various categories:

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONTRACTOR</u>	<u>BID</u>
01	Testing Consultant	Materials Testing Consultants	\$39,000
2A	Demolition	Homrich	\$28,000
2B	ERS & Site work	Blaze	\$747,000
03	Concrete	Albanelli	\$648,200
04	Masonry	Baker Construction	\$453,620
05	Structural & Misc. Steel	B & A Steel	\$594,260
7A	Metal Panel, Glass & Doors	Edwards Glass	\$885,712
7B	Roofing	Christen Detroit	\$86,000
08	Window Treatments	Creative Windows	\$7,120
9A	Drywall, Trades & Doors	Ann Arbor Ceiling & Partitions	\$325,650
9B	Paint	Niles Construction Services	\$30,641
9C	Ceramic Wall & Floor Tile	D. F. Floor Covering	\$101,186
9D	Flooring	Continental Interiors	\$34,950
14	Elevator	Thyssen Krupp	\$139,451
21	Fire Protection	Lincoln Fire Protection	\$36,339
22	Plumbing & Mechanical	Goyette mechanical	\$1,389,000
26	Electrical	Bailey Labelle	<u>\$374,500</u>
Total:			\$5,920,629

THEREFORE, IT IS RESOLVED, that the AATA Board of Directors (Board) authorizes the Chief Executive Officer (CEO) to execute construction contracts with the above listed vendors for an aggregate total of \$5,920,629.

BE IT FURTHER RESOLVED that the Board authorizes an additional not to exceed amount of \$2,179,371 for additional expenses as follows:

<u>DESCRIPTION</u>	<u>ESTIMATED COST</u>
Fire Pump	\$47,260
Credit for Parking	(\$23,340)
Reimbursable Costs	\$241,295
Millwork	\$120,000
DTE	\$10,000
Furniture	\$60,000
Network Equipment including Phone System	\$100,000
Signage: Site Way-Finding and Boarding Locations	\$20,000
Art Work	\$60,000
Audio Visual Systems	\$5,000
Appliances	\$2,000
Security System	\$150,000
Contingency Fee	\$275,000
A&E Fee	\$674,500
Construction Management Fee	\$387,644
Total	\$2,129,359
PROJECT TOTAL	<u>\$8,049,988</u>

IT IS FINALLY RESOLVED that the Board authorizes a grand total of \$8,049,988 for the construction of a new Blake Transit Center.

Charles Griffith, Chair

October 18, 2012

Anya Dale, Secretary

October 18, 2012