



CITY of NOVI CITY COUNCIL

Agenda Item D
November 24, 2008

SUBJECT: Approval of the final balancing change order and final payment to Koala-T Construction Company, Inc. for the 2007 Sidewalk Construction program in the amount of \$9,045.10.

SUBMITTING DEPARTMENT: Engineering *RS4*

CITY MANAGER APPROVAL *[Signature]*

BACKGROUND INFORMATION:

The city's consulting engineer for this project (Anderson, Eckstein & Westrick) administered this construction contract for constructing sidewalk segments throughout the city in 2007 and continuing into early 2008. This project included the construction of eight gaps in the Novi pathway system totaling approximately 4,700 lineal feet along portions of Nine Mile Road (between Taft Road and Beck Road), Ten Mile Road (between Taft Road and Beck Road) and Meadowbrook Road (between Eight Mile Road and Ten Mile Road).

AEW has executed and submitted the attached documents verifying the final contract payment amount that is due to the construction contractor, Koala-T Construction, Inc. (AEW's Final Pay Estimate No. 4, and Final Balancing Change Order No. 2, attached).

The sidewalk construction work performed by the contractor was in substantial compliance with the plans and specifications, and final payment in the amount of \$9,045.10 is appropriate. In addition, the City Attorney has reviewed supporting documentation and found it to be in an acceptable form (Beth Kudla's September 12, 2008 letter, attached), with the exception of two items that have since been addressed by the contractor. The original contract was approved at the July 2, 2007 City Council meeting in the amount of \$180,902. The final payment brings the total in construction expenditures on this project to \$228,390.80. The major change orders on this project included adding a section of wooden boardwalk to the project, and making significant drainage improvements to several areas along Meadowbrook Road.

RECOMMENDED ACTION: Approval of the final balancing change order and final payment to Koala-T Construction Company, Inc. for the 2007 Sidewalk Construction program in the amount of \$9,045.10.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

SIDEWALK GAPS

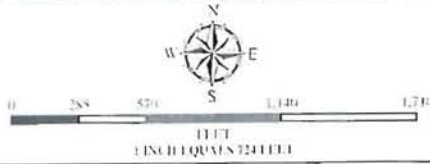
Nine Mile Road (Beck to Taft)

Legend

- bike lane
- sidewalk
- - - - - sidewalk scheduled
- - - - - sidewalk by developer
- - - - - sidewalk CIP
- mixed use path
- I 275 Trail
- Singh Trail
- - - - - path by developer
- - - - - path CIP
- local sidewalk one side
- local sidewalk both sides



CITY OF NOVI
 ENGINEERING DIVISION
 48175 W. NINE MILE ROAD
 NOVI, MI 48275
 (248) 347-0154
 WWW.CITYOFNOVI.MI.GOV

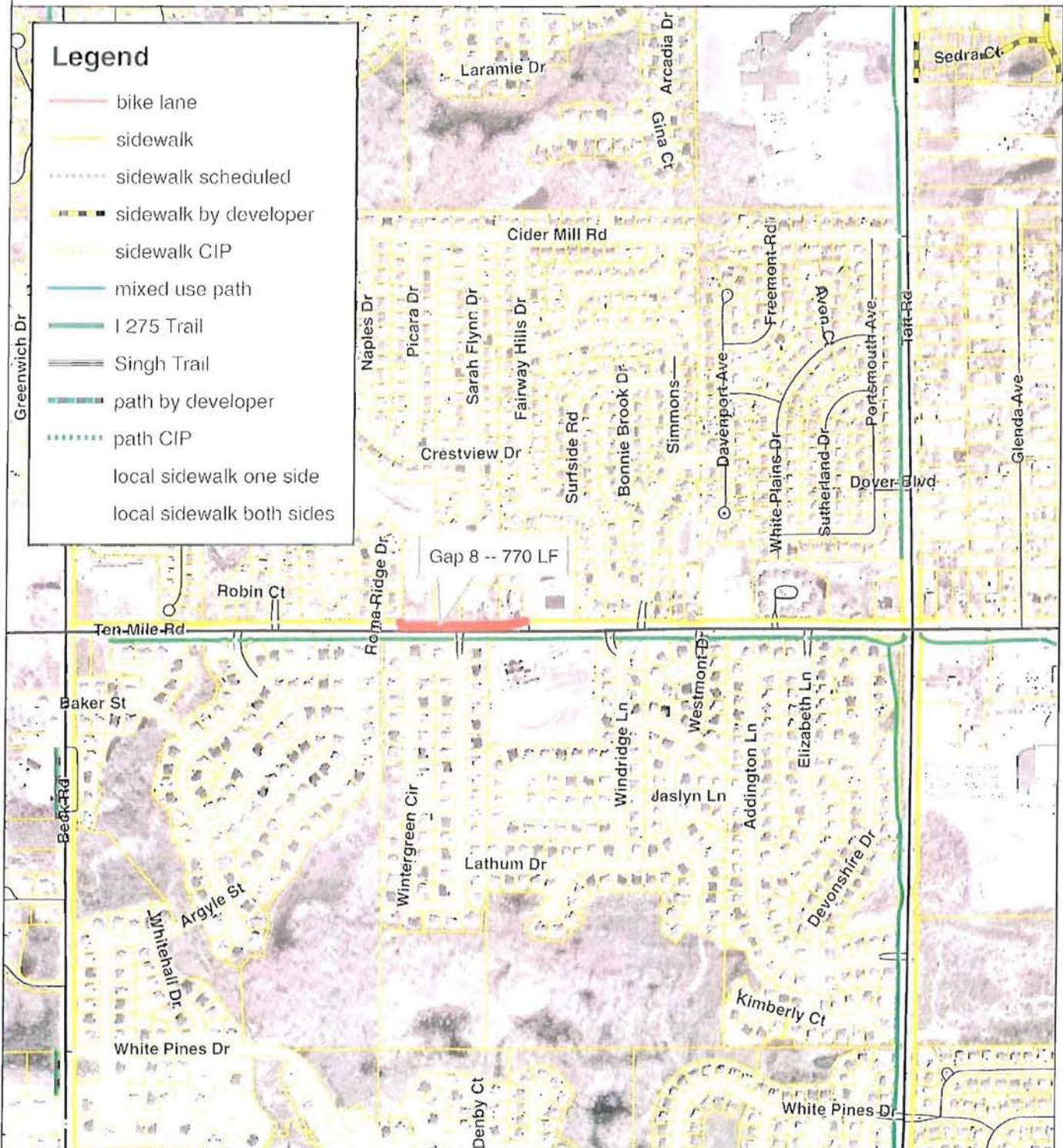


MAP INTERPRETATION NOTICE

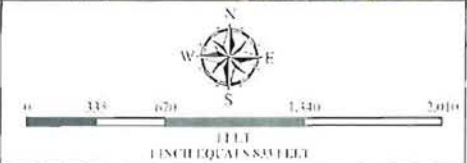
Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor or as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.

SIDEWALK GAPS

Ten Mile Road (Beck Rd to Taft Rd)



CITY OF NOVI
ENGINEERING DIVISION
15175 W. TEN MILE ROAD
NOVI, MI 48275
248.347.4154
WWW.CITYOFNOVI.MI.US



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SIDEWALK GAPS

Meadowbrook Road (Eight Mile to Nine Mile)



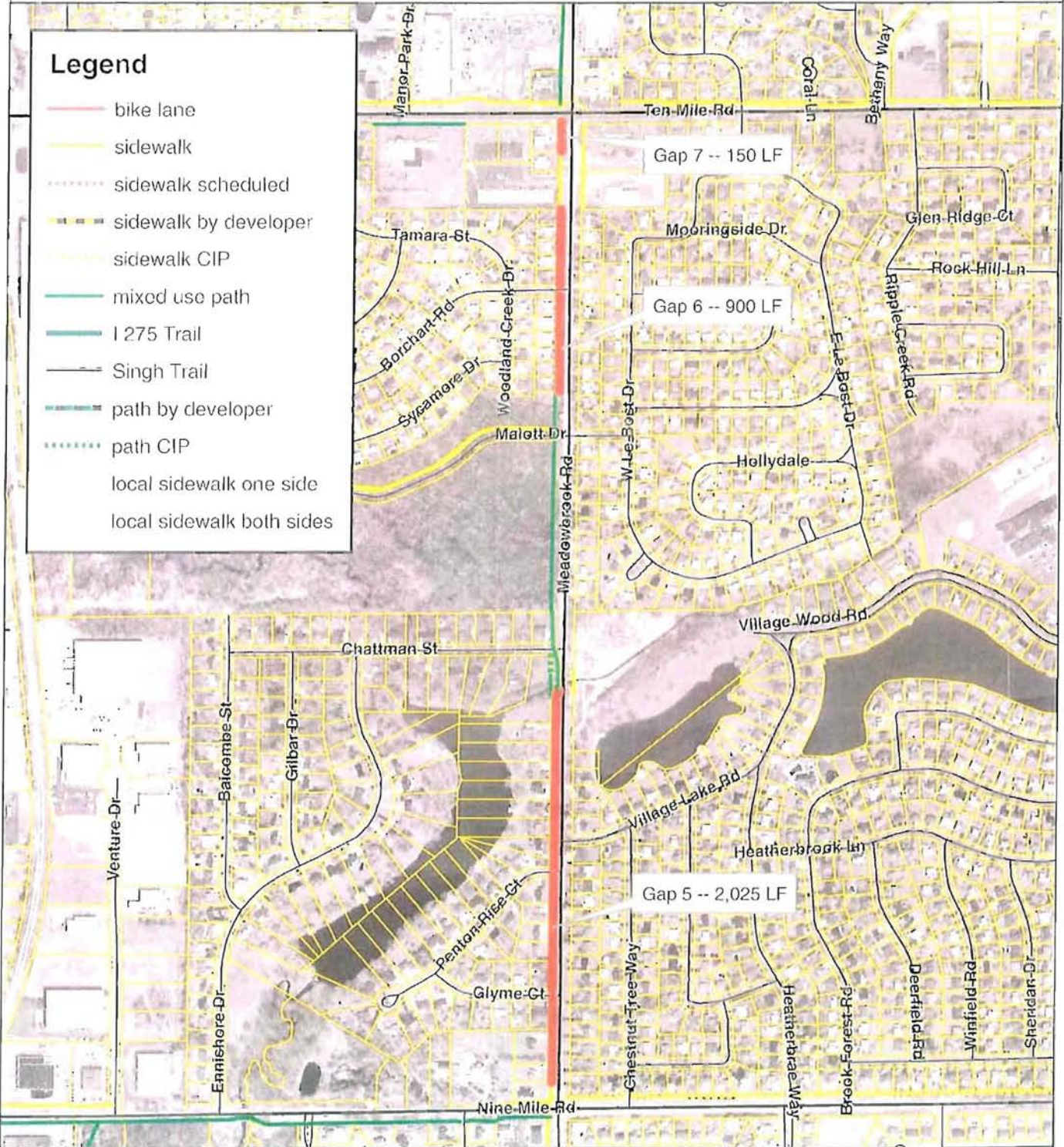
CITY OF NOVI
ENGINEERING DIVISION
45175 W 115 MILE ROAD
NOVI, MI 48275
(734) 347-0154
WWW.CITYOFNOVI.MI.US



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SIDEWALK GAPS

Meadowbrook Road (Nine Mile to Ten Mile)



CITY OF NOVI
ENGINEERING DIVISION
45175 W. TEN MILE ROAD
NOVI, MI 48475
248.347.0154
WWW.CITYOFNOVI.MI.GOV



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ANDERSON, ECKSTEIN AND WESTRICK, INC.

51301 Schoenherr Road, Shelby Township, Michigan 48315
Civil Engineers • Surveyors • Architects 586-726-1234



August 12, 2008

Aaron Staup
Construction Engineer
City of Novi
45175 W. Ten Mile Road
City of Novi, Michigan 48375-3024

Reference: 2007 Sidewalk Program
City of Novi
AEW Project No. 822-009

Dear Mr. Staup:

Enclosed please find Estimate No. 4 (Final) for the project referenced above. We recommend issuing final payment in the amount of \$9,045.10 to Koala-T Construction Inc., **at their new address 424 Ferry Ave., Pontiac, Michigan 48341.**

Please sign all copies of the Balancing Change Order and return one copy to our office and one copy to Koala-T Construction.

If you require additional information or have questions, please feel free to contact our office.

Very truly yours,

Roy C. Rose P E

cc: Rob Hayes PE, Novi City Engineer
Koala-T Construction Inc.

O:\822\822-009\Letters\Est4.Final.Novi.doc

ANDERSON ECKSTEIN & WESTRICK
51301 SCHOENHERR ROAD
SHELBY TOWNSHIP, MICHIGAN 48315

AEW PROJECT NO. 822-009

DATE: 7/24/2008

Name and Location: **2007 Sidewalk Program**

PROGRESS PAYMENT REQUEST

CONTRACT DATE: July 2, 2007

CONTRACTOR: Koala -T Construction
Address: 4623 Woodland Ave., Royal Oak, MI. 48073
OWNER: City of Novi
Address: 45175 W. Ten Mile Rd., Novi, MI. 48375-3024

Request No. 4 (Final) WORK COMPLETED FROM: 11/30/07 to 7/20/08

CONTRACT AMOUNT: \$180,902.00 REVISED TO: \$228,390.80

ITEM OF WORK	Unit Used	Original Estimated Quantities	Quantities Last Period	Quantities Completed to Date	Unit Price	Amount
Bonds, Insurance and Initial Set-Up Expense (Max. 3% of Bid)	LS	1.00	1.00	1.00	4,500.00	4,500.00
Audio-Visual Record of Construction Influence Area	LS	1.00	1.00	1.00	1,000.00	1,000.00
Tree Rem, 6 inch to 18 inch	Ea	13.00	11.00	11.00	200.00	2,200.00
Tree Rem, 19 inch to 36 inch	Ea	1.00	1.00	1.00	1,000.00	1,000.00
Stump Rem, 6 inch to 18 inch	Ea	1.00	2.00	2.00	100.00	200.00
Stump Rem, 19 inch to 36 inch	Ea	1.00	1.00	1.00	300.00	300.00
Culv, Rem, Less than 24 inch	Ea	4.00	11.00	11.00	50.00	550.00
Culv End, Rem, Less than 24 inch	Ea	2.00	6.00	6.00	10.00	60.00
Sewer, Rem, Less than 24 inch	Ft	133.00	82.00	82.00	10.00	820.00
Fence, Rem	Ft	109.00	216.00	216.00	5.00	1,080.00
Sidewalk, Rem	Syd	163.00	378.70	378.70	9.00	3,408.30
Curb and Gutter, Rem	Ft	7.00	12.00	12.00	20.00	240.00
Pavement, Rem	Syd	399.00	500.00	500.00	9.00	4,500.00
Edge Trimming	Ft	166.00	323.00	323.00	4.00	1,292.00
Hydrant, Relocate, Case 2	Ea	1.00	0.00	0.00	2,500.00	0.00
Dr Structure, 24 inch dia	Ea	9.00	5.00	5.00	1,000.00	5,000.00
Dr Structure, 36 inch dia	Ea	2.00	2.00	2.00	1,250.00	2,500.00
Dr Structure Cover	Lb	4,125.00	3,635.00	3,635.00	1.50	5,452.50
Dr Structure Cover, Adj, Case 2	Ea	1.00	1.00	1.00	200.00	200.00
Underdrain, Subgrade, Open Graded, 6 inch	Ft	252.00	287.00	287.00	12.00	3,444.00
Sewer, CI IV, 12 inch, Tr Det A	Ft	52.00	0.00	0.00	13.50	0.00
Sewer, CI IV, 12 inch, Tr Det B	Ft	655.00	530.00	530.00	13.50	7,155.00
Sewer, CI IV, 15 inch, Tr Det B	Ft	5.00	0.00	0.00	16.50	0.00
Culv, CI A, CSP, 15 inch	Ft	16.00	30.00	30.00	26.50	795.00
Culv, CI A, CSP, 12 inch	Ft	131.00	122.00	122.00	39.50	4,819.00
Culv End Sect, Metal, 15 inch	Ea	2.00	2.00	2.00	250.00	500.00
Culv End Sect, Metal, 12 inch	Ea	3.00	4.00	4.00	250.00	1,000.00
Spillway, Conc	Syd	19.00	0.00	0.00	54.00	0.00
Aggregate Base 21AA Limestone, 8 inch	Syd	86.00	34.30	34.30	30.00	1,029.00
Driveway, Nonreinf Conc, 6 inch	Syd	266.00	304.30	304.30	31.50	9,585.45
Sidewalk, Conc, 4 inch	Sft	24,341.00	26,456.80	26,456.80	3.00	79,370.40
Sidewalk, Conc, 6 inch	Sft	2,644.00	2,569.50	2,569.50	3.50	8,993.25
Sidewalk Ramp, ADA	Sft	226.00	236.00	236.00	4.00	944.00
Conc Pavt, Misc Nonreinf, 8 inch	Syd	6.00	13.90	13.90	36.00	500.40
Curb and Gutter, Conc, Det F4	Ft	252.00	275.00	275.00	18.00	4,950.00
Soil Erosion and Sedimentation Control	LS	1.00	1.00	1.00	7,000.00	7,000.00
Traffic Maintenance and Control	LS	1.00	1.00	1.00	7,000.00	7,000.00
Observation of Material and Work to be Performed (Crew Days)	DAY	20.00	20.00	20.00	482.00	9,640.00
						181,028.30

ANDERSON ECKSTEIN & WESTRICK
51301 SCHOENHERR ROAD
SHELBY TOWNSHIP, MICHIGAN 48315

AEW PROJECT NO. 822-009

DATE: 7/24/2008

Name and Location: **2007 Sidewalk Program**

PROGRESS PAYMENT REQUEST

CONTRACT DATE: July 2, 2007

CONTRACTOR: Koala -T Construction
Address: 4623 Woodland Ave., Royal Oak, MI. 48073

Request No. 4 (Final) WORK COMPLETED FROM: 11/30/07 to 7/20/08

OWNER: City of Novi
Address: 45175 W. Ten Mile Rd., Novi, MI. 48375-3024

CONTRACT AMOUNT: \$180,902.00 REVISED TO: \$228,390.80

ITEM OF WORK	Unit Used	Original Estimated Quantities	Quantities Last Period	Quantities Completed to Date	Unit Price	Amount
Change Order No. 1:						
Furnish and install wooden boardwalk over existing ditch	LS	1.00	1.00	1.00	21,141.00	21,141.00
Observation of Material and Work to be Performed (Crew Days)	DAY	10.00	10.00	10.00	482.00	4,820.00
						25,961.00
Additional Work Performed:						
4" PVC Underdrain	LF	0.00	38.00	38.00	22.00	836.00
48" Drainage Structure	EA	0.00	2.00	2.00	2,200.00	4,400.00
Sprinkler Lines	LF	0.00	1,175.00	1,175.00	8.00	9,400.00
Sprinkler Heads	EA	0.00	43.00	43.00	50.00	2,150.00
Sprinkler Misters	EA	0.00	27.00	27.00	15.00	405.00
12" x 12" Yard Drain	EA	0.00	2.00	2.00	95.00	190.00
Horizontal Curb Cuts	LF	0.00	30.00	30.00	10.00	300.00
Maintenance Aggregate	CY	0.00	25.50	25.50	25.00	637.50
Drainage Structure Reconstruct	VF	0.00	3.50	3.50	250.00	875.00
4" Edge Drain with Peastone Backfill	LF	0.00	184.00	184.00	12.00	2,208.00

REMARKS:	Total Amount Earned	228,390.80
	Less 0.00% RETAINED	0.00
	Less 30 CREW DAYS AT \$482.00 /CREW DAY	14,460.00
	Net Amount Earned	213,930.80
	Less Previous Estimate	204,885.70
	Less 0 Crew days over contract amount @ \$482.00/CD	0.00
	Final Amount Due	9,045.10

ANDERSON, ECKSTEIN AND WESTRICK, INC.

Prepared by Carrie L. Lobo Date 8/12/08

We have reviewed this final estimate and agree with all final quantities.

CONTRACTOR: Koala -T Construction

By [Signature] Date 7.31.08

ANDERSON ECKSTEIN & WESTRICK
 51301 SCHOENHERR ROAD
 SHELBY TOWNSHIP, MICHIGAN 48315
 CHANGE ORDER NO. 2 (Balancing)

AEW PROJECT NO. 822-009 DATE: 7/24/2008

Name and Location: **2007 Sidewalk Program**

CONTRACTOR: Koala -T Construction
 Address: 4623 Woodland Ave., Royal Oak, MI. 48073
 OWNER: City of Novi
 Address: 45175 W. Ten Mile Rd., Novi, MI. 48375

CONTRACT DATE: 7/2/2007
 ORIGINAL CONTRACT AMOUNT: \$180,902.00
 REVISED CONTRACT AMOUNT: \$228,390.80
 (incl.this chg.order)

ITEM OF WORK	Unit Used	Estimated Quantities	Unit Price	Amount Increase	Amount Decrease
Bonds, Insurance and Initial Set-Up Expense (Max. 3% of Bid)	LS	0.00	4,500.00	0.00	0.00
Audio-Visual Record of Construction Influence Area	LS	0.00	1,000.00	0.00	0.00
Tree Rem, 6 inch to 18 inch	Ea	(2.00)	200.00	0.00	(400.00)
Tree Rem, 19 inch to 36 inch	Ea	0.00	1,000.00	0.00	0.00
Stump Rem, 6 inch to 18 inch	Ea	1.00	100.00	100.00	0.00
Stump Rem, 19 inch to 36 inch	Ea	0.00	300.00	0.00	0.00
Culv, Rem, Less than 24 inch	Ea	7.00	50.00	350.00	0.00
Culv End, Rem, Less than 24 inch	Ea	4.00	10.00	40.00	0.00
Sewer, Rem, Less than 24 inch	Ft	(51.00)	10.00	0.00	(510.00)
Fence, Rem	Ft	107.00	5.00	535.00	0.00
Sidewalk, Rem	Syd	215.70	9.00	1,941.30	0.00
Curb and Gutter, Rem	Ft	5.00	20.00	100.00	0.00
Pavement, Rem	Syd	101.00	9.00	909.00	0.00
Edge Trimming	Ft	157.00	4.00	628.00	0.00
Hydrant, Relocate, Case 2	Ea	(1.00)	2,500.00	0.00	(2,500.00)
Dr Structure, 24 inch dia	Ea	(4.00)	1,000.00	0.00	(4,000.00)
Dr Structure, 36 inch dia	Ea	0.00	1,250.00	0.00	0.00
Dr Structure Cover	Lb	(490.00)	1.50	0.00	(735.00)
Dr Structure Cover, Adj, Case 2	Ea	0.00	200.00	0.00	0.00
Underdrain, Subgrade, Open Graded, 6 inch	Ft	35.00	12.00	420.00	0.00
Sewer, CI IV, 12 inch, Tr Det A	Ft	(52.00)	13.50	0.00	(702.00)
Sewer, CI IV, 12 inch, Tr Det B	Ft	(125.00)	13.50	0.00	(1,687.50)
Sewer, CI IV, 15 inch, Tr Det B	Ft	(5.00)	16.50	0.00	(82.50)
Culv, CI A, CSP, 15 inch	Ft	14.00	26.50	371.00	0.00
Culv, CI A, CSP, 12 inch	Ft	(9.00)	39.50	0.00	(355.50)
Culv End Sect, Metal, 15 inch	Ea	0.00	250.00	0.00	0.00
Culv End Sect, Metal, 12 inch	Ea	1.00	250.00	250.00	0.00
Spillway, Conc	Syd	(19.00)	54.00	0.00	(1,026.00)
Aggregate Base 21AA Limestone, 8 inch	Syd	(51.70)	30.00	0.00	(1,551.00)
Driveway, Nonreinf Conc, 6 inch	Syd	38.30	31.50	1,206.45	0.00
Sidewalk, Conc, 4 inch	Sft	2,115.80	3.00	6,347.40	0.00
Sidewalk, Conc, 6 inch	Sft	(74.50)	3.50	0.00	(260.75)
Sidewalk Ramp, ADA	Sft	10.00	4.00	40.00	0.00
Conc Pavt, Misc Nonreinf, 8 inch	Syd	7.90	36.00	284.40	0.00
Curb and Gutter, Conc, Det F4	Ft	23.00	18.00	414.00	0.00
Soil Erosion and Sedimentation Control	LS	0.00	7,000.00	0.00	0.00
Traffic Maintenance and Control	LS	0.00	7,000.00	0.00	0.00
Observation of Material and Work to be Performed (Crew Days)	DAY	0.00	482.00	0.00	0.00

ANDERSON ECKSTEIN & WESTRICK
 51301 SCHOENHERR ROAD
 SHELBY TOWNSHIP, MICHIGAN 48315
 CHANGE ORDER NO. 2 (Balancing)

AEW PROJECT NO. 822-009 DATE: 7/24/2008

Name and Location: **2007 Sidewalk Program**

CONTRACTOR: Koala -T Construction
 Address: 4623 Woodland Ave., Royal Oak, MI. 48073
 OWNER: City of Novi
 Address: 45175 W. Ten Mile Rd., Novi, MI. 48375

CONTRACT DATE: 7/2/2007
 ORIGINAL CONTRACT AMOUNT: \$180,902.00
 REVISED CONTRACT AMOUNT: \$228,390.80
 (incl. this chg.order)

ITEM OF WORK	Unit Used	Estimated Quantities	Unit Price	Amount Increase	Amount Decrease
Change Order No. 1:					
Furnish and install wooden boardwalk over existing ditch	LS	0.00	21,141.00	0.00	0.00
Observation of Material and Work to be Performed (Crew Days)	DAY	0.00	482.00	0.00	0.00
Additional Work Performed:					
4" PVC Underdrain	LF	38.00	22.00	836.00	0.00
48" Drainage Structure	EA	2.00	2,200.00	4,400.00	0.00
Sprinkler Lines	LF	1,175.00	8.00	9,400.00	0.00
Sprinkler Heads	EA	43.00	50.00	2,150.00	0.00
Sprinkler Misters	EA	27.00	15.00	405.00	0.00
12" x 12" Yard Drain	EA	2.00	95.00	190.00	0.00
Horizontal Curb Cuts	LF	30.00	10.00	300.00	0.00
Maintenance Aggregate	CY	25.50	25.00	637.50	0.00
Drainage Structure Reconstruct	VF	3.50	250.00	875.00	0.00
4" Edge Drain with Peastone Backfill	LF	184.00	12.00	2,208.00	0.00

	Totals	\$35,338.05	(\$13,810.25)
RECOMMENDED CHANGES AND EXTRAS, UP TO, AND INCLUDING THIS RECOMMENDATION ARE EQUAL TO A NET INCREASE OF 26.25% OF THE CONTRACT PRICE.	Net Increase	\$21,527.80	\$0.00

Accepted: CITY OF NOVI
 By _____ OWNER
 AUTHORIZED REPRESENTATIVE

Accepted: Koala-T Construction Inc.
 By *[Signature]* CONTRACTOR
 AUTHORIZED REPRESENTATIVE

Anderson, Eckstein & Westrick, Inc.
 Approved *[Signature]*
 7-31-08 DATE 8-12-08 DATE

SWORN STATEMENT FOR CONTRACTOR AND SUBCONTRACTOR TO OWNER

State of Michigan
 County of Oakland } SS

The affiant, Brad Watson being first duly sworn, on oath, deposes
 and says that he/she is V.P.
 of Koala-T Construction that _____ has
 a contract with City of Novi, MI owner _____
 for Concrete Replacement
 on the following described premises in said County, to-wit: 2007 Sidewalk Program

That, for the purpose of said contract, the following persons have been contracted with, and have furnished or are furnishing and preparing materials for, and have done or are doing labor on said improvement. That there is due and to become due to them, respectively, the amounts set opposite their names for materials or labor as stated. That this statement is a full, true and complete statement of all such persons, the amounts paid and the amounts due or to become due to each.

1	2	3	4	5	6	7
Name Address	Kind of Work	Adjusted Total Contract Including Extras and Credits	Total Retained including this application	Net Previously Paid	Net Amount of This Payment	Balance to Become Due (Incl. Ret.)
Zervos Insurance Co.	Bonds	4,500.00	0.00	4,500.00	0.00	0.00
Spartan Concrete	Concrete Supplier	89,753.00	0.00	89,753.00	0.00	0.00
Constuction Video	Video Recording	1,000.00	0.00	1,000.00	0.00	0.00
Stock Building Supply	Lumber - Bridge	4,208.00	0.00	4,208.00	0.00	0.00
Premarc	Culverts & Castings	10,498.00	0.00	10,498.00	0.00	0.00
State Barricade	Traffic Control	4,852.00	0.00	4,852.00	0.00	0.00

PAGE 1 TOTALS	114,811.00	0.00	114,811.00	0.00	0.00
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AMOUNT OF ORIGINAL CONTRACT	\$ 181,028.30	WORK COMPLETED TO DATE	\$ 114,811.00
EXTRAS TO CONTRACT	\$ 47,362.50	LESS 05 % RETAINED	\$ 0.00
TOTAL CONTRACT AND EXTRAS	\$ 228,390.80	NET AMOUNT EARNED	\$ 114,811.00
CREDITS TO CONTRACT	\$ 0.00	NET PREVIOUSLY PAID	\$ 114,811.00
ADJUSTED TOTAL CONTRACT	\$ 228,390.80	NET AMOUNT OF THIS PAYMENT	\$ 0.00
		BALANCE TO BECOME DUE (Inc. Retention)	\$ 0.00

It is understood that the total amount paid to date plus the amount requested in this application shall not exceed of the cost of work completed to date.

I agree to furnish Waivers of Lien for all materials under my contract when demanded.

DEAN GRULKE
 NOTARY PUBLIC - STATE OF MICHIGAN
 COUNTY OF OAKLAND
 My Commission expires October 30, 2013
 Acting in the County of _____

Signed *Brad Watson*

 Brad Watson - V.P.

Subscribed and sworn to before me this 31st day of July, 2008

Dean Grulke Notary Public

The above sworn statement should be obtained by the owner before each and every payment.

**CONSENT OF SURETY
TO FINAL PAYMENT**

AIA DOCUMENT G707

(Instructions on reverse side)

OWNER _____
ARCHITECT _____
CONTRACTOR _____
SURETY _____
OTHER _____

Bond Number: **34370**

TO (OWNER)
(Name and address)

ARCHITECT'S PROJECT NO:

CONTRACT FOR:

CITY OF NOVI
45175 WEST TEN MILE ROAD
NOVI, MI 48375

CONTRACT DATE: 11

PROJECT:
(Name and address)

2007 Sidewalk Program AEW Project No. 822-009

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the
(here insert name and address of Surety)

LINCOLN GENERAL INSURANCE COMPANY
150 N. WEST POINT BLVD.
ELK GROVE VILLAGE, IL 60007

, SURETY,

on bond of
(here insert name and address of Contractor)

KOALA-T CONSTRUCTION, INC.
424 FERRY
PONTIAC, MI 48341

, CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the
Surety Company of any of its obligations to
(here insert name and address of Owner)

CITY OF NOVI
45175 WEST TEN MILE ROAD
NOVI, MI 48375

, OWNER,

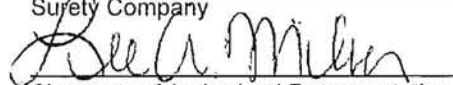
as set forth in the said Surety Company's bond.

IN WITNESS WHEREOF, the Surety Company has hereunto set its hand this 6th day of August, 2008.
(Insert in writing the month following by the numeric date and year)

Attest:
Seal



LINCOLN GENERAL INSURANCE COMPANY
Surety Company


Signature of Authorized Representative
Lee A. Milner, Title, Attorney-in-Fact

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS; That Lincoln General Insurance Company, organized and existing by virtue of the Laws of the Commonwealth of Pennsylvania, does hereby nominate, constitute and appoint:

Donald W. Burden; Lee A. Milner; Angelo G. Zervos; Gus E. Zervos

Its true and lawful Attorney(s)-in-Fact to sign, seal and execute for and on its behalf, as surety, bonds, undertakings, and other obligatory instruments of similar nature in an amount not to exceed Three Million Dollars (\$3,000,000), and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation, and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

RESOLVED that this Power of Attorney is granted and is signed, sealed and notarized with facsimile signatures and seals under authority of the following resolutions adopted by the Board of Directors of Lincoln General Insurance Company on the 4th day of September, 2002.

RESOLVED that the President, an Executive or Senior Vice President, or any Vice President of the Company, together with the Secretary or any Assistant Secretary are hereby authorized to execute Powers of Attorney appointing the person(s) named as Attorney(s)-in-Fact to date, execute sign, seal and deliver on behalf of the Company, fidelity and surety bonds, undertakings, and other similar contracts of suretyship, and any related documents.

RESOLVED FURTHER that the signatures of the officers making the appointment, and the signature of any officer certifying the validity and current status of the appointment, may be facsimile representations of those signatures; and the signature and seal of any notary, and the seal of the Company, may be facsimile representations of those signatures and seals, and such facsimile representations of those signatures and seals, and such facsimile representations shall have the same force and effect as if manually affixed. The facsimile representations referred to herein may be affixed by stamping, printing, typing or photocopying.

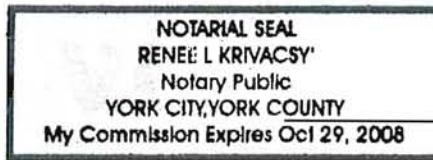
IN WITNESS WHEREOF, Lincoln General Insurance Company has caused its corporate seal to be affixed and these presents to be signed by its duly authorized officers this 15th day of October, 2004.

[Signature]
Secretary

[Signature]
President

On this 15th day of October, 2004, before me personally came John T. Clark, to me known, who being duly sworn, did depose and say: that he is the President of the Corporation described in and which executed the above instrument: that he knows the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of said Company; and that he executed the said instrument by like order and authority and the same was his free act and deed.

The Commonwealth of Pennsylvania
York County



[Signature]

I, Gary J. Omdorff, Secretary of Lincoln General Insurance Company, a corporation of the Commonwealth of Pennsylvania do hereby certify that the above and foregoing is a full, true and correct copy of Power of Attorney issued by said Company, and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked, and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney is now in force.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company, at York, Pennsylvania, this 10th day of August, 2004.

[Signature]
Secretary

September 12, 2008

30903 Northwestern Highway
P.O. Box 3040
Farmington Hills, MI 48333-3040
Tel: 248-851-9500
Fax: 248-851-2158
www.secretwardle.com

Suzanne Moreno, Finance Department
City of Novi
45175 West Ten Mile Road
Novi, Michigan 48375

Elizabeth M. Kudla
Direct: 248-539-2846
bkudla@secretwardle.com

**Re: 2007 Sidewalk Program
Koala – T Construction. – *Closing Documents*
Our File No. 55142 NOV**

Dear Ms. Moreno:

We have received and reviewed the following closing documents you have provided for the 2007 Sidewalk Program:

- Final Pay Estimate No. 4
- Final Balancing Change Order No. 2
- Contractor's Sworn Statement
- Consent of Surety

It appears that the City Engineer has reviewed and confirmed the accuracy of Final Pay Estimate No. 4 and Final Balancing Change Order No. 2. The documents appear to be generally in order with the following minor exceptions:

1. Waivers of Lien should be provided by the subcontractors listed in the Sworn Statement.
2. A revised Maintenance and Guarantee Bond for the increase contract amount should be provided prior to release of the final payment.

Please let us know if you need anything additional or if you have any questions regarding the above, please do not hesitate to call.

Very truly yours,


ELIZABETH M. KUDLA

EMK

cc: Clay Pearson, City Manager
Kathy Smith-Roy, Finance Director
Thomas R. Schultz, Esquire

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