



CITY of NOVI CITY COUNCIL

**Agenda Item K
March 12, 2012**

SUBJECT: Approval to award an amendment to the engineering services agreement to Spalding DeDecker for additional construction inspection services related to the 2010 Neighborhood Road--Concrete project in the amount of \$20,295 for additional crew days awarded to the contractor through contract change orders (which is offset by the \$1,230 charged to the construction contractor for exceeding the number of crew days that were authorized in construction contract).

SUBMITTING DEPARTMENT: Department of Public Services, Engineering Division *BIL*

CITY MANAGER APPROVAL: *[Signature]*

| | |
|-----------------------------|--|
| EXPENDITURE REQUIRED | \$ 9,533 2010 Neighborhood Roads—Concrete (Engineering) \$ 1,537 Sewer Line Maintenance \$ 1,537 Water Line Maintenance \$ 6,458 Routine Maintenance—Local Roads \$ 1,230 Routine Maintenance—Major Roads \$20,295 TOTAL |
| AMOUNT BUDGETED | \$ 91,810 2010 Neighborhood Roads—Concrete \$450,000 Routine Maintenance—Local Roads \$500,000 Routine Maintenance—Major Roads |
| LINE ITEM NUMBER | 203-203.00-805.431 2010 Neighborhood Roads—Concrete 592-592.00-936.000 Sewer Line Maintenance 592-592.00-938.000 Water Line Maintenance 203-203.00-866.000 Routine Maintenance—Local Roads 202-202.00-866.000 Routine Maintenance—Major Roads |

BACKGROUND INFORMATION:

The original contract for the 2010 Neighborhood Road Program—Concrete included a base bid for concrete pavement repairs, joint repairs, and drainage structure rehabilitation on the following streets: Sutherland Drive, White Pines Drive, Cumberland Drive and Glen Haven East. The inspection of the work is completed using crew days which is determined as a product of the number of days listed in the contractor's bid and the cost per crew as established in the consultant's agreement (currently \$615 per day).

Following award of the construction phase of the project, five change orders were issued to the contractor to complete some additional concrete repairs in discrete locations. These locations are shown on the attached map and were selected to address maintenance concerns by the Field Operations Division and pavement repairs necessitated by water main and sanitary sewer repairs by the Water and Sewer Division. The additional work was approved by Change Orders 1 through 5.

The City uses crew days in construction contracts to increase the accountability of the contractor with respect to inspection time. The contractor provides a number of anticipated crew days as part of the bid for the project. The cost per crew day is \$615 per eight hour day as stipulated in the general agreements with each of three engineering consultant firms used by the City. If the contractor requires additional days of inspection (or crew days) beyond the number contained in the bid, the cost of the additional inspection time is deducted from the contractor and used to pay the consultant for the additional inspection. The purpose of using crew days for inspection services is to provide a method for the City to recoup costs to pay for additional inspection associated with slow progress by the contractor.

In this case, additional scope was added to the contract and was accompanied by additional crew days awarded to the contractor to facilitate completion of the work. While each change order awarded additional crew days to the contractor, the consultant's contract was not changed at that time to add the additional inspection costs required to inspect the revised construction scope. The contractor was awarded 31 additional crew days for additional inspection related to the scope increases in Change Orders 1 through 5. Change Order 5 was prepared as the final change order to balance the contract quantities and resulting in a deduction of \$1,230 for two additional crew days used by the contractor to complete the work. Staff recommends awarding the additional 33 crew days at a rate of \$615 per day to Spalding DeDecker for a total increase of \$20,295, offset by \$1,230 deducted from the contractor's payment for a net increase of \$19,065.

The work is substantially complete with some minor restoration issues to be addressed in spring 2012. A final payment to the contractor to release the remaining five percent of the contract amount (held as retainage) would be presented for approval following final completion.

RECOMMENDED ACTION: Approval to award an amendment to the engineering services agreement to Spalding DeDecker for additional construction inspection services related to the 2010 Neighborhood Road--Concrete project in the amount of \$20,295 for additional crew days awarded to the contractor through contract change orders (which is offset by the \$1,230 charged to the construction contractor for exceeding the number of crew days that were authorized in construction contract).

| | 1 | 2 | Y | N |
|------------------------|---|---|---|---|
| Mayor Gatt | | | | |
| Mayor Pro Tem Staudt | | | | |
| Council Member Casey | | | | |
| Council Member Fischer | | | | |

| | 1 | 2 | Y | N |
|-------------------------|---|---|---|---|
| Council Member Margolis | | | | |
| Council Member Mutch | | | | |
| Council Member Wrobel | | | | |

Authorization for Additional Services #1

Project: **Engineering Services for
Inspection Services**

Date: March 1, 2012

Description of Additional Services

There were three change orders made to the construction contract that was awarded to Hard Rock Concrete, Inc. that added a total of 31 crew days to the construction contract. The engineering agreement with Spalding DeDecker should be amended to reflect the 31 additional inspection days for the work that was added.

Original scope of work:

- Inspection Services for the Base Contract at \$615 per crew day using the number of crew days specified by the contractor in the original bid. The original contractor bid included 25 crew days for a total inspection cost of \$15,375

Amount authorized for original scope: \$15,375

Proposed scope of work:

- Base Contract awarded the contractor 25 crew days at \$615 per day for a total inspection cost of \$15,375 as the original scope of work.
- Change Order 1 awarded the contractor 5 additional crew days at \$615 per day for a total inspection cost of \$3,075.
- Change Order 2 awarded the contractor 7 additional crew days at \$615 per day for a total inspection cost of \$4,305.
- Change Order 3 awarded the contractor 19 additional crew days at \$615 per day for a total inspection cost of \$11,685

Proposed budget amount for new scope: \$34,440

Based on the revised scope of services, we request authorization for an increase of \$19,065 to the amount authorized under the previous scope of services.

Approved By

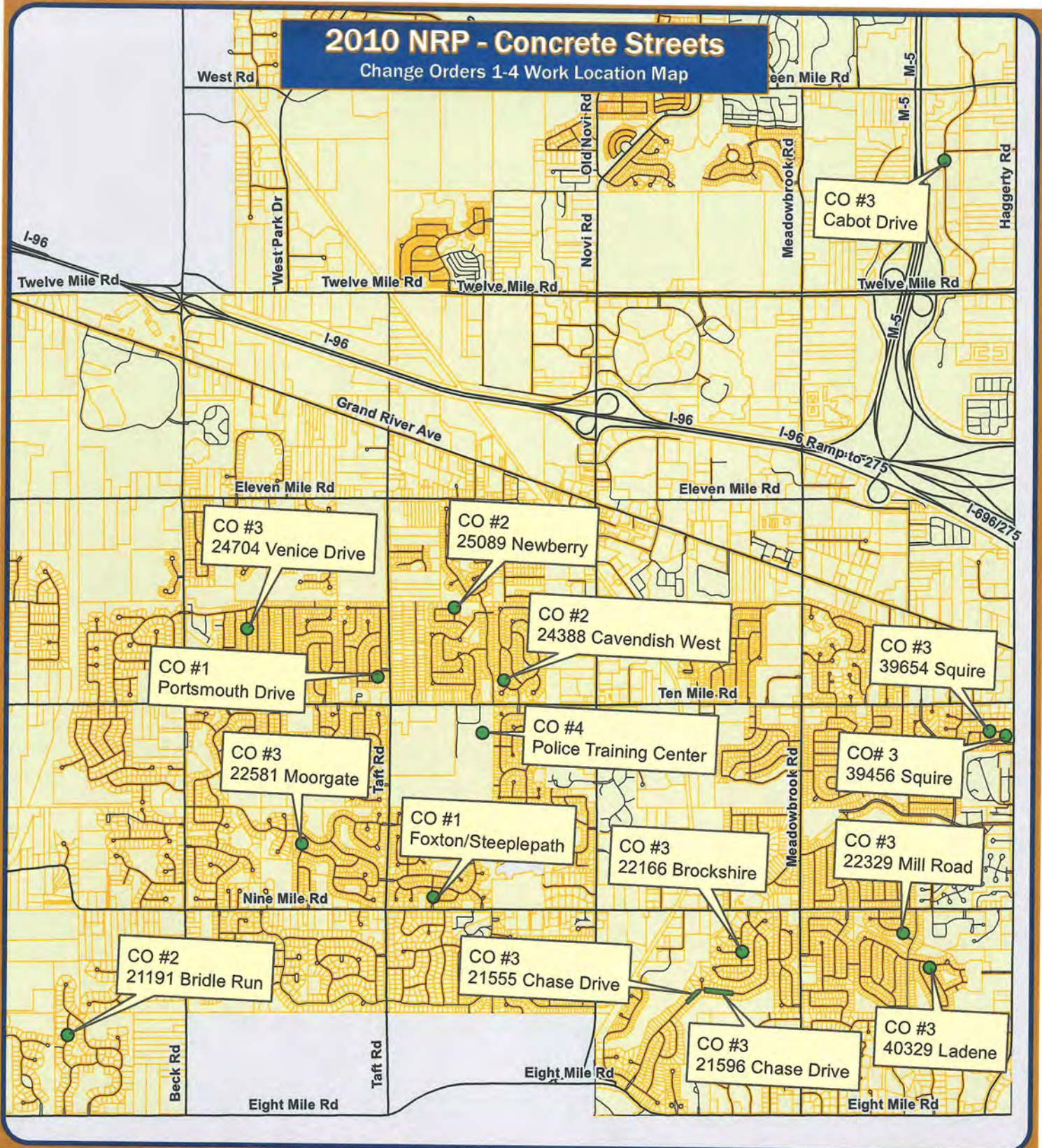
SPALDING DEDECKER ASSOCIATES

Te Offendero, Contract Administrator
[Name, Title] 3/1/12

Additional 2 crew days added for contractor overage. Deduct \$1,230 from Hard Rock and add to Spalding DeDecker for total contract increase of \$20,295.

2010 NRP - Concrete Streets

Change Orders 1-4 Work Location Map



Map Author: Aaron J. Staup
 Date: October 4, 2011
 Project: 2011 NRP - Concrete
 Version #: 1

Amended By: Brian Coburn
 Date: 3/1/12
 Department: Public Services

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 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.

Map Legend

- Road Classification Novi Tax Parcel BSA
- Major Streets City of Novi Boundary
- Minor Streets



City of Novi
 Engineering Division
 Department of Public Services
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 Novi, MI 48375
cityofnovi.org



1 inch = 3,316 feet