



**CITY OF NOVI CITY COUNCIL  
FEBRUARY 8, 2021**

**SUBJECT:** Approval to allocate Lakeshore Park Project contingency funds for payment to DeMaria Building Company, Inc. in the amount of \$103,128.36 for Change Order 11, allocate remaining \$129,671.64 in contingency funds for future Change Orders, and amend the budget.

**SUBMITTING DEPARTMENT:** Integrated Solutions, Facilities Management Division

<b>EXPENDITURE REQUIRED</b>	<b>\$103,128.36 Change Order #11</b> <b>\$129,671.64 Future Change Orders</b> <b>\$232,800 TOTAL</b>
<b>AMOUNT BUDGETED</b>	<b>\$0</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$232,800</b>  <b>\$382,040 total contingency available for request</b> <b><u>-\$149,240 6/1/2020 contingency request approved</u></b> <b>\$232,800 remaining contingency available to be requested</b>
<b>LINE ITEM NUMBER</b>	<b>400-691.00-977.013</b>

**BACKGROUND INFORMATION:** During the award of the City of Novi Lakeshore construction project, City Council provided a contingency amount equal to 10% of the project award (\$482,040). At the same meeting, City Council directed that staff bring before City Council Change Orders (CO) in excess of the first \$100,000 due to the complexity and profile of the project. In June 2020, City Council approved the expenditures itemized in Change Orders 5 & 6 and allocated an additional \$100,000 for future change orders.

During a project, multiple Change Requests (CR) are rolled up into a CO. Staff monitors the CR process very closely in cooperation with NSA Architect, the project architectural firm, who examines each CR. The CR must be accompanied by detailed documentation. The CR is evaluated against the construction documents to ensure it

meets the specifics of the design. The CR is also assessed for reasonableness of cost. If the price is deemed out of line with industry standards, it is rejected. The team continues to explore options to reduce construction costs. If an item can be done internally or at a reduced price after project completion, it is removed from the project and a credit is issued.

Expenditures related to the June allocation of \$100,000 are itemized below as CO 7, 8, 9, and 10. Credits are also included in this list. (Total cost is \$104,273.69)

<b>Name</b>	<b>Description</b>	<b>Cost</b>
Environmental Testing	Occurred early in the project to test for asbestos, metals in soil, & vermiculite.	\$ 15,709.20
Masonry Walls	Ordered additional block to complete walls due to design issues.	\$ 1,329.24
Recessed Floor Slab in Restrooms	Recessed floor slab had to be poured in each interior restroom before installing tile.	\$ 7,520.70
Winter Conditions	Masonry, concrete & waterproofing costs for work during the winter.	\$ 50,749.47
Fire Department Connection	Move fire department connection to the west side of the building per plan review comments.	\$ 7,321.42
Utility Relocation	Reroute conduit to electric pole on Bernstadt after DTE changed where new pole would be located. Gas line had to be relocated per Consumers instructions.	\$ 3,276.08
COVID-19	Costs related to 44-day shutdown.	\$ 25,106.30
Exterior Fire Suppression	Fire suppression added to protect deck and overhangs per fire code requirements. NSA did not include exterior fire suppression in original design.	\$ 33,869.97
Bike Lane Green Tint	City to install green coating on driveway bike lanes in spring for less than included in bid.	\$ (42,500.00)
Network Cabling	Savings from owner allowance for wiring and installation of WiFi, card access & security cameras.	\$ (3,582.92)
Consultant Fees	Credit for city consultant permit fees paid directly from budget early in project.	\$ (25,360.00)
Caulking Around Beams	Space between glu-lam beams and stone wall required foam backer rod & sealant.	\$ 770.62
Emergency Soil Erosion Measures	Several rainstorms caused water to flow through the tunnel & erode the beach. Installation of check dams required by soil erosion inspector.	\$ 18,831.65
Replace Garage Trusses	Incorrect trusses designed by NSA. Replacement trusses to match existing building ordered.	\$ 2,332.00
Light Fixture Rewire	Lights in Camp Room rewired to add longer cord and chain to drop them lower from ceiling.	\$ 2,244.00
Door Actuators & ADA Buttons	Actuators and buttons for ADA compliance not included in design.	\$ 5,232.48

Storm Water Inspection	Fee for inspection of additional trench drain, piping & manhole.	\$ 628.48
Snow Guard	Added snow guard on roof to protect AHU.	\$ 795.00

This request addresses change requests compiled into CO 11 totaling \$103,128.36. The CRs are summarized in the table below. Most of the work is related to reducing the erosion of the beach as stormwater flowed through the tunnel and ensuring ADA compliance throughout the project site.

<b>Name</b>	<b>Description</b>	<b>Cost</b>
Sidewalk to Pavilion	Added ADA compliant sidewalk to pavilion.	\$ 3,208.28
Soil Erosion Measures at Tunnel	Installed soil erosion measures while sidewalk was installed to reduce beach erosion.	\$ 4,072.52
Corrosion-Resistant Sprinkler Heads	Corrosion-resistant sprinkler heads required in outdoor areas per fire suppression code.	\$ 1,234.09
Soil Erosion Permit Extension	Extend permit through May 2021. Landscaper will plant grass and trees in the spring.	\$ 1,167.25
Omit Garage Paint	City will paint garage soffit and trim in the spring.	\$ (1,860.00)
Asphalt Winterization	Paint temporary striping and install asphalt ramps at crosswalks, manholes & gutter pan on base course of asphalt in north parking area.	\$ 5,353.00
Final Grade & Storm Water Solution	Civil engineer produced new grading plan from pavilion to the tunnel. Installed trench drain to collect runoff before it enters the tunnel. Revised ramp to tunnel & installed ADA compliant handrails.	\$ 86,778.86
Rim Cover	Incorrect manhole rim, cover and concrete collar replaced during paving activities.	\$ 1,272.00
Outlet for Compressor	Plans did not include an outlet for the fire suppression system compressor.	\$ 642.36
Camp Room Sinks	Replaced incorrect sinks with ADA compliant sinks that fit within the cabinets.	\$ 1,260.00

We are currently negotiating multiple CR's that we anticipate their combined expenditure to be over \$100,000 and request allocation of the remaining contingency funds.

**RECOMMENDED ACTION:** Approval to allocate Lakeshore Park Project contingency funds for payment to DeMaria Building Company, Inc. in the amount of \$103,128.36 for Change Order 11, allocate \$129,671.64 in remaining contingency funds for future Change Orders, and amend the budget.

**RESOLUTION**

NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment for the Lakeshore CO#11 & future change orders is authorized:

	<b>INCREASE (DECREASE)</b>
<b>Capital Improvement Program (CIP) Fund</b>	
<b>APPROPRIATIONS</b>	
Capital Outlay	232,800
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$ 232,800</u></b>
<b>Net Increase (Decrease) to Fund Balance</b>	<b><u><u>\$ (232,800)</u></u></b>

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on February 8, 2021

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Cortney Hanson  
City Clerk