



CITY OF NOVI CITY COUNCIL
FEBRUARY 10, 2020

SUBJECT: Consideration of contracts for as-needed Supplemental Building and Trade Inspection Services and Plan Review Services with Code Enforcement Services and McKenna for one year with an option for two additional years

SUBMITTING DEPARTMENT: Community Development

EXPENDITURE REQUIRED	\$ as needed
AMOUNT BUDGETED	\$ 100,000
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	101-371.00-816.007

BACKGROUND INFORMATION: In addition to code compliance and planning functions, the Community Development Department reviews plans for and inspects all new and altered structures for compliance with the State of Michigan construction codes. These efforts support safe and high-quality economic development. Current market conditions pose a challenge to maintaining a high level of service with limited resources and increasing demand. The acute shortage of qualified craftsmen and supervision in the construction and development market challenges not only those contracting for construction, but the shortage also forces the City to compete for qualified staff.

While the interests of the residents and businesses are best served by a dedicated staff of qualified City employees, there are times when external resources are appropriate. This would include periods of vacation or medical absence of City staff as well as times increased demand for service.

In the case of the trade inspections (plumbing, mechanical and electrical) and commercial plan review, the current workload requires more than the current single full-time inspector but does not consistently justify a second full-time position with the associated costs and liabilities. The most economical solution available at this time is overtime for existing staff or our small team of available part-time employees. Where these resources are not available, the contracts with Code Enforcement Services (CES) and McKenna provide the needed resources.

Although a revised SAFEBuilt Contract was approved by City Council in October 2018, the fact that the City successfully recruited and hired a full-time Building Inspector with a corresponding reduction in services from SAFEBuilt led the company to move to terminate the contract requiring the City to look elsewhere for supplementary services. These services terminated on December 24, 2018.

Working with Sue Morianti, the City's Purchasing Manager, Community Development solicited a revised proposal from McKenna and Associates with more advantageous pricing. An additional proposal was secured from Code Enforcement Services (CES), part of Carlisle Wortman. CES was not among the summer 2018 bidders as they were not receiving proposal request notices from the Michigan Intergovernmental Trade Network (MITN). In both cases, the service costs are equivalent to or slightly above those previously negotiated in the SAFEBuilt contract.

These proposals were evaluated and based on the qualifications and pricing, staff recommends entering into a contract with both parties with the intent of utilizing the services of CES for supplementary Plan Review services and McKenna for supplementary Building and Trade Inspections.

Current Status:

Community Development use of services by Carlyle Wortman and CES was sporadic through the early fall of 2019, causing expenses to remain significantly below the threshold for City Council approval. The use of both providers has produced quality work to date. Increased requests for inspection and review services by our customers continued to accelerate during the late summer. This increase in demand was coupled with a long term and continuing health-related absence of an internal inspector as well as another unanticipated internal vacancy. The cost to use these companies to maintain service levels will rise to the level where there is a need to formalize the relationship with these providers in the form of contracts.

Community Development staff have confirmed the willingness on the part of CES and McKenna to enter into contracts based on their previous proposals and we intend to bring agreements forward shortly. Current estimates anticipate a total annual maximum expense of \$65,000.00 for both contracts based on expected absences and a timely filling of the Plumbing Inspector vacancy. It is anticipated that these costs will be within the current overall Community Development budget.

While there are advantages to having a single source for these services, the cost efficiency and expanded resources for servicing our customers in a tremendously tight labor market for the skills needed makes facilitating a contract with both parties the best choice.

The enclosed memo dated December 19, 2019, was provided for information purposes to the members of the Consultant Review Committee. Having received no guidance that the Committee wished to review the contracts and detail, these agreements are being brought forward to City Council.

We are also diligently recruiting for our team of available part-time inspectors from the standpoint of both cost-effective supplemental resources and building a strong bench of talent to address future retirements and vacancies.

RECOMMENDED ACTION: Approval of contracts for as-needed Supplemental Building and Trade Inspection Services and Plan Review Services with Code Enforcement Services and McKenna for one year with an option for two additional years.

CONTRACT SUPPLEMENTARY BUILDING AND TRADE INSPECTION SERVICES

This Agreement shall be considered as made and entered into as of the date of the last signature ("Effective Date"), and is between the City of Novi, a Michigan municipal corporation, whose address is 45175 Ten Mile, Novi, Michigan 48375, (hereinafter referred to as "Client"), and Code Enforcement Services, whose address is 117 N. First St., Suite 70, Ann Arbor, MI 48104, (hereinafter referred to as "Contractor").

THE CLIENT AND CONTRACTOR AGREE AS FOLLOWS:

Article I. Statement and Performance of Work.

For payment by the Client as provided under this Contract, Contractor shall provide the materials and perform the services described on and in Schedule A (the "Work"), which is attached hereto and made a part of this Contract by this reference, in a competent, accurate, efficient, timely, good, professional, thorough, complete and responsible manner, and in compliance with the terms and conditions set forth below.

Article II. Timing of Performance.

Performance of this Contract shall commence as of the date of the last signature and continue for one (1) year. Upon mutual consent of the Client and the Contractor, the contract may be renewed two (2) additional years in one (1) year increments.

Article III. Contract Price and Payment.

Subject to the terms and conditions of this Contract, the Client agrees to pay Contractor an amount services and materials as specifically set forth in the completed Proposal attached which is part of the attached Schedule A. Such payments are in exchange for and consideration of the timely and satisfactory performance and completion of the work required under and pursuant to this Contract. The Client agrees to pay Contractor amounts due within thirty (30) days of receipt of an itemized billing/invoice from Contractor detailing all materials provided and work performed in connection with the billing and the hours and charges applicable to each such item. Such itemized billings shall be submitted and shall be paid only upon satisfactory completion of the work itemized in the billing.

All costs and expenses incurred by Contractor under this Contract are deemed to be included in the amounts set forth in Schedule A. Contractor will obtain written approval of the Client prior to proceeding with any work that is not stated on Schedule A; otherwise, the Client will not be billed for such extra/additional work.

Payments shall be made upon verification of invoices received by the Client. All payments to Contractor shall be submitted by mail at Contractor's address first listed above, unless Contractor provides written notice of a change in the address to which such payments are to be sent.

Article IV: Termination.

- A. 1. For cause: In the event that either party shall breach the terms and conditions of this Contract, the aggrieved party may notify the other party, in writing via certified

mail, of such breach and demand that the same be remedied within ten (10) days. If the defaulting party fails to remedy the breach as demanded, the aggrieved party shall then have the right to terminate by giving the defaulting party thirty (30) days written notice. In addition, if at any time a voluntary petition in bankruptcy shall be filed against either party and shall not be dismissed within thirty (30) days, or if either party shall take advantage of any insolvency law, or if a receiver or trustee of any of a party's property shall be appointed and such appointments shall not be vacated within thirty (30) days, the other party shall have the right, in addition to any other rights of whatsoever nature that it may have at law or in equity, to terminate by giving thirty (30) days notice in writing of such termination.

2. For convenience: The Client may terminate the agreement, in whole or in part, without showing cause upon giving thirty (30) days written notice to the Contractor. The Client shall pay all reasonable costs incurred by the Contractor up to the date of notice of termination. The Contractor will not be reimbursed for any anticipatory profits that have not been earned up to the date of notice of termination.

- B. In the event this Contract is terminated before completion, the Client shall not be responsible to make any further payments for work performed after the effective date of such termination, and shall pay Contractor for such materials as have been delivered and for such work as has been completed and is eligible for payment under the terms of this Contract through the date of such termination. In all events, the Client shall only be responsible to make the payments described in the preceding sentence if, at the Client's request, Contractor continues to fully perform its duties and obligations in full compliance with the terms of this Contract through the effective date of the termination.

Article V: Independent Contractor/Vendor Relationship.

- A. In the performance of this Contract, the relationship of Contractor to the Client shall be that of an independent contractor and/or vendor and not that of an employee or agent of Client. Contractor is and shall perform under this Contract as an independent contractor and/or vendor, and no liability or responsibility with respect to benefits of any kind, including without limitation, medical benefits, worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party as a result of the performance of this Contract.

Contractor, as an independent contractor and/or vendor, is not authorized to enter into or sign any agreements on behalf of the Client or to make any representations to third parties that are binding upon the Client.

- B. Contractor represents that it will dedicate sufficient resources and provide all necessary personnel required to perform the work described in Schedule A in accordance with the terms and conditions of this Contract. Except as may be specifically stated and agreed to in Schedule A, Contractor shall perform all of the work under this Contract and no other person or entity shall be assigned or sub-contracted to perform the work, or any part thereof, unless approved by the Client in advance.

Article VI: Liability and Insurance.

- A. The Consultant agrees to indemnify and hold harmless the City and its officers, agents, and employees from and against all claims, demands, suits liability, losses, damages, judgments, or costs (including reasonable attorney fees and costs) to the extent arising out of, or resulting from, the Consultant's tortious or negligent acts, errors, or omissions in performing this Agreement. The Consultant is not obligated to indemnify the City of the City's own negligence or that of any third party for which the Consultant is not responsible. The City shall provide reasonably prompt notice of any claim for which the City seeks to be indemnified and/or held harmless.
- B. Contractor shall provide evidence of adequate insurance coverage in the types and amounts set forth on Schedule A, which is attached hereto and incorporated herein by this reference. Such insurance shall be maintained at the specified level of coverage throughout the term of this Contract, including any extension of such term, and will cover all work, acts and omissions by and on behalf of Contractor in connection with this Contract, with the Client as named additional insureds, but with such coverage being primary and non-contributory as described in the attached Schedule A.

Article VII: Information.

It is expressly acknowledged and agreed that all reports, opinions, compilations, research work, studies, data, materials, artifacts, samples, documents, plans, drawings, specifications, correspondence, ledgers, permits, manuals, applications, contracts, accountings, schedules, maps, logs, invoices, billings, photographs, videotapes and all other materials generated by and/or coming into the possession of Contractor during the term of this Contract, and any extension thereof, that in any way relate to the performance of work by Contractor under this Contract or that are otherwise related or relevant to the work, belong exclusively to the Client and shall be promptly delivered to the Client upon the termination of this Contract or, at any time, upon the Client's request.

Article VIII: General Provisions.

- A. Entire Agreement. This instrument, together with the attached Schedules, contains the entire Contract between the Client and Contractor. No verbal agreement, conversation, or representation by or between any officer, agent, or employee of the parties hereto, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.
- B. Compliance with Laws. This Contract and all of Contractor's work and practices shall be subject to all applicable state, federal and local laws, ordinances, rules or regulations, including without limitation, those which apply because Client is a public governmental agency or body. Contractor represents that it is in compliance with all such laws and eligible and qualified to enter into this Contract.
- C. Governing Law. This Contract shall be governed by the laws of the State of Michigan.

- D. Assignment. Contractor shall not assign this Contract or any part thereof without the written consent of the Client. This Contract shall be binding on the parties, their successors, assigns and legal representatives.
- E. Third Parties. It is the intention of the parties hereto that this Agreement is not made for the benefit of any private third party. It is acknowledged that Client may receive a portion of the funding for the payments under this Contract from one or more private sources, and it is understood by Contractor that it is hired by Client to work exclusively for Client (and by extension for the Township should the work be accepted and implemented by the Township) and Contractor agrees that no private party or parties will be allowed to hold sway or influence, in any way, over Contractor's performance of the work.
- F. Notices. Written notices under this Contract shall be given to the parties at their addresses contained in this Contract by personal or registered mail delivery to the attention of the following persons:
 - Client: City Manager Peter E. Auger and City Clerk Courtney Hanson
 - Contractor: Craig Strong, Director
- G. Changes. Any changes in the provisions of this Contract must be in writing and signed by the Client and Contractor.
- H. Waivers. No waiver of any term or condition of this Contract shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.
- I. Jurisdiction and Venue of Contract. This Contract shall be considered for all purposes, including the establishment of jurisdiction and venue in any court action between the parties, as having been entered into and consummated in the City of Novi, Oakland County, Michigan.
- J. Conflict. In the event of any conflict or inconsistency between the above provisions of this Contract and either or both of the attached Schedules, the provisions in the above text shall govern.

IN WITNESS WHEREOF, the Client and the Contractor have executed this Contract in Oakland County, Michigan, as of the date last listed below.

WITNESS AND DATES
OF SIGNATURES:

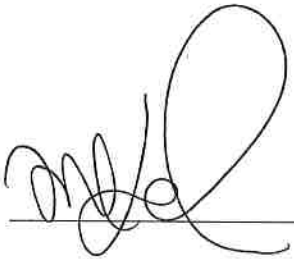
CITY OF NOVI

Date: _____

By: Robert J. Gatt
Its: Mayor

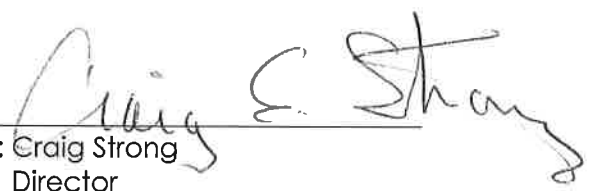
Date: _____

By: Cortney Hanson
Its: Clerk



Date: 1-24-20

CODE ENFORCEMENT SERVICES



By: Craig Strong
Director

1275476.3



CITY OF NOVI

SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS

FEE SCHEDULE

We, the undersigned as proposer, propose to furnish to the City of Novi, according to the specifications, terms, conditions and instructions attached hereto and made a part thereof:

PLAN REVIEW

Hourly Rate
(M-F; eight (8) hrs per day)

A. Building
MEP'S \$ 115.00
115.00

INSPECTION CATEGORIES

Hourly Rate
(Prior day notice)

Hourly Rate
(Same day notice)

B. Building	\$ <u>65</u>	\$ _____	\$ _____
C. Mechanical		\$ _____	\$ _____
D. Plumbing	PER	\$ _____	\$ _____
E. Electrical	Inspection	\$ _____	\$ _____

ALTERNATES

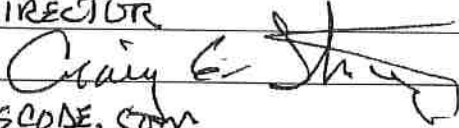
F. Fire Alarm	\$ _____	\$ _____
G. Fire Suppression	\$ _____	\$ _____

Comments: _____

Non-Iran Linked Business

By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.

This proposal submitted by:

Company (Legal Registration) CODE ENFORCEMENT SERVICES
Address 117 N. FIRST ST.
City ANN ARBOR State MI Zip 48104
Telephone 734 662-2200 Fax 734 662-1935
Authorized Agent's Name CRAIG STRONG
Authorized Agent's Title DIRECTOR
Authorized Agent's Signature 
E-mail CSTRONG@CESCODE.COM
Date 11-27-18



CITY OF NOVI
**SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS**
SPECIFICATIONS

OVERVIEW

The City of Novi is soliciting proposals from qualified and experienced firms to assist the Community Development Department with inspection and plan review services for commercial, residential and industrial projects in accordance with the State of Michigan Construction Codes on an as-needed basis. The qualified firms must be committed and strive to deliver excellence in customer service.

The intention of this document is to enter into a contract with one or more qualified firms in order to provide the necessary services and meet departmental demands. It is the intent of these specifications to cover the furnishing and delivery to the City of Novi supplementary building & trade inspection and review services for residential, commercial, and industrial buildings. The specifications cover the general requirements. Recommendations from proposers are encouraged and will be reviewed and evaluated based on the best interest of the City.

BACKGROUND

The City of Novi is a residential community in Oakland County Michigan with a population exceeding 58,000. The community includes important research, technical, service employers as well as educational institutions. It enjoys an excellent reputation in Southeast Michigan for its proactive government, community planning with many public parks and open space.

The City of Novi is a full service municipality. General information regarding the City is available at www.cityofnovi.org.

SCOPE OF WORK

Assist the Community Development Department with commercial, residential and industrial supplemental inspection and plan review services. The City can make no guarantees relating to the amount of work that will actually be available. The City reserves the right to have City staff perform any or all of this work at its discretion. The City may enter into a contract with one or more qualified firms in order to provide the necessary services and meet departmental demands.

- Customer service- the City of Novi is committed to excellence in customer service. Qualified firm team member(s) must provide knowledgeable, courteous, assist in improving and efficient customer service and strive to deliver quality customer service.

- Inspections must be for compliance with applicable portions of the State of Michigan Building, Plumbing, Mechanical, Electrical, Barrier Free Code, Energy Efficiency and referenced Fire Code Provisions.
- It is anticipated that needs may include one full time Building Inspector and Building Plans Examiner including trades for onsite services will be performed during normal business hours Monday-Friday; up to eight (8) hours per day; excluding Municipal holidays.
- Inspection services will include basic coordination with Plan Review, Clerical, Fire Review and Inspection and other Department inspection staff.
- Written notice of inspection left onsite for every inspection. Daily and remote entry of inspection results into BS&A Building Department.net software system. Computer access will be provided by the City of Novi.
- Supplemental inspection staff must be available a minimum of (1) hour a day (typically 8-9am) in the City of Novi Community Development offices for consultation with contractors and/or property owners. (may be waived at the discretion of the Building Official or designee)
- All inspection staff must have and maintain at all times registration in appropriate inspection areas in accordance with the provisions of Act 54 of the State of Michigan and must demonstrate compliance. ICC certification desired. The City shall not be responsible for time and/or cost for continuing education of inspection staff or maintenance of certifications and registration.
- Inspection staff must keep complete, well organized records of inspections including timely entry in tracking documents.
- Inspection staff must be able to conduct inspections, consult with the public and contractors and communicate with the public in an effective, respectful, helpful, and friendly and productive manner.
- Inspection services will be utilized on as a needed basis by the City up to and including full time if needed to provide the needed level of service. Inspection services are expected to be provided when the contractor is notified by 4pm the previous business day.
- The City will provide Code reference documents, a computer workstation, access to printer and printing supplies only. Inspection staff must be competent in Microsoft Word, and Excel, and able to quickly perform basic functions in BS&A Building Department.net. Staff will be required to sign and adhere to all City of Novi third party technology use and policy documents and standards.
- All inspection staff must provide cell phone access for City staff during service hours. This will be provided without cost to the City.
- Inspectors must submit for and pass a driver's license and background check. The City will provide a municipal vehicle for use to and from inspections only.
- The physical demands while performing the duties of this job regularly required to use his/her hands to finger, handle, or feel; reach with hands and arms; and talk or hear, frequently required to stand, walk, and sit, kneel, crawl, crouch, climb, or stoop, and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, color vision, distance vision, depth perception, and the ability to adjust focus.

REQUIREMENTS

- Inspection services must be provided as-needed on a next day schedule. Pricing is also requested for same-day service if needed.
- The successful firm must have experience with similar projects such as: hospitals, covered malls, large strip malls, medical office building, hotels, high hazard uses, mall tenant build-outs, industrial buildings, night clubs, restaurants, and churches.
- All inspectors must be registered under Act 54 in their appropriate fields.
- Ability to perform building, electrical, mechanical, plumbing, barrier free, energy code and referenced inspections and plan reviews, including trade reviews.
- The City of Novi Building Official or their designee shall have the right to approve or disapprove inspectors based on performance, attitude and communications with others, team's attitude, professionalism and other applicable criteria.
- City of Novi is committed to excellence customer service. Must demonstrated ability to consistently and effectively deliver a high level of quality customer service to all customers and visitors serviced by, as well as within in the City organization.
- Other duties as assigned.
- Follow inspections procedures as defined by supervisory staff.
- Set dress code – no contractor symbols.

PREFERRED QUALIFICATIONS

- ICC certified appropriate inspection fields
- Ability and certifications to perform Fire Alarm and Fire Suppression inspections.

PAYMENTS

Payments for services under this contract shall be made on an hourly basis. Benefits, supervisory time, administrative time, insurance, fuel surcharges, taxes, other overhead, profit and any other miscellaneous costs are **not** chargeable directly but are overhead and the cost will be included in the hourly rate(s). The City will not pay for travel time to the City offices at beginning of work day or travel time when leaving offices at end of work day.

WORKMANSHIP

All work under the resulting contract will be performed in a skillful and workmanlike manner and shall meet with the approval of the Building Official or his authorized representative.

REGULATIONS AND SAFETY GUIDELINES

All contractors and subcontractors performing services for the City are required and will comply with all Occupational Safety and Health Administration (OSHA), State and City Safety and Occupational Health Standards and any other applicable rules and regulations. Also, all contractors and subcontractors will be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this contract.

All contractors and subcontractors shall perform all work in accordance with applicable local, State and Federal laws, rules, and regulations, zoning and building codes, as well as M.I.O.S.H.A. guidelines in effect at the time of the project. The Contractor shall provide for the protection of the public, City employees, and the Contractor's own workers from work related hazards. Contractor shall also provide notification to the City's Representative and

personnel directly affected by the work of any potentially dangerous situations. In the event of an emergency affecting the safety of persons or property, the Contractor shall act immediately to prevent threatened loss or damage. The Contractor shall immediately stop any activity or operation affecting safety until the situation(s) is corrected.

SELECTION PROCESS

The City of Novi reserves the right to interview any number of qualifying firms as part of the evaluation process. The decision of which firm(s) to contact, if any, will be based on the evaluation criteria set forth herein, as determined in the evaluation process. Meetings with shortlisted proposers will provide additional information and criteria upon which the City will base its selection decision. The City of Novi reserves the right to select, and subsequently recommend for award, the proposed services which best meets its required needs, quality levels and budget constraints.

The City of Novi is not required to accept the lowest proposal in all or in part. The proposal award will not be based solely upon cost, but will be evaluated based upon criteria formulated around the most important features of the services, of which qualifications, experience, references, methodology, timelines or capacity, may be overriding factors. The proposal evaluation criteria should be viewed as standards, which measure how well a vendor's approach meets the desired requirements and needs of the City.

Proposals will be evaluated and ranked. The City of Novi reserves the right to reject any and all proposals to make an award based directly on the proposals. The firm selected for the award will be chosen on the basis of the apparent greatest benefit to the City, including but not limited to quality, longevity, compliance with applicable standards, vendor qualifications and experience and cost analysis.

1. Qualifications, Experience and Training

The firm shall have on staff personnel who have experience with similar projects. Outline why the City should select your firm to provide the required services. Provide a profile of your firm, including history. Firm should clearly identify who shall be assigned to this project and provide their credentials and experience.

2. Comparable Projects

Provide a list of comparable projects that have been successfully completed by your firm.

3. Methodology

Provide the firm's method of approach or work plan summary to meet the City's objectives. Include copy/copies of inspection checklists from a recent significant project (i.e. hospital, large medical office building, or hotel).

4. Capacity

Is staff accessible and available to assist the City with this project? Describe how your firm can provide resources to assist the City. State your capacity to perform the work as described.

5. References

Provide references for similar work performed by your firm including the staff that would be providing service to the City.

6. Cost Proposal

Present a SEPARATE SEALED fee proposal identifying an hourly rate for each of the inspection categories. Out-of-pocket expenses, administrative charges, and so on are to be included in hourly rate. Any travel time, etc., for which a contractor is obligated to pay his employee should be considered a part of overhead, and allowances for such, figured into the fee quoted to the City



**CITY OF NOVI
INSURANCE REQUIREMENTS
ATTACHMENT A**

1. The Contractor shall maintain at its expense during the term of this Contract, the following insurance:
 - a. **Worker's Compensation** insurance with the Michigan statutory limits and Employer's Liability insurance with minimum limits of **\$100,000** (One Hundred Thousand Dollars) each accident, **\$500,000** disease policy limit, and **\$100,000** disease each employee. (These are minimum limits.)
 - b. **Commercial General Liability Insurance** – The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance, Personal Injury, Bodily Injury and Property Damage on an "Occurrence Basis" with limits of liability not less than **\$1,000,000** (One Million Dollars) per occurrence combined single limit.
 - c. **Automobile Liability** insurance covering all owned, hired and non-owned vehicles with Personal Protection insurance to comply with the provisions of the Michigan No Fault Insurance Law including Residual Liability insurance with minimum bodily injury limits of **\$1,000,000** (One Million Dollars) each person and **\$1,000,000** (One Million Dollars) each occurrence and minimum property damage limits of **\$1,000,000** (One Million Dollars) each occurrence.
2. All policies shall name the Contractor as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice date to the City; alternately, contractor may agree to provide notice of such cancellation or reduction.
3. The City of Novi shall be named as Additional Insured for General Liability and Auto Liability. Certificates of Insurance evidencing such coverage shall be submitted to City of Novi, Purchasing Department, 45175 Ten Mile Road, Novi, Michigan 48375-3024 prior to commencement of performance under this Contract and at least fifteen (15) days prior to the expiration dates of expiring policies. A current certificate of insurance must be on file with the City for the duration of the contract. Said coverage shall be primary coverage rather than any policies and insurance self-insurance retention owned or maintained by the City. Policies shall be issued by insurers who endorse the policies to reflect that, in the event of payment of any loss or damages, subrogation rights under those contract documents will be waived by the insurer with respect to claims against the City.
4. The Contractor shall be responsible for payment of all deductibles contained in any insurance required hereunder.

5. If, during the term of this Contract, changed conditions or other pertinent factors should in the reasonable judgment of the City render inadequate insurance limits, the Contractor will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Contractor's expense, under valid and enforceable policies, issued by the insurers of recognized responsibility which are well-rated by national rating organizations and are acceptable to the City.
6. If any work is sublet in connection with this Contract, the Contractor shall require each subcontractor to effect and maintain at least the same types and limits of insurance as fixed for the Contractor.
7. The provisions requiring the Contractor to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Contractor under this contract.
8. The City has the authority to vary from the specified limits as deemed necessary.

ADDITIONAL REQUIREMENTS

HOLD HARMLESS/INDEMNITY

1. The Contractor agrees to indemnify and hold harmless the City and its officers, agents, and employees from and against all claims, demands, suits liability, losses, damages, judgments, or costs (including reasonable attorney fees and costs) to the extent arising out of, or resulting from, the Contractor's tortious or negligent acts, errors, or omissions in performing this Agreement, but not from the City's own negligence or that of any third party for which the Contractor is not responsible, and for any violations of state or federal law, whether administrative or judicial, arising from the nature and extent of this Agreement that are engaged in, caused by, or attributable to Contractor.
2. The Contractor agrees that it is its responsibility and not the responsibility of the City of safeguard the property and materials used in performing this Contract. Further the Contractor agrees to hold the City harmless for any loss of such property and materials used in pursuant to the Contractor's performance under this Contract.
3. The Contractor shall not discriminate against any employee, or applicant for employment because of religion, race, color, national origin, age, sex, height, weight, handicap, ancestry, place of birth, sexual preference or marital status. The Contractor further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 453) and will require a similar covenant on the part of any consultant or subcontractor employed in the performance of this contract.



MCKENNA

January 17, 2020

Mr. Charles Boulard, Director
City of Novi
Community Development
45175 W. Ten Mile Road
Novi, MI 48375-3024

Subject: Contract for Supplementary Inspection Services to the City of Novi, MI

Dear Mr. Boulard:

Thank you again for the opportunity to provide the City of Novi with supplementary inspection services. I believe we have built a strong relationship in serving the City of Novi with consistent and reliable quality service and look forward to continuing to do so.

Providing consistent service is one of the biggest challenges cities like Novi face – and we're happy to step in when needed. In order to ensure that our inspectors are available we will provide our inspectors for a minimum of half day and full day increments. In addition, we would like to discuss the possibility of establishing a regular schedule for our inspectors in Novi. It's more effective to add time to an inspector if they are already in the City two days a week.

We look forward to meeting with you and Mr. Butler in the next week or two to work through the logistics and set Novi up for success in 2020.

Respectfully submitted,

McKENNA

John R. Jackson, AICP
President

Enclosures

C. Mr. Larry Butler, Deputy Director, Community Development Department

HEADQUARTERS

235 East Main Street
Suite 105
Northville, Michigan 48167

☎ 248.596.0920
☎ 248.596.0930
MCKA.COM

Communities for real life.

CONTRACT SUPPLEMENTARY BUILDING AND TRADE INSPECTION SERVICES

This Agreement shall be considered as made and entered into as of the date of the last signature ("Effective Date"), and is between the City of Novi, a Michigan municipal corporation, whose address is 45175 Ten Mile, Novi, Michigan 48375, (hereinafter referred to as "Client"), and McKenna, Inc., whose address is 235 East Main Street, Suite 105, Northville, MI 48167, (hereinafter referred to as "Contractor").

THE CLIENT AND CONTRACTOR AGREE AS FOLLOWS:

Article I. Statement and Performance of Work.

For payment by the Client as provided under this Contract, Contractor shall provide the materials and perform the services described on and in Schedule A (the "Work"), which is attached hereto and made a part of this Contract by this reference, in a competent, accurate, efficient, timely, good, professional, thorough, complete and responsible manner, and in compliance with the terms and conditions set forth below.

Article II. Timing of Performance.

Performance of this Contract shall commence as of the date of the last signature and continue for one (1) year. Upon mutual consent of the Client and the Contractor, the contract may be renewed two (2) additional years in one (1) year increments.

Article III. Contract Price and Payment.

Subject to the terms and conditions of this Contract, the Client agrees to pay Contractor an amount services and materials as specifically set forth in the completed Proposal attached which is part of the attached Schedule A. Such payments are in exchange for and consideration of the timely and satisfactory performance and completion of the work required under and pursuant to this Contract. The Client agrees to pay Contractor amounts due within thirty (30) days of receipt of an itemized billing/invoice from Contractor detailing all materials provided and work performed in connection with the billing and the hours and charges applicable to each such item. Such itemized billings shall be submitted and shall be paid only upon satisfactory completion of the work itemized in the billing.

All costs and expenses incurred by Contractor under this Contract are deemed to be included in the amounts set forth in Schedule A. Contractor will obtain written approval of the Client prior to proceeding with any work that is not stated on Schedule A; otherwise, the Client will not be billed for such extra/additional work.

Payments shall be made upon verification of invoices received by the Client. All payments to Contractor shall be submitted by mail at Contractor's address first listed above, unless Contractor provides written notice of a change in the address to which such payments are to be sent.

Article IV: Termination.

A. 1. For cause: In the event that either party shall breach the terms and conditions of this Contract, the aggrieved party may notify the other party, in writing via certified

mail, of such breach and demand that the same be remedied within ten (10) days. If the defaulting party fails to remedy the breach as demanded, the aggrieved party shall then have the right to terminate by giving the defaulting party thirty (30) days written notice. In addition, if at any time a voluntary petition in bankruptcy shall be filed against either party and shall not be dismissed within thirty (30) days, or if either party shall take advantage of any insolvency law, or if a receiver or trustee of any of a party's property shall be appointed and such appointments shall not be vacated within thirty (30) days, the other party shall have the right, in addition to any other rights of whatsoever nature that it may have at law or in equity, to terminate by giving thirty (30) days notice in writing of such termination.

2. For convenience: The Client may terminate the agreement, in whole or in part, without showing cause upon giving thirty (30) days written notice to the Contractor. The Client shall pay all reasonable costs incurred by the Contractor up to the date of notice of termination. The Contractor will not be reimbursed for any anticipatory profits that have not been earned up to the date of notice of termination.

- B. In the event this Contract is terminated before completion, the Client shall not be responsible to make any further payments for work performed after the effective date of such termination, and shall pay Contractor for such materials as have been delivered and for such work as has been completed and is eligible for payment under the terms of this Contract through the date of such termination. In all events, the Client shall only be responsible to make the payments described in the preceding sentence if, at the Client's request, Contractor continues to fully perform its duties and obligations in full compliance with the terms of this Contract through the effective date of the termination.

Article V: Independent Contractor/Vendor Relationship.

- A. In the performance of this Contract, the relationship of Contractor to the Client shall be that of an independent contractor and/or vendor and not that of an employee or agent of Client. Contractor is and shall perform under this Contract as an independent contractor and/or vendor, and no liability or responsibility with respect to benefits of any kind, including without limitation, medical benefits, worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party as a result of the performance of this Contract.

Contractor, as an independent contractor and/or vendor, is not authorized to enter into or sign any agreements on behalf of the Client or to make any representations to third parties that are binding upon the Client.

- B. Contractor represents that it will dedicate sufficient resources and provide all necessary personnel required to perform the work described in Schedule A in accordance with the terms and conditions of this Contract. Except as may be specifically stated and agreed to in Schedule A, Contractor shall perform all of the work under this Contract and no other person or entity shall be assigned or sub-contracted to perform the work, or any part thereof, unless approved by the Client in advance.

Article VI: Liability and Insurance.

- A. The Consultant agrees to indemnify and hold harmless the City and its officers, agents, and employees from and against all claims, demands, suits liability, losses, damages, judgments, or costs (including reasonable attorney fees and costs) to the extent arising out of, or resulting from, the Consultant's tortious or negligent acts, errors, or omissions in performing this Agreement. The Consultant is not obligated to indemnify the City of the City's own negligence or that of any third party for which the Consultant is not responsible. The City shall provide reasonably prompt notice of any claim for which the City seeks to be indemnified and/or held harmless.
- B. Contractor shall provide evidence of adequate insurance coverage in the types and amounts set forth on Schedule A, which is attached hereto and incorporated herein by this reference. Such insurance shall be maintained at the specified level of coverage throughout the term of this Contract, including any extension of such term, and will cover all work, acts and omissions by and on behalf of Contractor in connection with this Contract, with the Client as named additional insureds, but with such coverage being primary and non-contributory as described in the attached Schedule A.

Article VII: **Information.**

It is expressly acknowledged and agreed that all reports, opinions, compilations, research work, studies, data, materials, artifacts, samples, documents, plans, drawings, specifications, correspondence, ledgers, permits, manuals, applications, contracts, accountings, schedules, maps, logs, invoices, billings, photographs, videotapes and all other materials generated by and/or coming into the possession of Contractor during the term of this Contract, and any extension thereof, that in any way relate to the performance of work by Contractor under this Contract or that are otherwise related or relevant to the work, belong exclusively to the Client and shall be promptly delivered to the Client upon the termination of this Contract or, at any time, upon the Client's request.

Article VIII: **General Provisions.**

- A. Entire Agreement. This instrument, together with the attached Schedules, contains the entire Contract between the Client and Contractor. No verbal agreement, conversation, or representation by or between any officer, agent, or employee of the parties hereto, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.
- B. Compliance with Laws. This Contract and all of Contractor's work and practices shall be subject to all applicable state, federal and local laws, ordinances, rules or regulations, including without limitation, those which apply because Client is a public governmental agency or body. Contractor represents that it is in compliance with all such laws and eligible and qualified to enter into this Contract.
- C. Governing Law. This Contract shall be governed by the laws of the State of Michigan.

- D. Assignment. Contractor shall not assign this Contract or any part thereof without the written consent of the Client. This Contract shall be binding on the parties, their successors, assigns and legal representatives.
- E. Third Parties. It is the intention of the parties hereto that this Agreement is not made for the benefit of any private third party. It is acknowledged that Client may receive a portion of the funding for the payments under this Contract from one or more private sources, and it is understood by Contractor that it is hired by Client to work exclusively for Client (and by extension for the Township should the work be accepted and implemented by the Township) and Contractor agrees that no private party or parties will be allowed to hold sway or influence, in any way, over Contractor's performance of the work.
- F. Notices. Written notices under this Contract shall be given to the parties at their addresses contained in this Contract by personal or registered mail delivery to the attention of the following persons:
 - Client: City Manager Peter E. Auger and City Clerk Cortney Hanson
 - Contractor: John R. Jackson, President
- G. Changes. Any changes in the provisions of this Contract must be in writing and signed by the Client and Contractor.
- H. Waivers. No waiver of any term or condition of this Contract shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.
- I. Jurisdiction and Venue of Contract. This Contract shall be considered for all purposes, including the establishment of jurisdiction and venue in any court action between the parties, as having been entered into and consummated in the City of Novi, Oakland County, Michigan.
- J. Conflict. In the event of any conflict or inconsistency between the above provisions of this Contract and either or both of the attached Schedules, the provisions in the above text shall govern.

IN WITNESS WHEREOF, the Client and the Contractor have executed this Contract in Oakland County, Michigan, as of the date last listed below.

WITNESS AND DATES
OF SIGNATURES:

CITY OF NOVI


Date: _____

By: Robert J. Gatt
Its: Mayor


Date: _____

By: Courtney Hanson
Its: Clerk

MCKENNA, INC.



Date: 1/17/2020



By: John R. Jackson
Its: President

1275476.3



CITY OF NOVI
SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS

FEE PROPOSAL

We, the undersigned as proposer, propose to furnish to the City of Novi, according to the specifications, terms, conditions and instructions attached hereto and made a part thereof:

PLAN REVIEW

Hourly Rate
(M-F; eight (8) hrs per day)

A. Building \$ 70.00

INSPECTION CATEGORIES

Hourly Rate
(Prior day notice)

Hourly Rate
(Same day notice)

B. Building \$ 70.00 \$ 72.50

C. Mechanical \$ 65.00 \$ 67.50

D. Plumbing \$ 65.00 \$ 67.50

E. Electrical \$ 65.00 \$ 67.50

ALTERNATES

F. Fire Alarm \$ 65.00 \$ 67.50

G. Fire Suppression \$ 65.00 \$ 67.50

We acknowledge receipt of the following Addenda: _____
(please indicate numbers)

Exceptions (all exceptions must be noted here, or on separate attached sheet):

Comments: _____

Non-Iran Linked Business

By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.

This proposal submitted by:

Company (Legal Registration) McKenna, Inc.

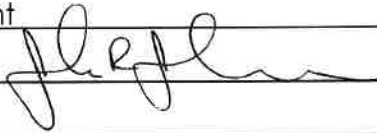
Address 235 East Main Street, Suite 105

City Northville State Michigan Zip 48167

Telephone (248) 596-0920 Fax (248) 596-0930

Authorized Agent's Name John R. Jackson, AICP

Authorized Agent's Title President

Authorized Agent's Signature 

E-mail jjackson@mcka.com

Date November 29, 2018



CITY OF NOVI
SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS
SPECIFICATIONS

OVERVIEW

The City of Novi is soliciting proposals from qualified and experienced firms to assist the Community Development Department with inspection and plan review services for commercial, residential and industrial projects in accordance with the State of Michigan Construction Codes on an as-needed basis. The qualified firms must be committed and strive to deliver excellence in customer service.

The intention of this document is to enter into a contract with one or more qualified firms in order to provide the necessary services and meet departmental demands. It is the intent of these specifications to cover the furnishing and delivery to the City of Novi supplementary building & trade inspection and review services for residential, commercial, and industrial buildings. The specifications cover the general requirements. Recommendations from proposers are encouraged and will be reviewed and evaluated based on the best interest of the City.

BACKGROUND

The City of Novi is a residential community in Oakland County Michigan with a population exceeding 58,000. The community includes important research, technical, service employers as well as educational institutions. It enjoys an excellent reputation in Southeast Michigan for its proactive government, community planning with many public parks and open space.

The City of Novi is a full service municipality. General information regarding the City is available at www.cityofnovi.org.

SCOPE OF WORK

Assist the Community Development Department with commercial, residential and industrial supplemental inspection and plan review services. The City can make no guarantees relating to the amount of work that will actually be available. The City reserves the right to have City staff perform any or all of this work at its discretion. The City may enter into a contract with one or more qualified firms in order to provide the necessary services and meet departmental demands.

- Customer service- the City of Novi is committed to excellence in customer service. Qualified firm team member(s) must provide knowledgeable, courteous, assist in improving and efficient customer service and strive to deliver quality customer service.

- Inspections must be for compliance with applicable portions of the State of Michigan Building, Plumbing, Mechanical, Electrical, Barrier Free Code, Energy Efficiency and referenced Fire Code Provisions.
- It is anticipated that needs may include one full time Building Inspector and Building Plans Examiner including trades for onsite services will be performed during normal business hours Monday-Friday; up to eight (8) hours per day; excluding Municipal holidays.
- Inspection services will include basic coordination with Plan Review, Clerical, Fire Review and Inspection and other Department inspection staff.
- Written notice of inspection left onsite for every inspection. Daily and remote entry of inspection results into BS&A Building Department.net software system. Computer access will be provided by the City of Novi.
- Supplemental inspection staff must be available a minimum of (1) hour a day (typically 8-9am) in the City of Novi Community Development offices for consultation with contractors and/or property owners. (may be waived at the discretion of the Building Official or designee)
- All inspection staff must have and maintain at all times registration in appropriate inspection areas in accordance with the provisions of Act 54 of the State of Michigan and must demonstrate compliance. ICC certification desired. The City shall not be responsible for time and/or cost for continuing education of inspection staff or maintenance of certifications and registration.
- Inspection staff must keep complete, well organized records of inspections including timely entry in tracking documents.
- Inspection staff must be able to conduct inspections, consult with the public and contractors and communicate with the public in an effective, respectful, helpful, and friendly and productive manner.
- Inspection services will be utilized on as a needed basis by the City up to and including full time if needed to provide the needed level of service. Inspection services are expected to be provided when the contractor is notified by 4pm the previous business day.
- The City will provide Code reference documents, a computer workstation, access to printer and printing supplies only. Inspection staff must be competent in Microsoft Word, and Excel, and able to quickly perform basic functions in BS&A Building Department.net. Staff will be required to sign and adhere to all City of Novi third party technology use and policy documents and standards.
- All inspection staff must provide cell phone access for City staff during service hours. This will be provided without cost to the City.
- Inspectors must submit for and pass a driver's license and background check. The City will provide a municipal vehicle for use to and from inspections only.
- The physical demands while performing the duties of this job regularly required to use his/her hands to finger, handle, or feel; reach with hands and arms; and talk or hear, frequently required to stand, walk, and sit, kneel, crawl, crouch, climb, or stoop, and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, color vision, distance vision, depth perception, and the ability to adjust focus.

REQUIREMENTS

- Inspection services must be provided as-needed on a next day schedule. Pricing is also requested for same-day service if needed.
- The successful firm must have experience with similar projects such as: hospitals, covered malls, large strip malls, medical office building, hotels, high hazard uses, mall tenant build-outs, industrial buildings, night clubs, restaurants, and churches.
- All inspectors must be registered under Act 54 in their appropriate fields.
- Ability to perform building, electrical, mechanical, plumbing, barrier free, energy code and referenced inspections and plan reviews, including trade reviews.
- The City of Novi Building Official or their designee shall have the right to approve or disapprove inspectors based on performance, attitude and communications with others, team's attitude, professionalism and other applicable criteria.
- City of Novi is committed to excellence customer service. Must demonstrated ability to consistently and effectively deliver a high level of quality customer service to all customers and visitors serviced by, as well as within in the City organization.
- Other duties as assigned.
- Follow inspections procedures as defined by supervisory staff.
- Set dress code – no contractor symbols.

PREFERRED QUALIFICATIONS

- ICC certified appropriate inspection fields
- Ability and certifications to perform Fire Alarm and Fire Suppression inspections.

PAYMENTS

Payments for services under this contract shall be made on an hourly basis. Benefits, supervisory time, administrative time, insurance, fuel surcharges, taxes, other overhead, profit and any other miscellaneous costs are **not** chargeable directly but are overhead and the cost will be included in the hourly rate(s). The City will not pay for travel time to the City offices at beginning of work day or travel time when leaving offices at end of work day.

WORKMANSHIP

All work under the resulting contract will be performed in a skillful and workmanlike manner and shall meet with the approval of the Building Official or his authorized representative.

REGULATIONS AND SAFETY GUIDELINES

All contractors and subcontractors performing services for the City are required and will comply with all Occupational Safety and Health Administration (OSHA), State and City Safety and Occupational Health Standards and any other applicable rules and regulations. Also, all contractors and subcontractors will be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this contract.

All contractors and subcontractors shall perform all work in accordance with applicable local, State and Federal laws, rules, and regulations, zoning and building codes, as well as M.I.O.S.H.A. guidelines in effect at the time of the project. The Contractor shall provide for the protection of the public, City employees, and the Contractor's own workers from work related hazards. Contractor shall also provide notification to the City's Representative and

personnel directly affected by the work of any potentially dangerous situations. In the event of an emergency affecting the safety of persons or property, the Contractor shall act immediately to prevent threatened loss or damage. The Contractor shall immediately stop any activity or operation affecting safety until the situation(s) is corrected.

SELECTION PROCESS

The City of Novi reserves the right to interview any number of qualifying firms as part of the evaluation process. The decision of which firm(s) to contact, if any, will be based on the evaluation criteria set forth herein, as determined in the evaluation process. Meetings with shortlisted proposers will provide additional information and criteria upon which the City will base its selection decision. The City of Novi reserves the right to select, and subsequently recommend for award, the proposed services which best meets its required needs, quality levels and budget constraints.

The City of Novi is not required to accept the lowest proposal in all or in part. The proposal award will not be based solely upon cost, but will be evaluated based upon criteria formulated around the most important features of the services, of which qualifications, experience, references, methodology, timelines or capacity, may be overriding factors. The proposal evaluation criteria should be viewed as standards, which measure how well a vendor's approach meets the desired requirements and needs of the City.

Proposals will be evaluated and ranked. The City of Novi reserves the right to reject any and all proposals to make an award based directly on the proposals. The firm selected for the award will be chosen on the basis of the apparent greatest benefit to the City, including but not limited to quality, longevity, compliance with applicable standards, vendor qualifications and experience and cost analysis.

1. Qualifications, Experience and Training

The firm shall have on staff personnel who have experience with similar projects. Outline why the City should select your firm to provide the required services. Provide a profile of your firm, including history. Firm should clearly identify who shall be assigned to this project and provide their credentials and experience.

2. Comparable Projects

Provide a list of comparable projects that have been successfully completed by your firm.

3. Methodology

Provide the firm's method of approach or work plan summary to meet the City's objectives. Include copy/copies of inspection checklists from a recent significant project (i.e. hospital, large medical office building, or hotel).

4. Capacity

Is staff accessible and available to assist the City with this project? Describe how your firm can provide resources to assist the City. State your capacity to perform the work as described.

5. References

Provide references for similar work performed by your firm including the staff that would be providing service to the City.

6. Cost Proposal

Present a SEPARATE SEALED fee proposal identifying an hourly rate for each of the inspection categories. Out-of-pocket expenses, administrative charges, and so on are to be included in hourly rate. Any travel time, etc., for which a contractor is obligated to pay his employee should be considered a part of overhead, and allowances for such, figured into the fee quoted to the City



**CITY OF NOVI
INSURANCE REQUIREMENTS
ATTACHMENT A**

1. The Contractor shall maintain at its expense during the term of this Contract, the following insurance:
 - a. **Worker's Compensation** insurance with the Michigan statutory limits and Employer's Liability insurance with minimum limits of **\$100,000** (One Hundred Thousand Dollars) each accident, **\$500,000** disease policy limit, and **\$100,000** disease each employee. (These are minimum limits.)
 - b. **Commercial General Liability Insurance** – The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance, Personal Injury, Bodily Injury and Property Damage on an "Occurrence Basis" with limits of liability not less than **\$1,000,000** (One Million Dollars) per occurrence combined single limit.
 - c. **Automobile Liability** insurance covering all owned, hired and non-owned vehicles with Personal Protection insurance to comply with the provisions of the Michigan No Fault Insurance Law including Residual Liability insurance with minimum bodily injury limits of **\$1,000,000** (One Million Dollars) each person and **\$1,000,000** (One Million Dollars) each occurrence and minimum property damage limits of **\$1,000,000** (One Million Dollars) each occurrence.
2. All policies shall name the Contractor as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice date to the City; alternately, contractor may agree to provide notice of such cancellation or reduction.
3. The City of Novi shall be named as Additional Insured for General Liability and Auto Liability. Certificates of Insurance evidencing such coverage shall be submitted to City of Novi, Purchasing Department, 45175 Ten Mile Road, Novi, Michigan 48375-3024 prior to commencement of performance under this Contract and at least fifteen (15) days prior to the expiration dates of expiring policies. A current certificate of insurance must be on file with the City for the duration of the contract. Said coverage shall be primary coverage rather than any policies and insurance self-insurance retention owned or maintained by the City. Policies shall be issued by insurers who endorse the policies to reflect that, in the event of payment of any loss or damages, subrogation rights under those contract documents will be waived by the insurer with respect to claims against the City.
4. The Contractor shall be responsible for payment of all deductibles contained in any insurance required hereunder.

5. If, during the term of this Contract, changed conditions or other pertinent factors should in the reasonable judgment of the City render inadequate insurance limits, the Contractor will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Contractor's expense, under valid and enforceable policies, issued by the insurers of recognized responsibility which are well-rated by national rating organizations and are acceptable to the City.
6. If any work is sublet in connection with this Contract, the Contractor shall require each subcontractor to effect and maintain at least the same types and limits of insurance as fixed for the Contractor.
7. The provisions requiring the Contractor to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Contractor under this contract.
8. The City has the authority to vary from the specified limits as deemed necessary.

ADDITIONAL REQUIREMENTS

HOLD HARMLESS/INDEMNITY

1. The Contractor agrees to fully defend, indemnify and hold harmless the City, its City Council, its officers, employees, agents, volunteers and contractors from any claims, demands, losses, obligations, costs, expenses, verdicts, and settlements (including but not limited to attorney fees and interest) resulting from:
 - A. Acts or omissions by the Contractor, its agents, employees, servants and contractors in furtherance of execution of this Agreement, unless resulting from the sole negligence and tort of the City, its officers, employees, agents and contractors.
 - B. Violations of state or federal law involving whether administrative or judicial, arising from the nature and extent of this Agreement.
 - C. The Contractor agrees to defend the City from and against any and all actions or causes of action, claims, demands or whatsoever kind or nature arising from the operations of the Contractor and due to the acts or omissions of the Contractor or its agents, including, but not limited to, acts of omissions alleged to be in the nature of gross negligence or willful misconduct. The Contractor agrees to reimburse the City for reasonable attorney fees and court costs incurred in the defense of any actions, suits, claims or demands arising from the operations of the Contractor under this Agreement due to the above-referenced acts or omissions.
2. The Contractor agrees that it is its responsibility and not the responsibility of the City of safeguard the property and materials used in performing this Contract. Further

the Contractor agrees to hold the City harmless for any loss of such property and materials used in pursuant to the Contractor's performance under this Contract.

3. The Contractor shall not discriminate against any employee, or applicant for employment because of religion, race, color, national origin, age, sex, height, weight, handicap, ancestry, place of birth, sexual preference or marital status. The Contractor further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 453) and will require a similar covenant on the part of any consultant or subcontractor employed in the performance of this contract.

MEMORANDUM



TO: PETE AUGER, CITY MANAGER
FROM: CHARLES BOULARD, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: BACKUP PLAN REVIEW AND INSPECTION SERVICES
DATE: DECEMBER 19, 2019

Background:

In addition to Code Compliance and Planning functions the Community Development Department reviews plans for and inspects all new and altered structures for compliance with the State of Michigan construction codes. These efforts support safe and high quality Economic Development. While always critical for the success of the investments, the current market conditions are particularly challenging and maintaining a high level of service is very important. The acute shortage of qualified craftsmen and supervision in the construction and development market challenges not only those contracting for and depending on the construction, but also puts us in competition with them for qualified staff.

While the interests of the residents and businesses are best served by a dedicated staff of qualified City employees there are times when additional resources are appropriate. This would include periods of vacation or medical absence of City staff as well as times increased need for service.

In December of 2018 the City successfully recruited and hired an appropriately skilled full time and qualified Building Inspector. This team member replaced the previous inspector working under contract with SAFEbuilt.

In the case of the trade inspections (plumbing, mechanical and electrical) and commercial plan review the current work load requires more than the current single full time inspector, but does not consistently justify a 2nd full time position with the associated costs and liabilities. In this situation the first and most economical solutions, in order of preference, are either overtime for existing staff or our small team of available part time employees. Where these resources are not available, the contract with SAFEBuilt provided the needed resources.

As you may recall, the previous SAFEBuilt contract neared expiration the City advertised for and received two (2) responses to a Request for Proposals. The proposals were evaluated and SAFEBuilt Michigan ranked first and was recommended for approval of a contract.

Although a revised SAFEBuilt Contract was approved by City Council in October 2018, the fact that the City successfully recruited and hired a full time Building Inspector with

a corresponding reduction in services from SAFEBuilt led the company to move to terminate the contract requiring the City to look elsewhere for supplementary services. These services terminated on December 24, 2018.

Working with Sue Morianti, the City's Purchasing Manager, Community Development solicited a revised proposal from McKenna and Associates with more advantages pricing. An additional proposal was secured from Code Enforcement Services (CES), part of Carlisle Wortman. CES was not among the summer 2018 bidders as they were not receiving proposal request notices from the Michigan Intergovernmental Trade Network (MITN). In both cases the service costs end up at or somewhat above those previously negotiated in the SAFEBuilt contract.

These proposals were evaluated and based on the qualifications and pricing staff recommends entering into a contract with both parties with the intent of utilizing the services of CES for supplementary Plan Review services and McKenna for supplementary Building and Trade Inspections.

Current Status:

Through the early fall of 2019 Community Development had only had to use the services of Carlyle Wortman and CES sporadically and thus far expenses have been well under the threshold for CC approval. The use of both providers has been very satisfactory to date. Increased requests for inspection and review services by our customers continued to accelerate during the late summer. Coupled with continued strong construction demand, was a long term and continuing health related absence of an inspector and another unanticipated vacancy. The cost to use these companies to maintain service levels will rise to the level where there is a need to formalize the relationship with these providers in the form of contracts.

Next Steps:

Typically, City Council has not had contact or interaction with building review and inspection providers and as such service contracts of this type have not been reviewed by the Consultant Review Committee. That said, we would be happy to present these for consideration should the Committee so desire. Community Development staff are have confirmed the willingness on the part of CES and McKenna to enter into contracts based on their previous proposals and we intend to bring agreements forward shortly. Current estimated anticipate a total annual maximum expense of \$65,000.00 for the two contracts based on expected absences and a timely filling of the Plumbing Inspector vacancy.

While there are certainly advantages for staff and in terms of logistics to having a single source for these services, the cost efficiency and expanded resources for servicing our customers makes facilitating a contract with both parties worthwhile. We are also diligently recruiting for our team of available part time inspectors from the standpoint of both cost effective fill in resources and building a strong bench of talent to address future retirements and vacancies.