



CITY of NOVI CITY COUNCIL

**Agenda Item 1
August 25, 2008**

SUBJECT: Approval of a contract amendment to FTC&H for additional construction engineering services for the Lanny's District Sanitary Sewage Lift Station and Force Main projects in the amount of \$18,430.42.

SUBMITTING DEPARTMENT: Engineering *RJH*

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$18,430.42 (From Water & Sewer Fund)
AMOUNT INCLUDED IN CIP	\$1,013,000
ADDITIONAL AMOUNT REQUIRED	\$18,430.42
LINE ITEM NUMBER	592-592.00-160.989

BACKGROUND INFORMATION:

Fishbeck, Thompson, Carr & Huber (FTC&H) was retained to provide design and construction engineering services for the Lanny's District Sanitary Sewage Lift Station and Force Main projects. The scope of the project at the time of engineering award in spring 2007 consisted of approximately \$1,540,000 of construction, but once the project was designed and during the course of construction, costs increased to over \$1,900,000. This was primarily due to added costs associated with meeting Providence Hospital's architectural and landscaping requirements for the lift station building, as well as higher than expected costs to directionally bore the nearly 2-mile long force main along the I-96 right-of-way. The total construction price paid to Midwest and L.M. Clarke under the two contracts totaled \$1,955,189.62.

For construction engineering services, FTC&H's fee is based on a fixed 4.44% of construction. FTC&H was initially awarded a fee of \$68,380 (4.44% of \$1,540,000). Based on the final construction price paid to the construction contractor, FTC&H's construction engineering fee should be adjusted to \$86,810.42 (4.44% of \$1,955,189.62), or an increase of \$18,430.42.

The increase in the amount of construction directly impacted the level of effort FTC&H expended performing construction phase engineering services for these two projects. Therefore, FTCH's fee increase request has merit and is recommended for approval.

RECOMMENDED ACTION: Approval of a contract amendment to FTC&H for additional construction engineering services for the Lanny's District Sanitary Sewage Lift Station and Force Main projects in the amount of \$18,430.42.

	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				

November 14, 2007
 Project Nos. G05264FM and G05264PS

Mr. Robert Hayes, P.E.
 City Engineer
 City of Novi
 45175 West Ten Mile Road
 Novi, MI 48375

Re: Lanny's Relief Sanitary Sewer Project Construction Engineering Services
 P.O. No. 63595
 GL# 592-000.00-160.989

Dear Mr. Hayes:

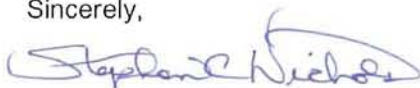
1515 Arboretum Dr., SE
 Grand Rapids, MI
 49546
 ph: 616.575.3824
 fax: 616.575.8155
 www.ftch.com

This letter is to request an increase to our approved budget for the referenced project. Fishbeck, Thompson, Carr & Huber, Inc.'s (FTC&H) contract with the City of Novi (City) stated that the construction engineering fees shall be based upon a percentage of the construction cost. P.O. No. 63595 included an estimated construction engineering fee of \$68,380 based on 4.44 percent of an estimated construction cost in the proposal of \$1,540,000. The approved construction cost based on current contract amounts is \$1,951,429.62. It should be noted that this construction is still ongoing and the final construction cost may change slightly in the future.

FTC&H is requesting that our construction engineering fee be increased to 4.44 percent of \$1,951,429.62 which equals \$86,643.48 based on our contract. This increase would be consistent with how our agreement with the City is structured.

If you have any questions or comments relative to this matter, please contact me at (616) 464-3944. Thanks you for your consideration in this matter.

Sincerely,



Stephen C. Nichols, P.E.

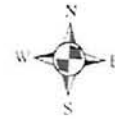
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By hand delivery

cc: Mr. Thomas L. Gray II, P.E. - FTC&H
 Ms. Karen E. Carnago, P.E. - FTC&H
 Mr. David P. Eno, P.E. - FTC&H



Figure 3
Proposed Force Main Route
(Alternatives 1 & 1A)



Legend

- Proposed Pump Station
- Existing Sanitary Mains
- Proposed Sanitary Mains

