



CITY of NOVI CITY COUNCIL

Agenda Item G
June 21, 2010

SUBJECT: Approval to award an amendment to the engineering services contract for additional construction phase services to Fishbeck, Thompson, Carr & Huber, Inc (FTCH) related to the Orchard Hill Place Reconstruction project in the amount of \$21,360.

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

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$21,360
AMOUNT BUDGETED	\$0
APPROPRIATION REQUIRED	\$21,360
LINE ITEM NUMBER	202-202.00-805.457

BACKGROUND INFORMATION:

Fishbeck, Thompson, Carr & Huber, Inc (FTCH) provided the engineering services for the Orchard Hills Place Reconstruction project. The construction phase services were awarded at the time of construction award in July 2008. FTCH's proposal included a fee of 4.89% of the construction contract (originally awarded at \$882,981.25) or \$43,178. FTCH is requesting additional fees for construction phase services resulting from additional inspection effort due to slow progress by the contractor (see November 20, 2009 FTCH letter).

FTCH is requesting an additional \$16,800 for additional inspection due to poor performance by the contractor. The contractor had several issues with traffic control and making progress toward project completion. Both caused numerous complaints by the adjacent businesses. These issues required constant attention by the consultant on behalf of the city. The contractor's original schedule contemplated 42 days for construction, but when completed, the contractor had worked 63 days on the project. The lengthy construction schedule resulted in more inspection days than would normally be anticipated for a project of this magnitude. (Note that this project was bid before the City began using crew days which would have caused a deduction for the additional inspection time from the contractor payment to offset the additional engineering costs). FTCH is also requesting an additional \$4,560 for additional effort by its material testing subconsultant resulting from the lengthened construction schedule, for a total fee increase of \$21,360.

FTCH's original request was submitted in December 2008 in the amount of \$31,650 but was denied by staff because it included approximately \$10,500 in additional inspection fees that should have been included in the original award amount. Staff also denied a separate request for additional fees in the amount of \$3,091 based on the increased construction value in favor of using the cost per inspection day to calculate the additional inspection fee.

The additional 21 construction days were above and beyond what would normally be anticipated for a project of this type and magnitude. The contractor's slow progress and difficulties with the project required additional inspection and material testing. Therefore, staff recommends the award of the additional \$21,360 in inspection and material testing fees.

RECOMMENDED ACTION: Approval to award an amendment to the engineering services contract for additional construction phase services to Fishbeck, Thompson, Carr & Huber, Inc (FTCH) related to the Orchard Hill Place Reconstruction project in the amount of \$21,360.

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

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

LOCATION MAP

Orchard Hill Place Reconstruction



CITY OF NOVI

ENGINEERING DIVISION

45175 W. TEN MILE ROAD

NOVI, MI 48375-3824

(248) 347-2454

MAP AUTHOR: BRIAN COBURN, P.E.



1 INCH EQUALS 300 FEET

FEET

MAP PRINT DATE: 2/15/08

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was created to meet National Map Accuracy Standards and use the most recent accurate sources accessible 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 122 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.

November 20, 2009
Project No. G080219CA

Mr. Brian Coburn, P.E.
Director of Engineering
City of Novi
26300 Delwal Drive
Novi, MI 48375

Re: City of Novi (City)
Orchard Hill Place Roadway Reconstruction Project
Construction Engineering (CE) Phase Extra Services

Dear Mr. Coburn:

This letter summarizes activities associated with the referenced project and the extra services performed by Fishbeck, Thompson, Carr & Huber, Inc. (FTC&H) during the CE phase of the project. The following paragraphs will summarize the project activities and outline the extra services provided by FTC&H.

Project Summary

The City issued a Request For Proposal for the design and CE services associated with the Orchard Hill Place Roadway Reconstruction project. FTC&H was awarded the design and CE contract by the City. We structured our proposal based on the design and bidding schedule provided and a reasonable construction timeframe. Our understanding of the City's desired schedule for the construction phase included an aggressive timetable to minimize "user delays" and inconvenience to business owners. Our design incorporated the City's requirements and included an added item of bidding an alternate for pathway improvements. We delivered the design and bidding documents on time and within budget.

The proposed design approach was to construct the project in a part-width (half of the road in each construction phase) manner with a forty-two (42) calendar day to reach substantial completion and a final completion time of sixty-seven (67) calendar days. Substantial completion is defined in construction contract as all work necessary to have the hot mix asphalt (HMA) base and leveling courses placed. Final completion is defined as the project considered totally complete including the restoration, wearing or top course of HMA, and the pavement markings. In addition to expediting the work, the construction schedule also served as a basis for the CE services budget in our proposal.

Nine bids were received for the project, with the low bid submitted by Washtenaw Inc. Maintenance Services (Washtenaw). Reference checks of Washtenaw's past performance revealed that slow production was an issue on some of their past projects. The past performance issues were reported to City staff; however, this was not considered a sufficient reason to prevent Washtenaw from being awarded the construction contract. During discussion with Washtenaw prior to recommending an award, they were reminded about the project's schedule requirements and were specifically asked if they could adequately perform the work within the desired time frame. Washtenaw acknowledged the schedule and was confident the work would be completed as required. On June 30, 2008, a recommendation letter was sent to the City summarizing our findings regarding Washtenaw's past performance. On July 7, 2008, the contract was awarded to Wastenaw.

ftc&h

engineers
scientists
architects
constructors

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Extra Services

At the pre-construction meeting, the project's schedule and maintaining traffic were topics of discussion. The Contractor presented their staging plan and reaffirmed their knowledge of the project. Washtenaw also acknowledged the contract requirements for the number of days allowed for substantial and final completion. Their schedule listed the major work items and the maximum number of days for substantial and final completion as specified in the Contract.

Soon after work began, it became evident that the Contractor was not handling the project in a desirable manner. The Contractor's staging plan in conjunction with the volume of traffic through the project resulted in delays during the first part of the project. FTC&H and City staff met with the Contractor to address the traffic flow concerns and offered to assist the Contractor in resolving them. As the work progressed, the amount of inconvenience to the public increased and the City began receiving numerous complaints from the businesses of Orchard Hill Place. This resulted in several onsite meetings between the Contractor, FTC&H, and the City. Some of these meetings included the City's Police Department, which expressed concern over access and potential safety issues. At these meetings, the Contractor agreed to revise staging plans and access to local businesses. Due to the Contractor's performance and corresponding large volume of complaints by business owners and residents, the City instructed FTC&H to provide an additional inspector on the project.

As the project continued, Washtenaw's production progress made it evident that they were not going to make their substantial completion date. The Contractor submitted a request for an extension of time for fifteen (15) days, primarily due to traffic volumes. The extension of time request was denied and Liquidation Damages were assessed per the Contract requirements

The following table has been compiled to illustrate the additional time required to complete the Contract which resulted in an increase in our CE fee:

Milestone Item	Date according to Contractor's Schedule	Number of Scheduled Days	Actual Date	Actual Days
Start Construction	August 18, 2008		August 19, 2008	
Substantial Completion	September 29, 2008	42 Days	October 21, 2008	63 Days
Final Completion	October 24, 2008	67 Days	October 23, 2008	65 Days

The Substantial Completion time of 63 days was 21 days over the requirements of the Contract. These 21 days equate to a 50 percent increase in the actual days the Contractor worked towards substantial completion of the project. Our CE proposal provided for 42 days of full-time inspection with one inspector. However, we were required to provide full-time inspection over the sixty-three (63) days it took for Washtenaw to reach substantial completion. Additionally, per the City's request, we provided an additional Inspector, beginning on September 11, 2008, for portions of five weeks, who spent over 150 hours onsite. Our extra services were beneficial to the project, as complaints from motorists and businesses lessened after our second Inspector was onsite.



Mr. Brian Coburn, P.E.
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 November 20, 2009

FTC&H could not anticipate the contractor taking an extra 21 days to complete the project or the contractor's onsite performance which resulted in the need for a second inspector. We responded to the situation that developed and worked with the City staff to address the issues. FTC&H is requesting a fee increase of \$21,360.53. The breakdown is as follows:

CE Services Breakdown	FTC&H	Testing Subconsultant	Total Amount
Original Budget	\$28,178.00	\$15,000.00	\$43,178.00
CE per Agreement 4.89% x \$946,187.45	\$31,268.57	\$15,000.00	\$46,268.57
Additional Inspection due to Contractor's performance - LD's 21 days x \$800/day	\$16,800.00		\$16,800.00
Testing effort associated with increased time		\$4,560.53	\$4,560.53
Fee Increase Totals	\$16,800.00	\$4,560.53	\$21,360.53
TOTALS	\$48,868.57	\$19,560.53	\$67,029.10

Originally requested, but not recommended by staff.

Total Fee increase recommended by staff.

Originally requested, but not recommended by staff.

If you have any questions or require additional information, please contact me at 248-324-2133.

Sincerely,

FISHBECK, THOMPSON, CARR & HUBER, INC.

Thomas L. Gray II, P.E.

pmb

By e-mail and U.S. Mail

- cc: Mr. Robert Hayes - City of Novi
- Mr. Aaron Staup - City of Novi
- Mr. Stephen C. Nichols, P.E. - FTC&H
- Mr. Paul J. Viles - FTC&H