



CITY of NOVI CITY COUNCIL

Agenda Item F
November 27, 2017

SUBJECT: Approval to award an engineering services agreement with Spalding DeDecker Associates for construction engineering services for the Dixon Road Sanitary Sewer Extension project (Contract Special Assessment District 182), in the amount of \$21,666.

SUBMITTING DEPARTMENT: Department of Public Services, Water and Sewer Division

CITY MANAGER APPROVAL: *[Handwritten signature]*

EXPENDITURE REQUIRED	\$ 21,666.00
AMOUNT BUDGETED	\$ 90,000.00
LINE ITEM NUMBER	592-592.00-976.043

BACKGROUND INFORMATION:

This project involves the construction of a sanitary sewer extension along the east side of Dixon Road, north of 12 Mile Road, to serve five properties as shown on the attached figure. This group of property owners approached the City about creating a Special Assessment District for this project. Initially, the property owners planned to fund and manage the project on their own, but as things progressed, they realized the true cost of the project, and decided they needed some assistance with the funding and coordination of the project. The project design was completed by Atwell, and was privately funded by the property owners. Staff then retained Spalding DeDecker Associates (SDA) to finalize the design and develop the project specifications for construction. The sanitary sewer will be a 12-inch High Density Polyethylene (HDPE) pipe installed by directional drilling methods, which will allow for the protection of many of the trees within the project limits.

All five property owners involved have signed the agreement, and Contract SAD 182 was approved by City Council at the October 23, 2017 meeting.

The construction phase engineering fees are determined using two components:

- 1) the contract administration fee, which is determined using the fee percentage in Exhibit B of the Agreement for Professional Engineering Services for Public Projects, and
- 2) the construction inspection fee determined using a cost per inspection (crew) day from Exhibit B of the consultant's agreement that is then multiplied by the number of days of inspection specified by the contractor.

The construction phase fees for this project include a contract administration fee of \$9,765.60 (7.5% of the \$130,208 construction bid) and an inspection fee of \$6,400 (\$640 per crew day, multiplied by the 10 days provided in the contractor's bid) for a total fee of \$16,165.60. Spalding DeDecker Associates also completed the project specifications, project manual, and bid documents (tasks that are typically awarded separately and prior to the construction phase award, but are being awarded now given that SDA was

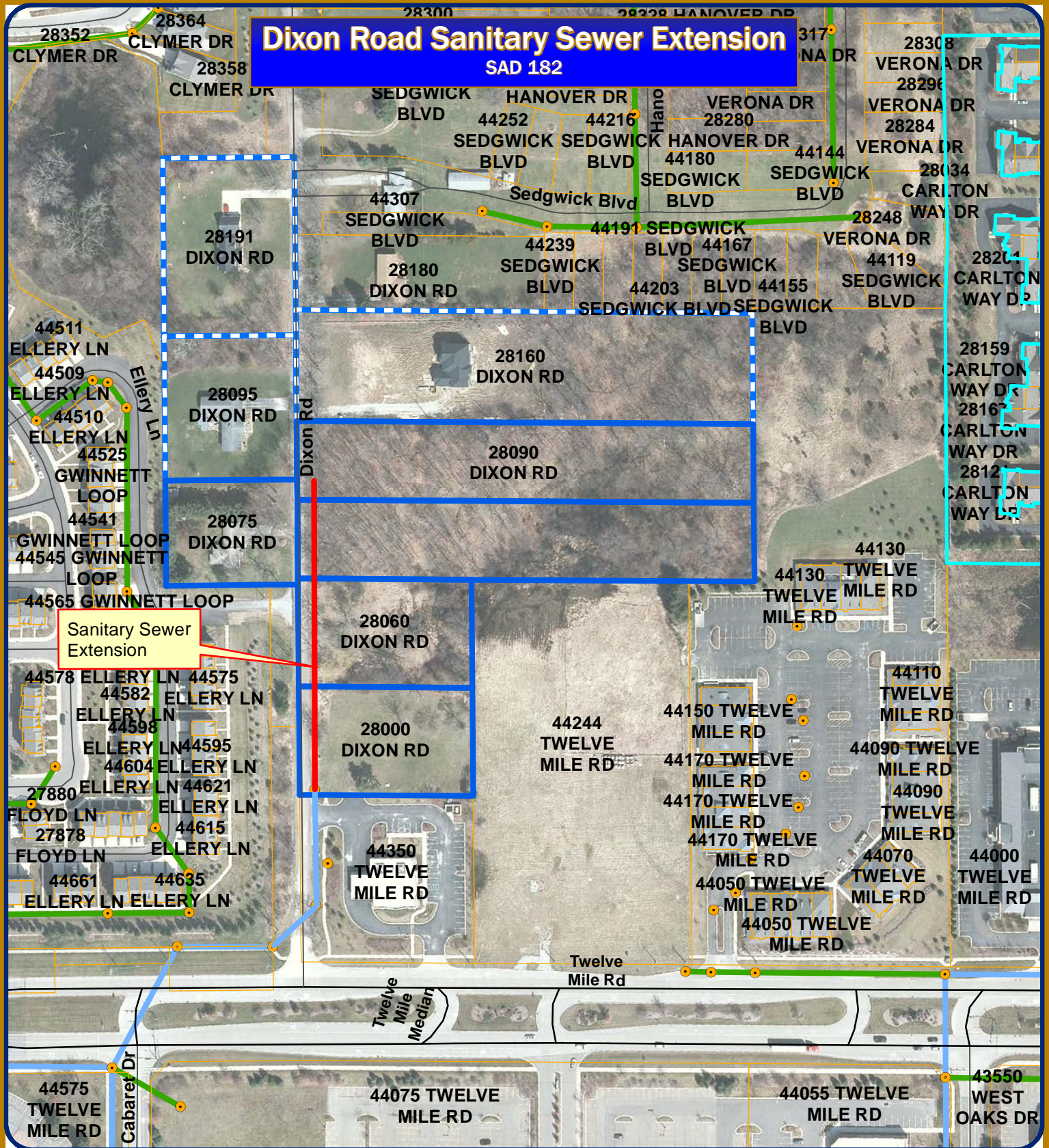
not retained for the project design by the City) for \$5,500. All of the above fees amount to \$21,665.60.

The construction contract award is proposed for consideration elsewhere on this agenda. It is anticipated that this project will be completed this winter with final completion and restoration in spring 2018.

RECOMMENDED ACTION: Approval to award an engineering services agreement with Spalding DeDecker Associates for construction engineering services for the Dixon Road Sanitary Sewer Extension project (Contract Special Assessment District 182), in the amount of \$21,666.

Dixon Road Sanitary Sewer Extension

SAD 182

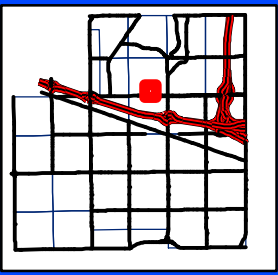


Map Author: Croy
 Date: 10/23/17
 Project: Dixon Sanitary (SAD 182)
 Version #: v2.0

MAP INTERPRETATION NOTICE
 Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi.
 Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.

Map Legend

- SAD 182
- No Sanitary Sewer Service
- 8-inch Sanitary Gravity Main
- 12-inch Sanitary Main



CITY OF NOVI
 Engineering Division
 Department of Public Services
 26300 Lee BeGole Drive
 Novi, MI 48375
 cityofnovi.org

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Scale: 1 inch = 200 feet

SUPPLEMENTAL PROFESSIONAL ENGINEERING SERVICES AGREEMENT

DIXON ROAD SANITARY SEWER EXTENSION
SPECIAL ASSESSMENT DISTRICT 182

This Agreement shall be considered as made and entered into as of the date of the last signature hereon, and is between the City of Novi, 45175 W. Ten Mile Road, Novi, MI 48375-3024, hereafter, "City," and Spalding DeDecker Associates, Inc., whose address is 905 South Boulevard East, Rochester Hills, MI 48307, hereafter, "Consultant."

RECITALS:

This Agreement shall be supplemental to, and hereby incorporates the terms and conditions of the AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES FOR PUBLIC PROJECTS, and attached exhibits, entered into between the City and the Consultant on December 17, 2012.

The project includes the preparation of project specifications, and construction phase services, for the Dixon Road Sanitary Sewer Extension, in accordance with the City's Special Assessment District process. Design plans were prepared by Atwell.

NOW, THEREFORE, in consideration of the foregoing, the City and Consultant agree as follows:

Section 1. Professional Engineering Services.

For and in consideration of payment by the City as provided under the "Payment for Engineering Services" section of this Agreement, Consultant shall perform the work described in the manner provided or required by the following Scope of Services, which is attached to and made a part of this Agreement as Exhibit A, all of said services to be done in a competent, efficient, timely, good and workmanlike manner and in compliance with all terms and conditions of this Agreement.

Exhibit A Scope of Services

Section 2. Payment for Professional Engineering Services.

1. Basic Fee.

- a. Design Phase Services: The Consultant shall complete a review of the design (design completed by Atwell) for a lump sum fee of \$ \$5,500, per the attached proposal dated September 21, 2017.
- b. Construction Phase Services: The Consultant shall complete the construction phase services as described herein according to the fee schedule as described below:
 - i. Contract Administration: The Consultant shall complete Contract Administration services for a lump sum fee of \$9,765.60, which is

7.50% of the awarded construction cost (\$130,208.00) as indicated on the Design and Construction Engineering Fee Curve.

- ii. Construction Inspection: The Consultant shall complete Construction Inspection services for \$640 per crew day as described in the request for proposals. "Crew days" shall be defined by the construction contract documents as an 8 hour day. Crew days shall be billed in 4 hour increments rounded to the next half day, therefore a 10 hour day shall be 1.5 crew days, a 3 hour day is 0.5 crew days, a 6 hour day shall be 1.0 crew days. The minimum crew day charged for a no-show by the contractor shall be 2 hours (0.25 crew days) which is reflective of the actual cost to the Consultant for traveling to the site and traveling back to the office. There will be no payment to the consultant for extra crew days that were not charged to the contractor. The Consultant acknowledges that intent of using crew days for inspection services is to provide a method for the consultant to recoup costs associated with slow progress by the contractor.

2. Payment Schedule for Professional Engineering Services Fee.

Consultant shall submit monthly statements for professional engineering services rendered. The statements shall be based on Consultant's estimate of the proportion of the total services actually completed for each task as set forth in Exhibit A at the time of billing. The City shall confirm the correctness of such estimates, and may use the City's own engineer for such purposes. The monthly statements should be accompanied by such properly completed reporting forms and such other evidence of progress as may be required by the City. Upon such confirmation, the City shall pay the amount owed within 30 days.

Final billing under this agreement shall be submitted in a timely manner but not later than three (3) months after completion of the services. Billings for work submitted later than three (3) months after completion of services will not be paid. Final payment will be made upon completion of audit by the City.

3. Payment Schedule for Expenses.

All expenses required to complete the scope of services described herein, including but not limited to costs related to mileage, vehicles, reproduction, computer use, etc., shall be included in the basic fee and shall not be paid separately. However, as compensation for expenses that are not included in the standard scope of services, when incurred in direct connection with the project, and approved by the City, the City shall pay the Consultant its actual cost times a factor of 1.15.

Section 4. Ownership of Plans and Documents; Records.

1. Upon completion or termination of this agreement, all documents prepared by the Consultant, including tracings, drawings, estimates, specifications, field notes, investigations, studies, etc., as instruments of service shall become the property of the City.

2. The City shall make copies, for the use of the Consultant, of all of its maps, records, laboratory tests, or other data pertinent to the work to be performed by the Consultant under this Agreement, and also make available any other maps, records, or other materials available to the City from any other public agency or body.

3. The Consultant shall furnish to the City, copies of all maps, records, field notes, and soil tests that were developed in the course of work for the City and for which compensation has been received by the Consultant.

Section 5. Termination.

1. This Agreement may be terminated by either party upon 7- days' prior written notice to the other party in the event of substantial failure by the other party to fulfill its obligations under this agreement through no fault of the terminating party.

2. This Agreement may be terminated by the City for its convenience upon 90 days' prior written notice to the Consultant.

3. In the event of termination, as provided in this Article, the Consultant shall be paid as compensation in full for services performed to the date of that termination, an amount calculated in accordance with Section 2 of this Agreement. Such amount shall be paid by the City upon the Consultant's delivering or otherwise making available to the City, all data, drawings, specifications, reports, estimates, summaries, and that other information and materials as may have been accumulated by the Consultant in performing the services included in this Agreement, whether completed or in progress.

Section 6. Disclosure.

The Consultant affirms that it has not made or agreed to make any valuable gift whether in the form of service, loan, thing, or promise to any person or any of the person's immediate family, having the duty to recommend, the right to vote upon, or any other direct influence on the selection of consultants to provide professional engineering services to the City within the two years preceding the execution of this Agreement. A campaign contribution, as defined by Michigan law shall not be considered as a valuable gift for the purposes of this Agreement.

Section 7. Insurance Requirements.

1. The Consultant shall maintain at its expense during the term of this Agreement, the following insurance:

- A. Worker's Compensation insurance relative to all Personnel engaged in performing services pursuant to this Agreement, with coverage not less than that required by applicable law.
- B. Comprehensive General Liability insurance with maximum bodily injury limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate and minimum Property Damage limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate.

- C. Automotive 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 occurrence and/or aggregate minimum property damage limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate.
- D. The Consultant shall provide proof of Professional Liability coverage in the amount of not less than \$1,000,000 (One Million Dollars) per occurrence and/or aggregate, and Environmental Impairment coverage.

2. The Consultant shall be responsible for payment of all deductibles contained in any insurance required hereunder.

3. If during the term of this Agreement changed conditions or other pertinent factors should in the reasonable judgment of the City render inadequate insurance limits, the Consultant will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Consultant'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.

4. All policies shall name the Consultant 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 to the City.

With the exception of professional liability, all insurance policies shall name the City of Novi, its officers, agents, and employees as additional insured. Certificates of Insurance evidencing such coverage shall be submitted to Sue Morianti, Purchasing Manager, City of Novi, 45175 West Ten Mile Road, Novi, MI 48375-3024 prior to commencement of performance under this Agreement and at least fifteen (15) days prior to the expiration dates of expiring policies.

5. If any work is sublet in connection with this Agreement, the Consultant shall require each subconsultant to effect and maintain at least the same types and limits of insurance as fixed for the Consultant.

6. The provisions requiring the Consultant to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Consultant under this Agreement.

Section 8. Indemnity and Hold Harmless.

A. The Consultant agrees to indemnify and hold harmless the City, its elected and appointed officials and employees, from and against any and all claims, demands, suits, losses and settlements, including actual attorney fees incurred and all costs connected therewith, for any damages which may be asserted, claimed or recovered against the City by reason of personal injury, death and/or property damages which arises out of or is in any way connected or

associated with the actions or inactions of the Consultant in performing or failing to perform the work.

The Consultant agrees that it is its responsibility and not the responsibility of the City to safeguard the property and materials used in performing this Agreement. Further, this Consultant agrees to hold the City harmless for any loss of such property and materials used pursuant to the Consultant's performance under this Agreement.

Section 9. Nondiscrimination.

The Consultant shall not discriminate against any employee, or applicant for employment because of race, color, sex, age or handicap, religion, ancestry, marital status, national origin, place of birth, or sexual preference. The Consultant 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 4563) and will require a similar covenant on the part of any consultant or subconsultant employed in the performance of this Agreement.

Section 10. Applicable Law.

This Agreement is to be governed by the laws of the State of Michigan and the City of Novi Charter and Ordinances.

Section 11. Approval; No Release.

Approval of the City shall not constitute nor be deemed release of the responsibility and liability of Consultant, its employees, associates, agents and subconsultants for the accuracy and competency of their designs, working drawings, and specifications, or other documents and services; nor shall that approval be deemed to be an assumption of that responsibility by the City for any defect in the designs, working drawings and specifications or other documents prepared by Consultant, its employees, subconsultants, and agents.

After acceptance of final plans and special provisions by the City, Consultant agrees, prior to and during the construction of this project, to perform those engineering services as may be required by City to correct errors or omissions on the original plans prepared by Consultant and to change the original design as required.

Section 12. Compliance With Laws.

This Contract and all of Consultants professional services and practices shall be subject to all applicable state, federal and local laws, rules or regulations, including without limitation, those which apply because the City is a public governmental agency or body. Consultant represents that it is in compliance with all such laws and eligible and qualified to enter into this Agreement.

Section 13. Notices.

Written notices under this Agreement shall be given to the parties at their addresses on page one by personal or registered mail delivery to the attention of the following persons:

City: Victor Cardenas, Interim Director of Public Services, and Courtney Hanson, City Clerk, with a copy to Thomas R. Schultz, City Attorney

Consultant: Cheryl Gregory, P.E., Vice President SDA

Section 14. Waivers.

No waiver of any term or condition of this Agreement 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.

Section 15. Inspections, Notices, and Remedies Regarding Work.

During the performance of the professional services by Consultant, City shall have the right to inspect the services and its progress to assure that it complies with this Agreement. If such inspections reveal a defect in the work performed or other default in this Agreement, City shall provide Consultant with written notice to correct the defect or default within a specified number of days of the notice. Upon receiving such a notice, Consultant shall correct the specified defects or defaults within the time specified. Upon a failure to do so, the City may terminate this Agreement by written notice and finish the work through whatever method it deems appropriate, with the cost in doing so being a valid claim and charge against Consultant; or, the City may preserve the claims of defects or defaults without termination by written notice to Consultant.

All questions which may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, and the interpretation of plans and specifications shall be decided by the City. All questions as to the satisfactory and acceptable fulfillment of the terms of this agreement shall be decided by the City.

Section 16. Delays.

No charges or claims for damages shall be made by the Consultant for delays or hindrances from any cause whatsoever during the progress of any portions of the services specified in this agreement, except as hereinafter provided.

In case of a substantial delay on the part of the City in providing to the Consultant either the necessary information or approval to proceed with the work, resulting, through no fault of the Consultant, in delays of such extent as to require the Consultant to perform its work under changed conditions not contemplated by the parties, the City will consider supplemental compensation limited to increased costs incurred as a direct result of such delays. Any claim for supplemental compensation must be in writing and accompanied by substantiating data.

When delays are caused by circumstances or conditions beyond the control of the Consultant as determined by the City, the Consultant shall be granted an extension of time for such reasonable period as may be mutually agreed upon between the parties, it being understood, however, that the permitting of the Consultant to proceed to complete the services, or any part of them, after the date to which the time of completion may have been extended, shall in no way operate as a waiver on the part of the City of any of its rights herein set forth.

Section 17. Assignment.

No portion of the project work, heretofore defined, shall be sublet, assigned, or otherwise disposed of except as herein provided or with the prior written consent of the City. Consent to sublet, assign, or otherwise dispose of any portion of the services shall not be construed to relieve the Consultant of any responsibility for the fulfillment of this agreement.

Section 18. Dispute Resolution.

The parties agree to try to resolve any disputes as to professional engineering services or otherwise in good faith. In the event that the parties cannot resolve any reasonable dispute, the parties agree to seek alternative dispute resolution methods agreeable to both parties and which are legally permissive at the time of the dispute. The parties agree to use their best efforts to resolve any good faith dispute within 90 (ninety) days notice to the other party. In the event the parties cannot resolve that dispute as set forth above, they may seek such remedies as may be permitted by law.

WITNESSES

Spalding DeDecker Associates, Inc.

By:
Its:

The foregoing _____ was acknowledged before me this ____ day of _____,
20____, by _____ on behalf of
_____.

Notary Public
_____ County, Michigan
My Commission Expires: _____

WITNESSES

CITY OF NOVI

By:

Its:

The foregoing _____ was acknowledged before me this ____ day of _____,
20____, by _____ on behalf of the City of Novi.

Notary Public
Oakland County, Michigan
My Commission Expires: _____

EXHIBIT A - SCOPE OF SERVICES

Consultant shall provide the City professional engineering services in all phases of the Project to which this Agreement applies as hereinafter provided. These services will include serving as the City's professional engineering representative for the Project, providing professional engineering consultation and advice and furnishing customary civil, structural, mechanical and electrical engineering services and customary engineering services incidental thereto, as described below.

A. Basic Services.

1. See attached.

B. Performance.

1. The Consultant agrees that, immediately upon the execution of this Agreement, it will enter upon the duties prescribed in this agreement, proceed with the work continuously, and make the various submittals on or before the dates specified in the attached schedule. The City is not liable and will not pay the Consultant for any services rendered before written authorization is received by the Consultant.
2. The Consultant shall submit, and the City shall review and approve a timeline for submission of plans and/or the completion of any other work required pursuant to this Scope of Services. The Consultant shall use its best efforts to comply with the schedule approved by the City.
3. If any delay is caused to the Consultant by order of the City to change the design or plans; or by failure of the city to designate right-of-way, or to supply or cause to be supplied any data not otherwise available to the Consultant that is required in performing the work described; or by other delays due to causes entirely beyond the control of the Consultant; then, in that event, the time schedules will be adjusted equitably in writing, as mutually agreed between the City and the Consultant at the moment a cause for delay occurs.
4. Since the work of the Consultant must be coordinated with the activities of the City (including firms employed by and governmental agencies and subdivisions working with the City), the Consultant shall advise the City in advance, of all meetings and conferences between the Consultant and any party, governmental agency, political subdivision, or third party which is necessary to the performance of the work of the Consultant.

September 21, 2017

Ben Croy, PE
Department of Public Services
City of Novi
26300 Lee BeGole Drive
Novi, Michigan 48375

**Re: Engineering Services for
Dixon Road Sanitary SAD**

Dear Mr. Croy:

Spalding DeDecker (SD) is pleased to provide the following proposal for engineering services for the sanitary sewer Special Assessment District (SAD) project along Dixon Road.

Project Understanding

It is our understanding that engineering design plans for the proposed sewer were submitted to the City initially as a privately funded project. This project has now become publicly managed as a Special Assessment District project.

Proposed Scope of Services

SD's scope will include:

- Prepare complete specifications to address payment of all items for City review.
- Prepare complete set of bid documents including plans (by others) and specifications.
- Respond to bidders inquiries, review bids, prepare recommendation for award.
- Prepare contracts for execution, review bonds and insurance.

Proposed Fees

Based on the plans being completed by others, we are prepared to complete the above-noted scope of services for the following lump sum fee:

Specifications and Bidding Services -	\$5,500.00
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Project Schedule

The following summarizes the anticipated schedule for the project:

<u>Milestone</u>	<u>Completed By</u>
Design Project Services Authorization	10/10/2017
90% Specifications	10/13/2017
100% Bid Package & Advertising	10/24/2017
Bid Opening	11/17/2017
Award by Council	11/27/2017

Thank you for your selection of SD to provide design services for the Dixon Road Sanitary Sewer SAD improvements. Please do not hesitate to contact me if you have any questions or comments regarding this submittal.

SPALDING DEDECKER ASSOCIATES, INC.



David Richmond, PE
Project Manager