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CITY of NOVI CITY COUNCIL

Agenda Item **D**
October 6, 2008

SUBJECT: Approval of the First Amendment to the Consulting Engineering Agreement with Orchard Hiltz & McCliment, Inc. for the Regional Basin Retrofit/Water Quality Improvement Project for the Taft and Bishop regional stormwater detention basins (no change in fee proposed).

SUBMITTING DEPARTMENT: Engineering *AH*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

The Regional Basin Retrofit/Water Quality Improvement Project for the Taft and Bishop regional stormwater detention basins was awarded to Orchard Hiltz & McCliment, Inc. (OHM) at the January 7, 2008 City Council meeting. The project is being funded through a 50% matching federal grant through the Rouge River National Wet Weather Demonstration Project. As a federally funded project, there are certain regulations pertaining to the language of the consulting engineering agreement which are specific to the calculation of the fees and differ from Novi's standard Consulting Engineering Agreement. The attached amendment has been prepared by the Engineering Department and the City Attorney's office to incorporate the required language into the contract.

There will be no change in engineering fees as a result of this amendment.

RECOMMENDED ACTION: Approval of the First Amendment to the Consulting Engineering Agreement with Orchard Hiltz & McCliment, Inc. for the Regional Basin Retrofit/Water Quality Improvement Project for the Taft and Bishop regional stormwater detention basins (no change in fee proposed).

	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				

September 19, 2008

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Brian Coburn, Civil Engineer
CITY OF NOVI
45175 West Ten Mile Road
Novi, Michigan 48375-3024

**Re: Regional Basin Retrofit/ Water Quality Improvement Project
First Amendment to Consulting Engineering Agreement
Our File No. 55142.NOV**

Dear Mr. Coburn:

We have received and reviewed the proposed First Amendment to the Consulting and Engineering Agreement for the Regional Basin Retrofit/Water Quality Improvement Project between the City and Orchard, Hiltz & McCliment. The Amendment has been prepared at the request of the Rouge River National Wet Weather Demonstration Project Office for compliance with the requirements of the federal grant provided for this project. The amendment revises the compensation provision to indicate that it is a "cost plus fixed fee contract." You have confirmed that the Wayne County Department of Environment, the administrator of the project, has approved the First Amendment and that the cost of the project remains unchanged. All previous terms of the original Agreement also remain unchanged.

We approve the format and content of the proposed First Amendment to the Consulting Agreement in the enclosed format.

If you have any questions regarding the above, please call me.

Very truly yours,



Elizabeth M. Kudla

EMK

Enclosure

cc: Maryanne Cornelius, City Clerk (w/Enclosure)
Rob Hayes, City Engineer (w/Enclosure)
Thomas R. Schultz, Esquire (w/Enclosure)

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**FIRST AMENDMENT TO THE
CONSULTING ENGINEERING AGREEMENT**

First Amended Agreement between the City of Novi, 45175 W. Ten Mile Road, Novi, MI 48375-3024, hereafter, "City," and Orchard Hiltz & McCliment, Inc., whose address is 34000 Plymouth Road, Livonia, MI 48150, hereafter, "Engineer," relating to modifications of the fee basis for engineering services.

Because federal regulations require that projects funded through the Environmental Protection Agency be structured such that costs are to be paid on a cost plus fixed overhead basis, the parties have agreed to amend the Consulting Engineering Agreement to reflect a change in the manner of calculating fees. The following sections of the Consulting Engineering Agreement, as made and entered into on April 3, 2008 shall be amended as follows:

Section 2. Payment for Engineering Services. Paragraph 1 (Basic Fee) and Paragraph 3 (Payment Schedule for Expenses) shall be deleted in their entirety and replaced with the following language:

Section 2. Payment for Engineering Services.

1. Budget.
Engineer's total fee for completing the project scope of work as described in Section 1 shall not exceed \$132,379, including fixed fees of up to 19,856.36.
2. *Unchanged*
3. Compensation.
The Engineer will perform professional services as described in Section 1 on an hourly cost plus federally approvable overhead not-to-exceed 1.82 plus fixed fee basis, with a Not-to-Exceed maximum fee stipulated as described herein. The consultant will bill labor costs for each hour of Engineer staff time spent on the project at the actual hourly salary cost of employees assigned, plus federally approvable overhead not-to-exceed 1.82 times salary to cover overhead and fringe benefits plus fixed fee. Subconsultants will be procured by the Consultant. Subconsultant staff shall be billed to Engineer on an hourly basis, using the actual hourly salary cost of the employees assigned plus an overhead rate time salary to cover overhead fringe benefits and a fee. The Subconsultant shall document this calculation in support of staff utilized.

Except as specifically set forth in this First Amendment, the Consulting Engineering Agreement remains in full force and effect.

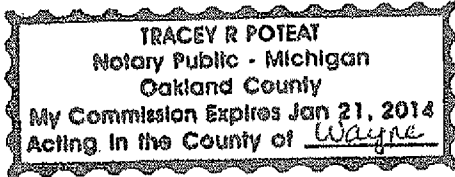
WITNESSES

Orchard, Hiltz & McCliment, Inc.

[Signature]

Vyto P. Kaunelis
By: _____
Its: _____

The foregoing Signature was acknowledged before me this 25th day of September, 2008, by Vyto P. Kaunelis on behalf of Orchard, Hiltz & McCliment, Inc.



Tracey R. Potent
Notary Public
Oakland County, Michigan
My Commission Expires: January 21, 2014

WITNESSES

CITY OF NOVI

By: _____
Its: _____

The foregoing _____ was acknowledged before me this ____ day of _____, 2008, by _____ on behalf of the City of Novi.

Notary Public
Oakland County, Michigan
My Commission Expires: _____