



CITY of NOVI CITY COUNCIL

Agenda Item B
January 5, 2009

SUBJECT: Approval of an engineering contract amendment to FTC&H for additional construction engineering services for the Pontiac Trail Water Main project in the amount of \$25,850 as a result of an increase in actual versus budgeted construction cost.

SUBMITTING DEPARTMENT: Engineering *RA*

CITY MANAGER APPROVAL: *PA for CJP*

EXPENDITURE REQUIRED	\$25,850 (From Water & Sewer Fund)
AMOUNT INCLUDED IN CIP	\$1,200,000
ADDITIONAL AMOUNT REQUIRED	\$25,850
LINE ITEM NUMBER	592-592.00-160.590

BACKGROUND INFORMATION:

FTCH has requested a construction engineering fee adjustment because the actual cost of constructing the Pontiac Trail Water Main project is higher than the estimated amount that was used to compute FTCH's fee in early 2006 (FTCH's December 22, 2008 letter, attached). The estimated value of construction before the project was designed was \$522,581; however, during the design it was determined that the following items needed to be included in the project's scope:

- 2,650 of 12" diameter pipe to replace failing 8" diameter asbestos-cement pipe.
- Secondary 12-inch water main connection at Westgate Apartments.
- Road crossing at West Park Drive.

As a consequence of these additional major work items, the value of construction has increased to \$939,510. The City's contract provides that the construction engineering fee will be 6.2% of the construction cost. At the February 21, 2006 Council meeting, FTCH was awarded a construction engineering fee of \$32,400 (6.2% of \$522,581). The revised fee should be \$58,250 (6.2% of \$939,510), or an increase of \$25,850.

This project's construction is substantially complete, with service connections, restoration work and final completion slated for spring 2009.

RECOMMENDED ACTION: Approval of an engineering contract amendment to FTC&H for additional construction engineering services for the Pontiac Trail Water Main project in the amount of \$25,850 as a result of an increase in actual versus budgeted construction cost.

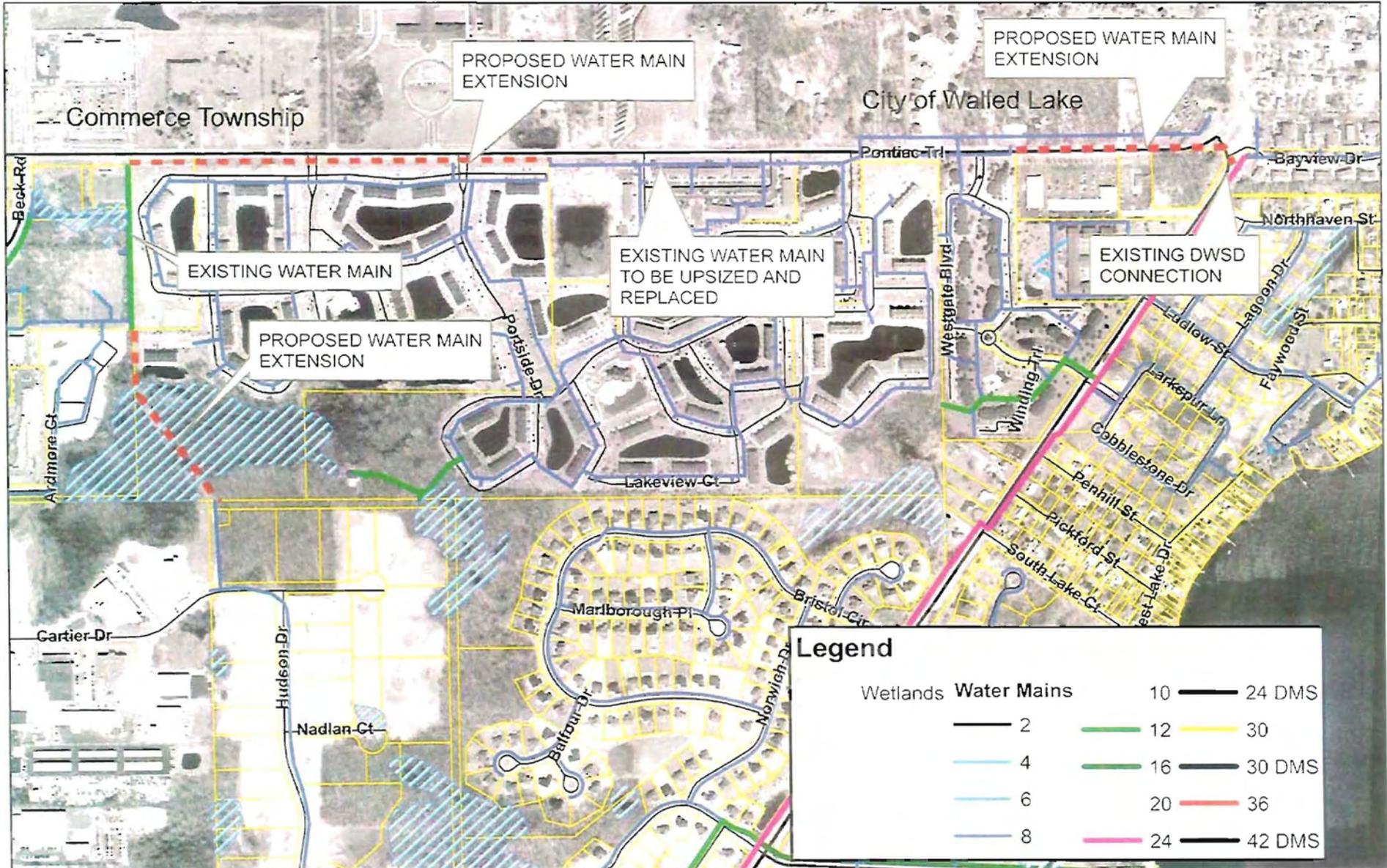
	1	2	Y	N
Mayor Landry				
Council Member Crawford				
Council Member Gatt				

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



PROJECT LOCATION

PONTIAC TRAIL WATER MAIN EXTENSION



December 22, 2008
Project No. G06201CA

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

Re: City of Novi (City)
Pontiac Trail Watermain Construction
Additional Construction Engineering Fee

Dear Mr. Hayes:

During the February 21, 2006, City Council Meeting, Fishbeck, Thompson, Carr & Huber, Inc. (FTC&H) was awarded a contract for the design and construction engineering of the referenced project. The contract was based on a scope identified in the Request For Proposal, with the construction engineering fee based on a percentage of construction costs. During the design process, several major items of work were added, increasing the scope of the project. As a result of these additional major work items, the value of the construction has increased to its current amount of \$939,510.

The City's contract states that the construction engineering fee will be 6.2 percent of the construction cost. FTC&H was awarded a construction engineering fee of \$32,400 (6.2 percent of \$522,581). The revised fee should be \$58,250 (6.2 percent of \$939,510), an increase of \$25,850.

If you have any questions or require additional information, please contact me at 248-324-2134 or mdstieler@ftch.com.

Sincerely,

FISHBECK, THOMPSON, CARR & HUBER, INC.



Michael D. Stieler, P.E.

krr

By e-mail and U.S. Mail

cc: Mr. Thomas L. Gray, II, P.E. - FTC&H
Mr. Stephen C. Nichols, P.E. - FTC&H

ftc&h

engineers
scientists
architects
constructors

39255 Country Club Dr.
Suite B-25
Farmington Hills, MI
48331
ph: 248.324.2090
fax: 248.324.0930
www.ftch.com

