

# CITY of NOVI CITY COUNCIL

**Agenda Item F**  
**July 7, 2008**

**SUBJECT:** Approval of the final balancing change order and final payment to Hard Rock Concrete, Inc. for Contract 1 of the 2007 Neighborhood Concrete Street Reconstruction project in the amount of \$4,802.37.

**SUBMITTING DEPARTMENT:** Engineering *RH*

**CITY MANAGER APPROVAL:** *[Signature]*

**BACKGROUND INFORMATION:**

The City's consulting engineer for this project (URS of Michigan) administered the first of two construction contracts for reconstructing concrete streets in the city in 2007. Contract 1 of the 2007 program included reconstructing these streets:

- Windridge Lane (Remington to Willingham)
- Ashford Circle (all)
- Devonshire Drive (all)
- Willingham Drive (all)
- Lathum Drive (all)

URS has executed and submitted the attached documents verifying the final contract payment amount that is due to the construction contractor, Hard Rock Concrete, Inc. of Westland, MI (URS's Final Pay Estimate No. 5 and Balancing Change Order, attached).

The concrete street reconstruction work performed by the contractor was in substantial compliance with the plans and specifications, and final payment in the amount of \$4,802.37 is appropriate. In addition, the City Attorney has reviewed supporting documentation and found it to be in an acceptable form. The original contract was approved at the June 18, 2007 City Council meeting in the amount of \$960,475. The final payment brings the total in construction expenditures on this project to \$952,014 (actual quantities were less than estimated).

**RECOMMENDED ACTION:** Approval of the final balancing change order and final payment to Hard Rock Concrete, Inc. for Contract 1 of the 2007 Neighborhood Concrete Street Reconstruction project in the amount of \$4,802.37.

	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				



May 29, 2008

Mr. Rob Hayes, PE – City Engineer  
City of Novi  
Engineering Department  
45175 W. Ten Mile Road  
Novi, MI 48375-3024

Reference: Pay Estimate #5 (FINAL)  
2007 Neighborhood Roads Program – Contract 1  
City of Novi Contract Number 062-416A  
URS Project Number 12940500

Dear Mr. Hayes:

Attached is Pay Estimate #5 (FINAL) and all close out paperwork for the 2007 Neighborhood Roads Program – Contract 1. This estimate covers work taking place on the project through May 29, 2008. The reported earnings for this period are \$0.00 but \$4,802.37 of retainage was released leaving the total amount retained on the project at \$0.00.

We recommend a FINAL payment to the contractor, Hard Rock Concrete, Inc. for the amount of **\$4,802.37**.

Please call me at (248) 521-9522 if you have any questions or wish to discuss the project.

Sincerely,

URS, Inc.

Jason D. Fisher, P.E.  
Construction Engineer

cc: Aaron Staup, City of Novi – Construction Coordinator  
Tony Grimaldi, Hard Rock Concrete  
Sean Kelsch, URS



# Construction Pay Estimate Report

5/29/2008 11:25 AM

FieldManager 4.3a

Contract: Contract One, 2007 Neighborhood Roads Program

<b>Estimate Date</b> 5/29/2008	<b>Estimate No.</b> 5	<b>Estimate Type</b> Final-Regular Contract	<b>Electronic File Created</b> No	<b>All Contract Work Completed</b> 10/26/2007	<b>Construction Started Date</b> 7/1/2007
<b>Prime Contractor</b> Hard Rock Concrete, Inc.			<b>Managing Office</b> URS Corporation		
<b>Comments</b> Final pay estimate. Please release retainage.					

## Pre-Voucher Summary


Project	Voucher No.	Item Payment	Stockpile Adjustment	Dollar Amount
1, Removal and replacement of concrete roadways within various	0005	\$0.00	\$0.00	\$0.00
<b>Voucher Total:</b>				<b>\$0.00</b>

## Summary

Current Voucher Total:	\$0.00	Earnings to date:	\$952,014.00
-Current Retainage:	(\$4,802.37)	- Retainage to date:	\$0.00
-Current Liquidated Damages:	\$0.00	- Liquidated Damages to date:	\$0.00
-Current Adjustments:	\$0.00	- Adjustments to date:	\$0.00
<b>Total Estimated Payment:</b>	<b>\$4,802.37</b>	<b>Net Earnings to date:</b>	<b>\$952,014.00</b>
		- Payments to date:	\$952,014.00
		<b>Net Earnings this period:</b>	<b>\$0.00</b>

## Estimate Certification

I certify the items included on this report constitute my estimate of work completed and due the contractor as of the date of this document. I also certify the prime contractor is meeting all requirements for minority percentages and the payrolls are current.

  
 \_\_\_\_\_  
 Jason Fisher (Project Engineer) and/or

5-24-08  
 \_\_\_\_\_  
 (Date)

  
 \_\_\_\_\_  
 Rob Hayes (Delivery/Resident Engineer)

6/4/08  
 \_\_\_\_\_  
 (Date)

**CONSENT OF  
SURETY COMPANY  
TO FINAL PAYMENT  
AIA DOCUMENT G707**

Owner \_\_\_\_\_  
Architect \_\_\_\_\_  
Contractor \_\_\_\_\_  
Surety \_\_\_\_\_  
Other **10041163**

**PROJECT: 2007 Neighborhood Roads Program Contract 1**  
(name, address)

**TO: (Owner)**  
**City of Novi**  
**45175 West 10 Mile Rd**  
**Novi, MI 48375-3024**

**ARCHITECT'S PROJECT NO:**

**CONTRACT FOR: Contract Bond**

**CONTRACT DATE:**

**CONTRACTOR:**  
**Hard Rock Concrete, Inc.**  
**38146 Abruzzi Drive**  
**Westland, MI 48185**

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the  
**The Guarantee Company of North America USA**  
**25800 Northwestern Hwy, Suite 720**  
**Southfield, Michigan 48075**

**, SURETY COMPANY**

on bond of (here insert name and address of Contractor)  
**Hard Rock Concrete, Inc.**  
**38146 Abruzzi Drive**  
**Westland, Michigan 48185**

**, CONTRACTOR,**

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not  
relieve the Surety Company of any of its obligations to (here insert name and address of Owner)

**City of Novi**  
**45175 West 10 Mile Rd**  
**Novi, Michigan 48375-3024**

**, OWNER,**

as set forth in the said Surety Company's bond.

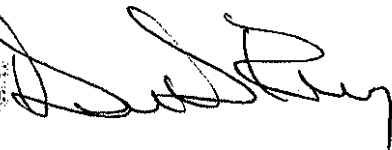
**IN WITNESS WHEREOF,**

the Surety Company has hereunto set its hand this **12th** day of **May,** **2008**

Surety Company  
**The Guarantee Company of North America  
USA**

  
Signature of Authorized Representative

Attest:  
(Seal):



**Susan L. Belloli - Attorney-In-Fact**  
Title

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBTS AND CLAIMS, Current Edition.



THE GUARANTEE COMPANY OF NORTH AMERICA USA  
Southfield, Michigan

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS: That THE GUARANTEE COMPANY OF NORTH AMERICA USA, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

**T. J. Griffin, Susan L. Belloli, William A. Pirret, John L. Budde, Steven K. Brandon,  
Terence J. Griffin  
Griffin, Smalley & Wilkerson, Inc.**

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon THE GUARANTEE COMPANY OF NORTH AMERICA USA as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of THE GUARANTEE COMPANY OF NORTH AMERICA USA at a meeting held on the 31<sup>st</sup> day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 31<sup>st</sup> day of December 2003, of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, THE GUARANTEE COMPANY OF NORTH AMERICA USA has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 21<sup>st</sup> day of April, 2006.



THE GUARANTEE COMPANY OF NORTH AMERICA USA

Stephen Dullard, Vice President

STATE OF MICHIGAN  
County of Oakland

On this 21<sup>st</sup> day of April, 2006 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn, said that he is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



Cynthia A. Takai  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires February 27, 2012  
Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

I, Randall Musselman, Secretary of THE GUARANTEE COMPANY OF NORTH AMERICA USA, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by THE GUARANTEE COMPANY OF NORTH AMERICA USA, which is still in full force and effect.

IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 12 day of May 2008



Randall Musselman, Secretary

**FULL UNCONDITIONAL WAIVER**

My/Our Contract with Hard Rock Concrete to provide

concrete  
(describe work done or materials provided)

for the improvement of property described as:

2007 Neighborhood Roads Program, Contract #1  
City of Novi, Michigan  
Contract Number: 062-416A

having been fully paid and satisfied, all my/our construction lien rights against such property are hereby waived and released.

By:

Doan Companies -  
(Company Name)  
[Signature]  
(Signature of Company Officer)

Paul D. Rauch, Reg. Manager  
(Printed Name and Title of Company Officer)

Doan Companies  
3670 Carpenter Rd., Ypsi 48197  
(Company Address)

734-971-4678  
(Company Telephone Number)

13 May, 2008  
(Date Signed)

## CONTRACTOR'S AFFIDAVIT OF INDEBTEDNESS

*This information required and filed with the Michigan Department of Transportation pursuant to provisions of 1.09, 10 of the MDOT's Standard Specifications for Construction. Penalty for failure to supply this information will result in funds being withheld.*

CONTRACT ID NUMBER <i>City of Novi 2007 Neighborhood Roads Project - Contract 1</i>	
COUNTY <i>Oakland Co.</i>	DATE OF CONTRACT WITH <i>June 20, 2007</i>
CONTRACTOR <i>Hardrock Concrete, Inc.</i>	NAME OF CONTRACTOR'S AUTHORIZED REPRESENTATIVE <i>Rocco Grimaldi - V.P.</i>

AMOUNT OWED FOR LABOR, MATERIAL, AND SUPPLIES ON THIS PROJECT	
TO WHOM	AMOUNT
<i>Doan Companies 3670 Carpenter Rd. Ypsilanti, MI 48197 (734) 971-4678</i>	<i>\$ 719,139.58</i>

AMOUNT OWED TO SUBCONTRACTORS AS RETAINAGES ON THIS PROJECT	
TO WHOM	AMOUNT
<i>Ø</i>	<i>Ø</i>

Disputed claims against the contractor for labor, materials, and supplies used on this project:	
TO WHOM	AMOUNT
<i>Ø</i>	<i>Ø</i>

As the authorized contractor representative, I state that all labor, material, and supplies used in this construction have been paid for by this Contractor with the exception of those items listed here, including retainages withheld from subcontractors on this project. These retainages will not be paid by the contractor to the subcontractor until final payment based upon final quantities, as determined by the Department of Transportation, has been made to the contractor by the Department of Transportation. Attached are Waivers of Lien from all other approved subcontractors for work performed on this project.

CONTRACTOR REPRESENTATIVE AUTHORIZED SIGNATURE <i>Rocco Grimaldi</i>	TITLE <i>V.P.</i>	DATE <i>5/14/08</i>
SUBSCRIBED AND SWORN TO BEFORE ME ON THIS DATE <i>May 14, 2008</i>	NOTARY PUBLIC <i>Cynthia J. Mininni</i>	
COUNTY <i>Wayne Co.</i> , Michigan	My COMMISSION EXPIRES (Date) <i>06-05-2013</i>	

**CYNTHIA J. MININNI**  
 Notary Public, State of Michigan  
 County of Wayne  
 My Commission Expires 06-05-2013  
 Acting in the county of *Wayne*

June 5, 2008

RECEIVED  
JUN 09 2008  
CITY OF NOVI  
FINANCE

30903 Northwestern Highway  
P.O. Box 3040  
Farmington Hills, MI 48333-3040  
Tel: 248-851-9500  
Fax: 248-851-2158  
www.secrestwardle.com

Suzanne Moreno, Finance Department  
City of Novi  
45175 West Ten Mile Road  
Novi, Michigan 48375

**Re: 2007 Neighborhood Roads Program – Contract No. 1  
Hard Rock Concrete. – Closing Documents  
Our File No. 55142 NOV**

Elizabeth M. Kudla  
Direct: 248-539-2846  
bkudla@secrestwardle.com

Dear Ms. Moreno:

We have received and reviewed the closing documents you have provided for the 2007 Neighborhood Roads Program- Contract No. 1 consisting of the following:

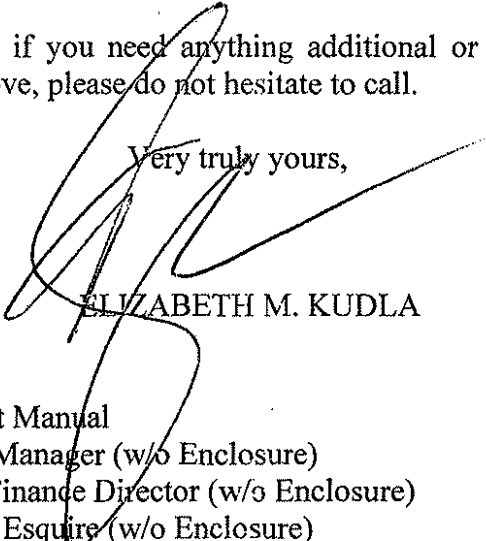
- Final Pay Estimate No. 5
- Maintenance and Guarantee Bond
- Contractor's Affidavit of Indebtedness
- Consent of Surety
- Waiver of Lien

It appears the City Engineer has signed Final Pay Estimated No. 5 confirming the amount of the Final Pay Estimate. The documents appear to be in order except that the Subcontractor's Affidavit appears to indicate approximately \$719,000.00 is owed to a subcontractor on this project. The contractor should provide additional information clarifying this issue.

Please note we have included our copy of the original executed contract, including the original Maintenance and Guarantee Bond for the City's file.

Please let us know if you need anything additional or if you have any questions regarding the above, please do not hesitate to call.

Very truly yours,



ELIZABETH M. KUDLA

EMK

Enclosure: Original Project Manual

cc: Clay Pearson, City Manager (w/o Enclosure)  
Kathy Smith-Roy, Finance Director (w/o Enclosure)  
Thomas R. Schultz, Esquire (w/o Enclosure)

C:\NrPortbl\manage\BKUDLA\1083210\_1.DOC



# HARDROCK CONCRETE

*Over 40 Years of Experience*

City of Novi  
Attn: Aaron Staup  
Construction Engineering Coordinator  
45175 W. Ten Mile Road  
Novi, Michigan, 48375

June 10, 2008

Re: Novi 2007 Neighborhood Roads Program -- Contract 1  
Contractor's Affidavit of Indebtedness

Aaron Staup,

I received your request for further explanation of the amount shown on the Contractor's Affidavit of Indebtedness that was included in the contract closing papers for Contract 1, which was signed on May 14, 2008.

Upon further review, I found that the number shown was not entirely wrong, but just an oversight on our behalf. Doan's records do not differentiate between the two contracts: it's all under "Novi 2007" and was overlooked by us here at Hardrock when we submitted our Closing Documents. The amount shown; \$719,139.58, represents the amount we paid for concrete on both Contract 1 AND Contract 2. I've broken it down below by contract:

- Contract 1: \$288,546.13 07/05/08 – 08/18/08
- Contract 2: \$430,596.45 08/20/08 – 11/08/07

Also, the Contractor's Affidavit asked for "Amount Owed." I understood this to be the amount paid, not the amount still owing. It was just a misinterpretation of what information was need. Hardrock Concrete has paid everything owed to Doan for both Contract 1 and Contract 2 (please see Full Unconditional Waiver, which was also submitted in the same package of closing documents).

I've enclosed a revised and newly signed Contractor's Affidavit of Indebtedness showing the correction for your records. I've also attached a copy of Doan's A/R Paid Inquiry Report that shows all the payments we made on both Contract 1 and Contract 2 up to May 12, 2008.

I apologize for the confusion and hope this explanation clears up any and all concerns. If you have further questions, please do not hesitate to contact me.

Sincerely,



**Cynthia Mininni**  
Office Manager  
Hardrock Concrete, Inc.

# CONTRACTOR'S AFFIDAVIT OF INDEBTEDNESS

This information required and filed with the Michigan Department of Transportation pursuant to provisions of 1.09, 10 of the MDOT's Standard Specifications for Construction. Penalty for failure to Supply this information will result in funds being withheld.

CONTRACT ID NUMBER <i>City of Novi 2007 Neighborhood Roads Project - Contract 1</i>	
COUNTY <i>Oakland Co.</i>	DATE OF CONTRACT WITH <i>June 20, 2007</i>
CONTRACTOR <i>Hardrock Concrete, Inc.</i>	NAME OF CONTRACTOR'S AUTHORIZED REPRESENTATIVE <i>Rocco Grimaldi - V.P.</i>

**AMOUNT OWED FOR LABOR, MATERIAL, AND SUPPLIES ON THIS PROJECT:**

TO WHOM	AMOUNT
	<i>0</i>

**AMOUNT OWED TO SUBCONTRACTORS AS RETAINAGES ON THIS PROJECT**

TO WHOM	AMOUNT
	<i>0</i>

**Disputed claims against the contractor for labor, materials, and supplies used on this project:**

TO WHOM	AMOUNT
	<i>0</i>

As the authorized contractor representative, I state that all labor, material, and supplies used in this construction have been paid for by this Contractor with the exception of those items listed here, including retainages withheld from subcontractors on this project. These retainages will not be paid by the contractor to the subcontractor until final payment based upon final quantities, as determined by the Department of Transportation, has been made to the contractor by the Department of Transportation. Attached are Waivers of Lien from all other approved subcontractors for work performed on this project.

CONTRACTOR REPRESENTATIVE AUTHORIZED SIGNATURE <i>Rocco Grimaldi</i>	TITLE <i>V.P.</i>	DATE <i>6/10/08</i>
SUBSCRIBED AND SWORN TO BEFORE ME ON THIS DATE <i>June 10, 2008</i>	NOTARY PUBLIC <i>Cynthia J Mininni</i>	
COUNTY <i>Wayne Co.</i> , Michigan	My COMMISSION EXPIRES (Date) <i>06-05-2013</i>	

CYNTHIA J MININNI  
Notary Public, State of Michigan  
County of Wayne  
My Commission Expires 06-05-2013  
Acting in the county of *Wayne*

05/12/2008  
11:20 am

A/R Paid Inquiry From 01/13 ( 6 Thru 05/12/2008

Page ( 2

Customer: 01523 - HARD ROCK CONCRETE  
38146 ABRUZZI DR  
WESTLAND, MI 48185

Contact Info: TONY GRIMALDI PHONE (734) 641-3333  
FAX (734) 641-7270  
CELLULAR (734) 564-3366

Tag: JUNE 03

NOV1  
Contract 1 & 2

Trans Doc Nbr	Reference Nbr	Job Description	Loc	Job Nbr	Doc Date	Payment	Adjustment	UnApplied	Applied	Last Pmt	St	TxCd
INVC	161868	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/13/2007				(6576.24)	08/31/2007	MI	10
INVC	161973	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/16/2007				(11683.32)	08/31/2007	MI	10
INVC	162250	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/20/2007				(30782.40)	08/31/2007	MI	10
INVC	162375	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/23/2007				(5666.76)	08/31/2007	MI	10
INVC	162587	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/25/2007				(20638.20)	08/31/2007	MI	10
INVC	162664	2007 NEIGHBORHOOD ROADS PROGRA	003	000073	07/26/2007				(3218.16)	08/31/2007	MI	10
									(719139.58)			

Total paid  
All payments made on  
~~this job~~ from June 1<sup>st</sup> 2007 - May 31'08  
both jobs