

CITY of NOVI CITY COUNCIL

Agenda Item C
September 8, 2008

SUBJECT: Approval of the final payment in the amount of \$14,704.00 to Reliance Building Company for the Hudson District Sanitary Lift Station Improvement Project, located on the east side of Meadowbrook Road just north of I-96.

SUBMITTING DEPARTMENT: Engineering *RA*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

The City's consulting engineer for this project (Stantec) administered the construction contract with Reliance to make improvements to the Hudson District Sanitary Lift Station. The project included replacing pumps, upgrading electrical and structural components, and enhancing system instrumentation and controls.

Stantec has executed and submitted the attached documents verifying the final contract payment amount that is due to the construction contractor, Reliance Building Company of Novi (Stantec's Final Pay Estimate No. 5 dated July 14, 2008, attached).

The sanitary lift station construction work performed by the contractor was in substantial compliance with the plans and specifications, and final payment in the amount of \$14,704.00 is appropriate. In addition, the City Attorney has reviewed supporting documentation and found it to be in an acceptable form, with the exception of some minor revisions that have since been made.

The original contract was approved at the February 5, 2007 City Council meeting in the amount of \$97,700.00. The final payment brings the total in construction expenditures on this project to \$114,927.00. Two change orders were issued on this project totaling \$17,227. One change order was for \$11,258 and covered the addition of an emergency electrical disconnect, and televising the influent sewer to determine the cause of excessive inflow of water into the station when bypass pumping was underway. The second change order amount was \$5,969 and was for an emergency repair to the influent sewer, which - as a result of the TV inspection - was discovered to have a break that allowed groundwater to infiltrate into the lift station wet well. The break was a pre-existing condition that was only detected upon conducting bypass pumping as a part of the construction process.

RECOMMENDED ACTION: Approval of the final payment in the amount of \$14,704.00 to Reliance Building Company for the Hudson District Sanitary Lift Station Improvement Project, located on the east side of Meadowbrook Road just north of I-96.

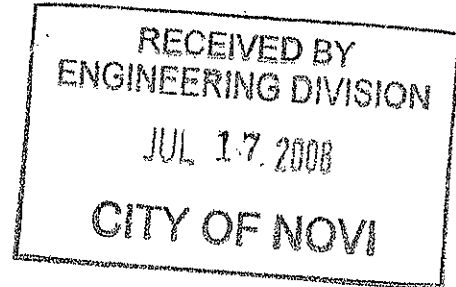
	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

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



Stantec Consulting Michigan Inc.
3959 Research Park Drive
Ann Arbor MI 48108-2216
Tel: (734) 761-1010
Fax: (734) 761-1200

Stantec



July 14, 2008
File: 2075105200 Task 210.001

City of Novi Engineering Department
45175 W Ten Mile Road
Novi, Michigan 48375-5683

Attention: Mr. Rob Hayes, P.E., City Engineer

Dear Mr. Hayes:

Reference: Hudson Sanitary Lift Station Improvements
Engineer's Certificate No. 5

Enclosed please find attached two (2) copies of final Engineer's Certificate No. 5 for the period ending June 16, 2008. During this period the contractor has completed General Conditions, grouted the new access hatch, completed all electrical and controls work, completed the sewer repair work associated with Change Order #2, and completed all outstanding punch list items. Additionally, the Contractor has provided a Consent of Surety to Final Payment from their bonding company and provided Full Unconditional Waivers from all subcontractors and suppliers. We recommend final payment in the amount of Fourteen Thousand Seven Hundred and Four and 00/100 Dollars (\$14,704.00).

Please send one (1) copy of the Engineer's Certificate with payment to Reliance Building Company. If you have any questions or need additional information, please do not hesitate to contact us.

Sincerely,

STANTEC CONSULTING MICHIGAN INC.

Aaron A. Uranga, P.E.
Senior Project Engineer
Tel: (734) 214-1863
Fax: (734) 761-1200
aaron.uranga@stantec.com

Attachment: Engineer's Certificate No. 5 (2 copies)
Contractor's Sworn Statement (2 Copies)
Consent of Surety to Final Payment (2 Copies)
Full Unconditional Waivers (2 Copies)
Maintenance and Guarantee Bond (2 Copies)

c. Aaron Staup, Novi
Jeff Robinette, Reliance Building Company
File



Stantec

3959 Research Park Drive
Ann Arbor, Michigan 48108-2219
734-761-1010
734-761-1200 (Fax)

DATE: July 14, 2008

ENGINEER'S CERTIFICATE

No: 5 Project No.: 2075105200 Task 210.001 Period Ending: June 16, 2008

CONTRACTOR: Reliance Building Company
26200 Town Center Drive Suite 195
Novi, MI 48375

CONTRACT FOR: Hudson Sanitary Lift Station Improvements

OWNER: City of Novi
45175 W Ten Mile Road
Novi, Michigan 48375-5683

SUMMARY

ORIGINAL CONTRACT AMOUNT		\$	<u>97,700.00</u>
NET CHANGE BY CHANGE ORDERS 1-2		\$	<u>17,227.00</u>
CURRENT CONTRACT AMOUNT		\$	<u>114,927.00</u>
TOTAL EARNED ON CONTRACT TO DATE		\$	<u>114,927.00</u>
COUNTERCHARGES			
a. Retentions	<u>0</u> %	\$	<u>-</u>
b. Deductions	<u> </u> %		<u> </u>
		TOTAL COUNTERCHARGES	\$ <u>-</u>
NET TOTAL DUE		\$	<u>114,927.00</u>
PREVIOUS PAYMENTS MADE		\$	<u>100,223.00</u>
BALANCE DUE THIS PAYMENT		\$	<u>14,704.00</u>

RECOMMENDED BY:

Aaron A. Uranga, P.E.
Project Engineer

OK

TO (OWNER) : City of Novi, Michigan-
Engineering Division
45175 West Ten Mile
Novi, Michigan 48375

PROJECT : Hudson Sanitary Pump Station
Improvements September, 2007
Novi, MI

APPLICATION NO : 5
PERIOD TO : 6/16/08
DISTRIBUTION TO :
 OWNER
 ARCHITECT
 CONTRACTOR

FROM (CONTRACTOR) : Reliance Building Company
26200 Town Center Drive
Suite 195
Novi, MI 48375

VIA (ARCHITECT) : Stantec Consulting Michigan, Inc.
3959 Research Park Drive
Ann Arbor, Michigan 48108

ARCHITECT'S PROJECT NO :
CONTRACT DATE : 12/3/07

CONTRACT FOR : General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

CHANGE ORDER SUMMARY		
Change Orders approved in previous months by Owner	ADDITIONS	DEDUCTIONS
TOTAL	11,258.00	0.00
Approved this Month		
Number	Date Approved	
2	5/15/2008	5,969.00
TOTALS		17,227.00
Net change by Change Orders		17,227.00

1. ORIGINAL CONTRACT SUM	\$	97,700.00
2. Net change by Change Orders	\$	17,227.00
3. CONTRACT SUM TO DATE	\$	114,927.00
4. TOTAL COMPLETED & STORED TO DATE	\$	114,927.00
(Column G on G703)		
5. RETAINAGE:		
a. 10% of Cmp Work, 5% Max	\$	4,885.00
(Column D+E on G703)		
b. 10% of Stored Material	\$	0.00
(Column F on G703)		
Total Retainage (Line 5a+5b or Total in Column I of G703)	\$	0.00
6. TOTAL EARNED LESS RETAINAGE	\$	114,927.00
(Line 4 less Line 5 Total)		
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT		
(Line 6 from prior Certificate)		
	\$	100,223.00
8. CURRENT PAYMENT DUE	\$	14,704.00
9. BALANCE TO FINISH, PLUS RETAINAGE	\$	0.00
(Line 3 less Line 6)		

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Reliance Building Company

By: 

Date: 6/16/08

State of: _____ County of: _____
Subscribed and sworn to before me this _____ day of _____, 20____
Notary Public:
My Commission expires: _____

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED\$ _____

(Attach explanation if amount certified differs from the amount applied for)

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use column I on Contracts where variable retainage for line items may apply.

**Hudson Sanitary Pump Station
 Improvements
 Novi, MI**

APPLICATION NUMBER: 5
 APPLICATION DATE: 6/16/08
 PERIOD TO: 6/16/08
 ENGINEER'S PROJECT NO: 2075105200

A ITEM NO. (DIVISION NUMBER)	B DESCRIPTION OF WORK	C SCHEDULED VALUE	E WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)		H BALANCE TO FINISH (C-G)	I RETAINAGE (10%)
			D FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD		% (G/C)			
	Division 1: Gen. Requirements								
1.00	Bonds & Insurance	1,500.00	1,500.00	0.00	0.00	1,500.00	100%	0.00	0.00
1.00	General Conditions	16,000.00	14,750.00	1,250.00	0.00	16,000.00	100%	0.00	0.00
1.00	Site Mobilization	2,000.00	2,000.00	0.00	0.00	2,000.00	100%	0.00	0.00
	Division 2: Site Improvements								
2.01	Bypass Pumping	15,000.00	15,000.00	0.00	0.00	15,000.00	100%	0.00	0.00
2.03B	Selective Demolition: Hatch	2,500.00	2,500.00	0.00	0.00	2,500.00	100%	0.00	0.00
	Division 5: Miscellaneous Metals								
5.05	Install New Hatch	2,000.00	1,800.00	200.00	0.00	2,000.00	100%	0.00	0.00
	Division 9: Finishes								
9.1	Painting	1,200.00	1,200.00	0.00	0.00	1,200.00	100%	0.00	0.00
	Division 15: Mechanical								
15.01	Labor/Rigging	9,000.00	9,000.00	0.00	0.00	9,000.00	100%	0.00	0.00
15.02	Install Pumps and Piping	18,000.00	18,000.00	0.00	0.00	18,000.00	100%	0.00	0.00
15.02	Misc. Materials	3,000.00	3,000.00	0.00	0.00	3,000.00	100%	0.00	0.00
	Division 16: Electrical								
16.01	Misc Elect. & Labor	10,500.00	10,000.00	500.00	0.00	10,500.00	100%	0.00	0.00
16.12	Instrumentation & Controls	17,000.00	15,250.00	1,750.00	0.00	17,000.00	100%	0.00	0.00
	Change Order 1								
	Bulletin No. 1	3,486.00	3,486.00	0.00	0.00	3,486.00	100%	0.00	0.00
	Control Enclosure Disconnect	999.00	999.00	0.00	0.00	999.00	100%	0.00	0.00
	Bulletin No. 2	6,773.00	6,773.00	0.00	0.00	6,773.00	100%	0.00	0.00
	Change Order 2								
	Sewer Leak Repairs	5,969.00	0.00	5,969.00	0.00	5,969.00	100%	0.00	0.00
	TOTAL	114,927.00	105,258.00	9,669.00	0.00	114,927.00	100%	0.00	0.00



July 29, 2008

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

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

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

**Re: Hudson Sanitary Sewer Lift Station Improvements
Reliance Building Company – Closing Documents
Our File No. 55142 NOV**

Dear Ms. Moreno:

We have received and reviewed the closing documents you have provided for the Hudson Sanitary Sewer Lift Station Improvements consisting of the following:

- Final Pay Estimate No. 5
- Engineer's Certificate
- Maintenance and Guarantee Bond
- Sworn Statement
- Consent of Surety
- Waivers of Lien

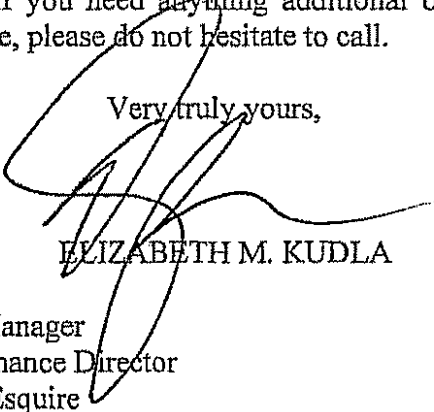
It appears that the City Engineer has reviewed and revised the accuracy of Final Pay Estimated No. 5 as set forth in the Engineer's Certificate. The documents appear to be generally in order with the following minor exceptions:

1. The second page of the Consent of Surety does not appear to be executed in any way.
2. The Notarized Sworn Statement form should be revised as follows:
 - a. The sentence referring to the Liber and page of the Notice of Commencement should be removed.
 - b. The second full paragraph states that this document contains a "listing" of subcontractors, suppliers and laborers. The referenced "list" should be attached to the document.

- c. The fourth and sixth full paragraphs should be deleted as there is no "notice of commencement."
3. The Maintenance and Guarantee Bond should be revised as follows:
 - a. The Application for Payment identifies the date of the Contract for this Project as December 3, 2007, while the Maintenance and Guarantee Bond identifies it as October 23, _____. The correct and complete Contract date should be inserted in the Bond.
 - b. Per the Engineer's Certificate, the cost of the improvements appear to be \$ 114,927.00, while the Maintenance and Guarantee Bond is in the amount of \$97,700.00. Engineering should confirm the correct bond amount.
4. The Full Unconditional Waivers of Lien should be revised as follows:
 - a. The second full paragraph of each and every Waiver is unintelligible and the subcontractor should circle the correct word from each phrase to complete the paragraph. Alternatively, the Contractor should provide a different form of Waiver of Lien.
 - b. Each signatory should print his or her name and title below his or her signature.

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

cc: Clay Pearson, City Manager
Kathy Smith-Roy, Finance Director
Thomas R. Schultz, Esquire