



# CITY of NOVI CITY COUNCIL

**Agenda Item C**  
**March 22, 2010**

**SUBJECT:** Approval of Change Order No. PE-10594 to AKT Peerless in the not-to-exceed amount of \$28,045 to provide implementation services for the City of Novi's Energy Efficiency and Conservation Strategy.

**SUBMITTING DEPARTMENT:** Green Venture Team/Grant Compliance Subcommittee *puta*

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

<b>EXPENDITURE REQUIRED</b>	<b>\$28,045 (Not-to-exceed)</b>
<b>AMOUNT BUDGETED</b>	<b>Off-set by grant proceeds (\$533,100)</b>

**BACKGROUND INFORMATION:** On March 13, 2010 the City of Novi received authorization from the Department of Energy (DOE) to begin obligating the balance of remaining EECBG grant funds to implement the respective projects as specified within the Energy Efficiency and Conservation Strategy (EECS) approved by City Council on December 21, 2009. The City of Novi contracted with AKT Peerless last September to develop an EECS pursuant to the requirements of the grant as well as provide for continued implementation services to include developing bid specifications, contractor selection and oversight as well as assistance with applying for DTE Energy Utility Optimization Rebates. A detailed summary of the scope of services requested by this change order is attached with the total cost not exceeding \$28,045.

A summary of the final approved grant award (cost of implementation assistance and on-going reporting included within the respective project allocations) is as follows:

Activity/ECM	Final DOE Award Amount	Summary
Energy Efficiency Retrofits	\$430,155	In addition to the respective energy retrofits to be completed within various City facilities, also includes \$27,700 for the Civic Center duct work audit as well as \$12,530 for on-going reporting and \$28,045 for implementation assistance.
Energy Efficiency and Conservation Program	\$ 5,000	Install a Civic Center dashboard display at the Civic Center for public outreach. The dashboard will display the Civic Center energy model on a continuous loop, energy savings and energy program updates.
Non-Motorized Pathway/Sidewalk Master Plan	\$50,000	To identify through a Master Plan approach a program to link current and future pathways, sidewalks and trails within the City.
EECS Development	\$47,945	\$60,475 was awarded to AKT Peerless on September 28, 2009 of which \$47,945 was awarded to develop EECS and \$12,530 for on-going reporting.
Total	\$533,100	

In order to meet the spending requirements of the grant, the above projects **must** be obligated or committed no later than March 6, 2011 and all funds must be expended by September 6, 2012.

A chronological summary of the remaining EECBG milestones is as follows:

- ✦ **Within 18 Months after Award**
  - All funds **must** be obligated or committed. Each project approved for funding must be competitively bid in accordance with federal procurement requirements.
- ✦ **Within 24 Months after Award**
  - First Annual Report is due to the DOE.
- ✦ **Within 36 Months after Award**
  - All funds **must** be expended.
- ✦ **Within 48 Months After Award**
  - Second annual report is due to the DOE. Project performance will be monitored by the DOE to ensure acceptable performance for **all** awards.

**RECOMMENDED ACTION:** Approval of Change Order No. PE-10594 to AKT Peerless in the not-to-exceed amount of \$28,045 to provide implementation services for the City of Novi's Energy Efficiency and Conservation Strategy.

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

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

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**From:** Neumaier, Marina  
**To:** Willis, Casey <willisc@oro.doe.gov>  
**Cc:** Jeremy McCallion <McCallionJ@aktpeerless.com>; Cauchi, Patricia; Antil, Pam; Smith-Roy, Kathy  
**Sent:** Mon Mar 15 07:51:58 2010  
**Subject:** RE: EECBG Award: Novi, MI  
Good Morning Casey,

We will be executing the documents immediately and return to you via email this week.

Great news - we are very anxious to begin working on our projects!

Marina Neumaier

Assistant Finance Director  
City of Novi  
248-347-0468  
[mneumaier@cityofnovi.org](mailto:mneumaier@cityofnovi.org)

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**From:** Willis, Casey [mailto:willisc@oro.doe.gov]  
**Sent:** Saturday, March 13, 2010 12:39 PM  
**To:** Neumaier, Marina  
**Subject:** EECBG Award: Novi, MI

3/16/2010

Marina,

The amendment-001 to obligate funds for Novi, MI has been approved. Please review your award documents. After review, please complete blocks 22, 23, 24 of the Assistance Agreement form. Return this form to me within five business days (PDF version via email), if possible.

Thank you,

*Casey Willis*  
Contract Specialist  
U.S. Department of Energy  
Federal Building  
P.O. Box 2001  
Oak Ridge, TN 37831

Phone: 865 574-1322  
Email: [willisc@oro.doe.gov](mailto:willisc@oro.doe.gov)



February 10, 2010

Ms. Marina Neumaier  
City of Novi  
Assistant Finance Director  
45175 W. Ten Mile Road  
Novi, MI 48375

**Subject: City of Novi's EECS Change Order  
PE-10594**

Dear Ms. Neumaier:

AKT Peerless Environmental & Energy Services (AKT Peerless) is pleased to present its change order to provide consulting services for the City of Novi's Energy Efficiency Conservation Strategy (EECS).

This change order itemizes the following services: 1) owner's representation services to assist with bid specifications, contractor selection and oversight; and 2) consulting services for Novi's Energy Office. These services are based upon the EECS that was submitted to the Department of Energy to meet the requirements of the Energy Efficiency and Conservation Block Grant (EECBG).

For your convenience, this change order is presented in a form that can be accepted as an agreement. To accept this change order, please sign the signature page and return a copy to me.

It has been a pleasure working with you during the development of the EECS and we look forward to providing further services to assist the City of Novi with meeting their energy efficiency and conservation goals.

If you have any questions or require additional information, please contact us at (248) 615-1333.

Sincerely,

**AKT PEERLESS ENVIRONMENTAL & ENERGY SERVICES**

A handwritten signature in black ink, appearing to read 'Jeremy McCallion'.

Jeremy McCallion, LEED AP  
Senior Project Manager

**PROPOSED SCOPE OF WORK  
CITY OF NOVI'S EECS CHANGE ORDER**

**I. INTRODUCTION**

The scope of services for this change order is to provide consulting services for the City of Novi's Energy Efficiency Conservation Strategy (EECS). The following scope of services is based on the EECS that was submitted to the Department of Energy to meet the requirements of the Energy Efficiency and Conservation Block Grant (EECBG) program.

**II. SCOPE OF WORK**

The following Scope of Work includes owner's representation and energy office services.

**IIA. Owner's Representation Services**

**IIA1. Pre-Construction Services**

1. With Owner and Design Team, develop interaction protocol (contacts, deliverables, etc.) to set expectations for entire process and minimize subsequent misunderstandings.
2. Consult with, advise, assist and make recommendations to the Owner and Design Team on all aspects of planning for the project construction.
3. With the advice and consent of the Owner and Design Team, formalize a development schedule to meet the completion date required for the project. Include preliminary determination of constructions sequence, pending input from selected subcontractors.
4. Provide cost and constructability input at schematic design phase to assist the Design Team in designing the project to meet predetermined budget.
5. Deliver to the Owner and Design Team a list of long lead items, which are recommended for early purchase. Coordinate purchasing, ordering, and timely delivery of long lead items.
6. Review the Construction Documents and advise and make recommendations with respect to such factors as construction feasibility, economics, availability of materials, labor, time requirements, procurement, construction and project cost. Assist in coordination of all elements of the Construction Documents without assuming any of the Design Team's responsibilities for design.
7. Prepare interim estimates of construction and project costs at the completion of the schematic design, design development and construction documents phases. Utilizing documents prepared by the Design Team and approved by the Owner. Feedback this information to the Design Team and owner to continually "realign" scope with predetermined budget.
8. Work with the Owner and Design Team during the Design Phases and provide Value Engineering of various systems and components.

9. Assist the Design Team and Owner in evaluating materials, methods, systems, for compatibility of design intent and user function. Recommend substitutions as appropriate.
10. Review the Construction Documents with the Design Team to clarify any areas of possible conflict and overlaps in the work to be performed.
11. Assist the Owner in the selection of contractor(s) through bid evaluation and contractor interviews as required. Deliver recommendations to the Owner for award of contract for each portion of the work.
12. Deliver to the Owner and Design Team a list of proposed subcontractors which the contractor recommends to be solicited to bid upon various elements of the work, as well as recommendations for any portions of the work which should be negotiated or released for early bid in order to achieve the earliest completion date and most economical cost of construction.
13. In conjunction with the Design Team, promptly solicit bids from approved subcontractors.
14. With Design Team input, generate voluntary alternates to propose cost-saving solutions to deliver the most cost-effective building without sacrifice to quality or program goals.
15. Develop the "front end" of the project specifications which will outline the project requirements, including but not limited to, federal requirements, anticipated schedule, and other general bid/project information for contractors and subcontractors.

#### **IIA2. Construction and Post Construction Services**

1. Establish procedures for the organization of the project with the advice and consent of the Owner and Design Team and implement these procedures including, but not limited to, submittals, meeting minutes, and other documents.
2. Schedule and conduct progress meetings to assure the orderly continuity of the work. Provide periodic updates of the project schedule, as well as a more precise two-week schedule to keep all parties abreast of project progress. Act as liaison between contractors and owner to ensure owner's needs are addressed.
3. Coordinate the work as it is being performed until project closeout and acceptance by the Owner to assure that the materials furnished and work performed are in accordance with the construction documents.
4. Refer all questions relative to the interpretation of the design intent and the construction documents to the Design Team.
5. Review project shop drawings, submittals, and material samples for compliance.
6. Actively work the schedule to plan material deliveries, contractor mobilization, and sequencing considerations to maintain overall project delivery date.
7. Continually manage construction process to identify potential improvements to quality, cost, and schedule which may be implemented upon approval of the Owner and Design Team.
8. Review safety policies of major trade contractors prior to authorizing them to mobilize their forces.

9. Review and process all Application for Payments of contractors and material suppliers in accordance with the contract documents.
10. Solicit quotations, make recommendations and process Requests for Changes in the work and maintain records of all Change Orders.
11. Coordinate training sessions for operation and maintenance of technical equipment to facilitate Owner move-in. Coordinate commissioning, as-builts, and closeout manuals (as required).
12. With Owner and Design Team, inspect entire site no later than two weeks prior to project completion to establish final punch list and completion schedule.
13. Coordinate ongoing construction inspections as necessary, including final building and occupancy inspections. Deliver final certificate of occupancy to the owner.
14. Review punch list prior to occupancy to confirm completion of items as directed.

### **IIA3. Schedule Adherence**

1. Two primary means are used for maintaining the project schedule on this size project. First, an overall project schedule is prepared using MS Project to communicate the sequence of construction to all parties and qualify a realistic completion date.
2. A rolling two-week schedule is then presented at each weekly construction meeting to track schedule progress. This simple bar-chart schedule results from the communication with contractors and, along with the weekly construction meetings, is used primarily to track schedule performance.

### **II B. Novi's Energy Office**

Assist the City of Novi with conducting community outreach to residences and businesses. The overall goal of the Energy Office is to provide tools and mechanisms to implement energy efficiency measures on a community-wide scale. Energy Office activities will occur in the two phases. Phase I will be directly funded with EECBG funds. Phase II will be funded with Utility Optimization Rebates from the energy efficiency retrofits. It is anticipated Phase II activities will begin in 2011. This change order includes fees for the Phase I scope of work only. Phase II scope of work and fees will be finalized once optimization rebates are secured.

#### **II B1. Phase I Scope of Work:**

- Assist with applying for DTE Energy Utility Optimization Rebates
  - Rebate incentives are available for an array of energy-saving technologies, both electric and gas. There are two incentive categories prescriptive and custom. A pre-notification incentive application is recommended to reserve funding for the proposed activities to be completed in 2010.
  - AKT Peerless will assist the City of Novi with determining the estimated rebates and completing the pre-notification application.
- Install a Civic Center dashboard display at the Civic Center for public outreach.

- Install computer and software to operate program;
- Dashboard will display the Civic Center 3D energy model on a continuous loop;
- Dashboard will be display quarterly reporting metrics for energy use, operating cost and greenhouse gas emissions reductions resulting from the implemented energy efficiency retrofits of the municipal buildings;
- Update information about the Energy Office and municipal activities;

\* *Materials used will conform with the City's technical standards and the City approves the chosen solution.*

**IIB2. Phase II Anticipated Scope of Work:**

This change order does not include fees and a finalized scope of work for Phase II. Phase II fees and scope of work will be finalized once additional leveraged funds are secured. The following activities are a general outline of the Phase II anticipated activities for the Energy Office:

- Conduct outreach meetings to educate the public about behavioral and infrastructural energy conservation opportunities;
- Provide information about financing opportunities such as grant and partnership opportunities, traditional and equipment loans and others;
- Educate staff on conservation measures and behaviors to save money with respect to municipal facilities;
- Work with business owners to find funds to implement conservation measures identified in energy audits;
- Work with renewable energy companies to install renewable energy systems in Novi; and
- Leverage other resource to help reduce overall community energy use.

**III. FEES**

AKT Peerless proposes to provide the services described in this change order on a fixed fee basis. AKT Peerless will progress bill against the project budget on a monthly basis. The following provides a cost detail:

**Table 1. Summary of Costs**

Description of Activities	Not to Exceed
Owner's Representation Services	\$20,950.00
Administration	\$2,950.00
Novi's Energy Office (Labor and Equipment)	\$5,000.00
<b>Total</b>	<b>\$28,900.00</b>





**IV. CHANGE ORDER ACCEPTANCE**

AKT Peerless Environmental & Energy Services (AKT Peerless) is pleased to present this change order to the City of Novi to provide EECS services.

AKT Peerless looks forward to working with you on this project. If you have any questions or require additional information, please contact me at 248-618-1333 or e-mail me at [mccallionj@aktpeerless.com](mailto:mccallionj@aktpeerless.com).

Sincerely,

**AKT PEERLESS ENVIRONMENTAL & ENERGY SERVICES**

P. Jeremy McCallion  
Senior Project Manager

**ACKNOWLEDGED AS REVIEWED BY AND AGREED UPON BY:**

City of Novi  
David B. Landry, Mayor  
AKT Peerless Change Order - PE-10594  
Not to Exceed \$28,045

ACCEPTANCE: \_\_\_\_\_

FOR: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_