

CITY of NOVI CITY COUNCIL

Agenda Item J
May 9, 2011

SUBJECT: Approval of the Final Payment to Service Control Inc. for the Novi Civic Center Heating, Ventilating, and Air Conditioning (HVAC) Upgrade project, in the amount of \$7,815.50, utilizing Energy Efficiency and Conservation Block Grant funding.

SUBMITTING DEPARTMENT: Information Technology – Facility Operations Division

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$7,815.50
AMOUNT BUDGETED	\$162,800 (Encompasses several EECBG projects)
LINE ITEM NUMBER	101-265.00-976.050

BACKGROUND INFORMATION:

On November 8th 2010 the City awarded a contract to Service Control Inc. in the amount of \$53,900 to achieve energy efficiencies through retrofitting the existing Heating, Ventilating, and Air Conditioning (HVAC) system to use multiple sensors (CO2, static pressure, temperature, and occupancy). Additionally, a computer based temperature control system was installed similar to that currently in use in two of our other facilities (Police Station and Library).

All work on the Novi Civic Center HVAC Upgrade project was completed in compliance with the plans and specifications, and final payment in the amount of \$7,815.50 is appropriate. The City Attorney has reviewed supporting documentation and found it to be in an acceptable form (see Beth Kudla's attached letter).

RECOMMENDED ACTION: Approval of the Final Payment to Service Control Inc. for the Novi Civic Center Heating, Ventilating, and Air Conditioning (HVAC) Upgrade project, in the amount of \$7,815.50, utilizing Energy Efficiency and Conservation Block Grant (EECBG) funding.

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

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

May 2, 2011

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

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

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

Re: **Civic HVAC Improvements**
Service Control, Inc., - Closing Documents
Our File No. 55142 NOV

Dear Ms. Moreno:

We have received and reviewed the following closing documents for the Civic Center HVAC Improvements:

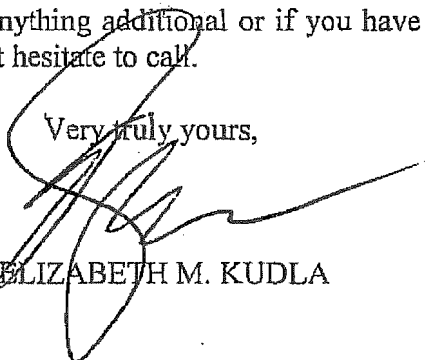
- Final Application for Payment and Engineer's Certificate No. 3
- Contractor's Sworn Statement
- Consent of Surety
- Waiver of Lien
- Maintenance and Guarantee Bond

Subject to the approval of the Final Pay Estimate by City staff and/or consultant the closing documents appear to be in order.

It is our understanding that Service Control, Inc., will provide its full unconditional waiver of lien at the time it pick-up the final payment.

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

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

1632339_1.doc

AIA Document G702™ - 1992

Application and Certificate for Payment

TO OWNER: City of Novi 45025 W 10 Mile Road Novi, MI 48375	PROJECT: Novi Civic Center HVAC Controls Upgrades	APPLICATION NO.: FINAL PERIOD TO: 3/31/2011	Distribution to: OWNER <input type="checkbox"/> ARCHITECT <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> FIELD <input type="checkbox"/> OTHER <input type="checkbox"/>
FROM CONTRACTOR: Service Control Inc. 2852 Amberwood Trail Howell, MI 48855	VIA ARCHITECT:	CONTRACT FOR: CONTRACT DATE: PROJECT NOS: / /	

CONTRACTOR'S APPLICATION FOR PAYMENT

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

1. ORIGINAL CONTRACT SUM	\$ 53,900.00
2. NET CHANGE BY CHANGE ORDERS	\$
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$ 53,900.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 53,900.00
5. RETAINAGE:	
a. % of Completed Work (Column D + E on G703)	\$
b. % of Stored Material (Column F on G703)	\$
Total Retainage (Lines 5a + 5b, or Total in Column I of G703)	
6. TOTAL EARNED LESS RETAINAGE	\$ 53,900.00
<i>(Line 4 minus Line 5 Total)</i>	
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT	\$ 46,084.50
<i>(Line 6 from prior Certificate)</i>	
8. CURRENT PAYMENT DUE	\$ 7,815.50
9. BALANCE TO FINISH, INCLUDING RETAINAGE	\$ - 0 -
<i>(Line 3 minus Line 6)</i>	

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$	\$
Total approved this month	\$	\$
TOTAL	\$	\$
NET CHANGES by Change Order	\$	

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

AIA Document G702™ - 1992. Copyright © 1953, 1963, 1965, 1971, 1978, 1983 and 1992 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. Purchasers are permitted to reproduce ten (10) copies of this document when completed. To report copyright violations of AIA Contract Documents, e-mail The American Institute of Architects' legal counsel, copyright@aia.org.

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: Service Control, Inc.
 By: Shirley Tortolero Date: 3/31/2011
 State of _____
 County of _____
 Subscribed and sworn to before me this _____ day of _____, 2011.
 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 this 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. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

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.

This document can be completed on-line, printed and mailed to the HCLRF with associated fee and/or attachments. This form cannot be submitted electronically. If you need to clear the form for any reason, click the clear button.

SWORN STATEMENT

State of Michigan

County of Livingston } \$

Debra J. Howe, being duly sworn, states the following:

Service Control Inc. 2852 Amberwood Trail Howell MI 48856

Is the (contractor)(subcontractor) for an improvement to the following real property in Oakland County, Michigan, described as follows: City of Novi - Novi Civic Center

The following is a statement of each subcontractor, supplier and laborer, for whom payment of wages or fringe benefits and withholdings is due but unpaid, with whom the (contractor)(subcontractor) has (contracted)(subcontracted) for performance under the contract with the owner or lessee, and the amounts due to the persons as of the date of this statement are correctly and fully set forth opposite their names:

Name of Subcontractor, Supplier or Laborer	Type of Improvement Furnished	Total Contract Price	Amount Already Paid	Amount Currently Owed	Balance to complete (optional)	Amount of Laborer Wages Due but unpaid	Amount of Laborer Fringe Benefits and Withholdings Due But Unpaid
K/E Electric	material	no contract		\$1,264.88			
Totals				1,264.88			

(Some columns may not be applicable to all persons listed)

Principal: Service Control Inc 2852 Amberwood Trail
Howell MI 48855

POWER OF ATTORNEY

POA Number: 42-458

THE OHIO CASUALTY INSURANCE COMPANY
WEST AMERICAN INSURANCE COMPANY

Obligee: City of Novi 45175 W 10 Mile Rd Novi MI
48375

Bond Number: 5092420

Know All Men by These Presents: THE OHIO CASUALTY INSURANCE COMPANY, an Ohio Corporation, and WEST AMERICAN INSURANCE COMPANY, an Indiana Corporation pursuant to the authority granted by Article III, Section 9 of the Code of Regulations and By-Laws of The Ohio Casualty Insurance Company and West American Insurance Company do hereby nominate, constitute and appoint: Mark B. Churella, Kathleen Quindlan, Mark B. Churella, Jr., Drew Goebel or Debbie Floyd-Snoek of Novi, Michigan its true and lawful agent (s) and attorney (s)-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all BONDS, UNDERTAKINGS, and RECOGNIZANCES, not exceeding in any single instance FIVE MILLION (\$5,000,000.00) DOLLARS, excluding, however, any bond(s) or undertaking(s) guaranteeing the payment of notes and interest thereon.

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Companies at their administrative offices in Fairfield, Ohio, in their own proper persons. The authority granted hereunder supersedes any previous authority heretofore granted the above named attorney(s)-in-fact.

In WITNESS WHEREOF, the undersigned officer of the said The Ohio Casualty Insurance Company and West American Insurance Company has hereto subscribed his name and affixed the Corporate Seal of each Company this 9th day of June, 2009



Mark E. Schmidt
Mark E. Schmidt Assistant Secretary

STATE OF OHIO,
COUNTY OF BUTLER

On this 9th day of June, 2009 before the subscriber, a Notary Public of the State of Ohio, in and for the County of Butler, duly commissioned and qualified, came Mark E. Schmidt, Assistant Secretary of The Ohio Casualty Insurance Company and West American Insurance Company, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn deposes and says that he is the officer of the Companies aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at the City of Hamilton, State of Ohio, the day and year first above written.



Cheryl S. Gregory

Notary Public in and for County of Butler, State of Ohio
My Commission expires August 5, 2012

This power of attorney is granted under and by authority of Article III, Section 9 of the Code of Regulations and By-Laws of The Ohio Casualty Insurance Company and West American Insurance Company, extracts from which read:

Article III, Section 9. Appointment of Attorneys-in-Fact. The Chairman of the Board, the President, any Vice-President, the Secretary or any Assistant Secretary of the corporation shall be and is hereby vested with full power and authority to appoint attorneys-in-fact for the purpose of signing the name of the corporation as surety to, and to execute, attach the seal of the corporation to, acknowledge and deliver any and all bonds, recognizances, stipulations, undertakings or other instruments of suretyship and policies of insurance to be given in favor of any individual, firm, corporation, partnership, limited liability company or other entity, or the official representative thereof, or to any county or state, or any official board or boards of any county or state, or the United States of America or any agency thereof, or to any other political subdivision thereof

This instrument is signed and sealed as authorized by the following resolution adopted by the Boards of Directors of the Companies on October 21, 2004:

RESOLVED, That the signature of any officer of the Company authorized under Article III, Section 9 of its Code of Regulations and By-laws and the Company seal may be affixed by facsimile to any power of attorney or copy thereof issued on behalf of the Company to make, execute, seal and deliver for and on its behalf as surety any and all bonds, undertakings or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment. Such signatures and seal are hereby adopted by the Company as original signatures and seal and shall, with respect to any bond, undertaking or other written obligations in the nature thereof to which it is attached, be valid and binding upon the Company with the same force and effect as though manually affixed.

CERTIFICATE

I, the undersigned Assistant Secretary of The Ohio Casualty Insurance Company, American Fire and Casualty Company and West American Insurance Company, do hereby certify that the foregoing power of attorney, the referenced By-Laws of the Companies and the above resolution of their Boards of Directors are true and correct copies and are in full force and effect on this date.

IN WITNESS WHEREOF, I have hereunto set my hand and the seals of the Companies this 2nd day of May 2011



J. Timothy D'Errico

J. Timothy D'Errico Assistant Secretary



5092420

**CONSENT OF SURETY
TO FINAL PAYMENT**

Conforms with the American Institute of
Architects, AIA Document G707

OWNER	<input type="checkbox"/>
ARCHITECT	<input type="checkbox"/>
CONTRACTOR	<input type="checkbox"/>
SURETY	<input type="checkbox"/>
OTHER	<input type="checkbox"/>

TO OWNER: City of Novi 45175 W 10 Mile Rd Novi MI 48375 ARCHITECT'S PROJECT NO.:
(Name and address)

CONTRACT FOR:
HVAC Upgrades

PROJECT: EECBG Novi Civic Center
(Name and address)

CONTRACT DATED:
11/10/2010

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the
(insert name and address of Surety)

The Ohio Casualty Insurance Company
9460 SEWARD RD., FAIRFIELD, OHIO 45014

, SURETY,

on bond of
(insert name and address of Contractor)

Service Control Inc 2852 Amberwood Trail Howell MI 48855

, CONTRACTOR,

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

City of Novi 45175 W 10 Mile Rd Novi MI 48375

, OWNER,

as set forth in said Surety's bond.

IN WITNESS WHEREOF, the Surety has hereunto set its hand on this date: May 2nd, 2011
(insert in writing the month followed by the numeric date and year.)

The Ohio Casualty Insurance Company
(Surety)

Attest:

(Signature of authorized representative)

Debra Floyd-Snoek
(Printed name and title)

FULL UNCONDITIONAL WAIVER

MY/OUR CONTRACT WITH:

SERVICE CONTROL, INC

TO PROVIDE:

ELECTRICAL MATERIALS

FOR THE IMPROVEMENT TO THE PROPERTY DESCRIBED AS:

NOVI CIVIC CENTER

HAVING BEEN FULLY PAID AND SATISFIED, ALL MY/OUR CONSTRUCTION LIEN

RIGHTS AGAINST SUBJECT PROPERTY ARE HEREBY WAIVED AND RELEASED.

K/E ELECTRIC SUPPLY CORP



(Signature of lien claimant)

Rock Kuchenmeister,
146 N. GROESBECK Corporate
MOUNT CLEMENS MI 48043 Secretary
(586) 469-3005

SIGNED ON:

4/21/2011
(DATE)

WARNING: DO NOT SIGN BLANK OR INCOMPLETE FORMS
RETAIN A COPY

REQUIRED BOND LANGUAGE

MAINTENANCE AND GUARANTEE BOND

KNOW ALL MEN BY THESE PRESENTS, that we Service Control, Inc.
hereinafter called the "Principal", and The Ohio Casualty
Insurance Company

hereinafter called the "Surety," are held and firmly bound unto

CITY OF NOVI, MICHIGAN

Hereinafter called the "Owner," as Obligee, for the just and full sum of _____

~~Fifty-Three Thousand Nine Hundred~~ _____ Dollars (\$53,900.00)
for the payment whereof, well and truly to be made, we bind ourselves, our heirs,
executors, administrators, successors, and assigns, jointly and severally, firmly by these
presents.

WHEREAS, the above named Principal was awarded a Contract by the Owner
dated the 8th day of November, 2010, for the construction of

EECBG NOVI CIVIC CENTER HVAC UPGRADES

AND WHEREAS, this Contract was awarded upon the express condition
that the Principal would furnish a one (1) year Maintenance Bond from the date of
formal acceptance by the City Council to repair or replace any deficiencies in Labor or
Material;

AND WHEREAS, the Principal warrants the workmanship and all materials
used in the construction installation, and completion of said project to be of good
quality and constructed and completed in a workmanlike manner in accordance with
the standards, specifications and requirements of the said job;

NOW, THEREFORE, the condition of this obligation is such that if the above
Principal shall replace such defective material and shall repair all defects due to
defective workmanship and/or materials that shall occur on or before one (1) year of
final acceptance by Owner through resolution of the City Council, then this obligation
shall be void, otherwise to be and remain in full force, effect and virtue.

If the Principal does not correct defects reported in writing by the Owner to the
Principal and Surety by repair or replacement as directed by the Owner within the time
required, which shall not be less than seven (7) days from service of the notice, the
Owner shall have the right to perform or secure the performance of the corrections,
with all costs and expenses in doing so, including an administrative fee equal to twenty-

REQUIRED BOND LANGUAGE

five percent (25%) of the repair costs, charged to and to be received from the Principal or Surety.

Emergency repairs that are necessary to protect life and property may be undertaken by the Owner immediately and without advance notice to the Principal and Surety, with the cost and expense of the repair, plus the administrative fee, to be charged to and received from the Principal and Surety.

Any repairs the Owner may perform as provided in this Bond may be by Owner employees, agents, or Independent contractors. The Owner shall not be required to utilize competitive bidding unless otherwise required by applicable law, with labor cost and expense charges when Owner employees are utilized to be based on the hourly cost to the Owner of the employee(s) performing the repair.

It is further condition of this Bond that the Principal and Surety shall fully indemnify, defend, and hold the Owner, its agents and other working on the Owner's behalf, harmless from all claims for damages or injuries to persons or property arising from or related to defects in work or materials, the correction of which are covered and guaranteed by this Bond, including claims arising under the worker's compensation laws of the State of Michigan.

Signed and Sealed this 10th day of December, 2010.

In the Presence of:

WITNESS

Debra J. Home

Linda A. Rubensh

(fill-in name of construction contractor)

Service Control, Inc.
Principal [Signature]

President _____

Title
Andrew Goebel [Signature]

Surety

Attorney In Fact _____

Title _____

39500 High Pointe Blvd Ste 400

Address of Surety

Novi, MI 48375

5092420

Bond No.

City

Zip Code

The contractor has not procured material from, or subcontracted with, any person other than those set forth and owes no money for the improvement other than the sums set forth.*

I make this statement as the (contractor)(subcontractor) or as _____ of the (contractor)(sub-contractor) to represent to the owner or lessee of the property and his or her agents that the property is free from claims of construction liens, or the possibility of construction liens, except as specifically set forth in this statement and except for claims of construction liens by laborers that may be provided under Section 109 of the Construction Lien Act, 1980 PA 497, MCL 570.1109.

~~WARNING TO OWNER OR LESSEE: AN OWNER OR LESSEE OF THE PROPERTY MAY NOT RELY ON THIS SWORN STATEMENT TO AVOID THE CLAIM OF A SUBCONTRACTOR, SUPPLIER OR LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING OR A LABORER WHO MAY PROVIDE A NOTICE OF FURNISHING UNDER SECTION 109 OF THE CONSTRUCTION LIEN ACT, 1980 PA 497, MCL 570.1109 TO THE DESIGNEE OR TO THE OWNER OR LESSEE IF THE DESIGNEE IS NOT NAMED OR HAS DIED.~~

Debra Howe
Dependent Printed Name
Debra Howe
Dependent Signature

~~WARNING TO DEPENDENT: A PERSON WHO GIVES A FALSE SWORN STATEMENT WITH INTENT TO FRAUD IS SUBJECT TO CRIMINAL PENALTIES AS PROVIDED IN SECTION 110 OF THE CONSTRUCTION LIEN ACT, 1980 PA 497, MCL 570.1110.~~

Subscribed and sworn to before me this
1st day of February, 2011
Julie A. Hall
Notary Public, Livonia County, Michigan
My Commission Expires:
8/01/13

JULIE A. HALL
NOTARY PUBLIC, STATE OF MI
COUNTY OF LIVONIA
MY COMMISSION EXPIRES AUG 1, 2013
RETURN TO COUNTY OF LIVONIA

*Materials furnished by a contractor or a subcontractor out of his or her own inventory, and which has not been purchased specifically for the purpose of performing the contract, need not be listed.