

**CITY of NOVI CITY COUNCIL**

**Agenda Item C  
June 20, 2011**

**SUBJECT:** Approval of the Final Payment to Serv-Ice Refrigeration, Inc. for the Energy Efficiency Improvement Project at the Novi Ice Arena, in the amount of \$53,960.

**SUBMITTING DEPARTMENT:** PR&CS

**CITY MANAGER APPROVAL** 

<b>EXPENDITURE REQUIRED</b>	<b>\$53,960</b>
<b>AMOUNT BUDGETED</b>	<b>n/a (project funded 100% using EECBG grant funds)</b>
<b>LINE ITEM NUMBER</b>	<b>590-000.00-136.700</b>

**BACKGROUND INFORMATION:** On July 12, 2010, City Council awarded a construction contract to complete Energy Efficiency and Conservation Block Grant (EECBG) Ice Arena Energy Conservation Measures. EECBG grant funds were be used to install energy efficiency Improvement measures which included: 1) Heat recovery system for waste heat from compressors; 2) Larger heat coil piping for melt pit; 3) Compressor top-end rebuild; 4) External based Chiller for building air conditioning; 5) New energy management system to control ice plant operations.

The contractor has submitted all documents required for compliance with the EECBG grant and received approval form the City's mechanical inspection. The work performed by the contractor was in substantial compliance with the plans and specifications and final payment in the amount of \$53,960 is appropriate. In addition, the City Attorney has reviewed the supporting documentation and found it to be in an acceptable form (Beth Kudla's May 31, 2011 letter attached.)

**RECOMMENDED ACTION:** Approval of the Final Payment to Serv-Ice Refrigeration, Inc., for the Energy Efficiency Improvement Project at the Novi Ice Arena

	1	2	Y	N
<b>Mayor Landry</b>				
<b>Mayor Pro Tem Gatt</b>				
<b>Council Member Fischer</b>				
<b>Council Member Margolis</b>				

	1	2	Y	N
<b>Council Member Mutch</b>				
<b>Council Member Staudt</b>				
<b>Council Member Wrobel</b>				



## SERV-ICE REFRIGERATION, INC.

143 Cady Centre, #207 • Northville, MI 48167 • Phone: (248) 735-6000 • Fax: (248) 735-6001

### Final Application For Payment

**Billing date through:** 2/16/11

**Owner:** City of Novi

45175 W. Ten Mile Road

Novi, Mi 48375

**Project:** EECBG Ice Arena Energy

42400 Ice Arena Drive

Novi, MI 48375

**Contract Date:** July 13, 2010

**Construction Manager:** J.S. Vig

16650 Racho Road

Taylor, MI 48180

**Consultant:** AKT Peerless

22725 Orchard Lake Road

Farmington, MI 48336

Description	Value	Work Completed Previously	Current Amount Due	Balance to Finish
Bonds/Insurance	\$3,558.00	\$3,558.00		\$0
Drawings	\$1,100.00	\$1,100.00		\$0
Hot Water Heat Recovery	\$20,420.00	\$20,420.00		\$0
Allen Bradley DDC	\$52,960.00	\$4,000.00	\$48,960.00	\$0
Compressor Parts/Repair	\$3,785.00	\$3,785.00		\$0
Trane Chiller	\$50,300.00	\$45,300.00	\$5,000.00	\$0
Concrete Pad	\$2,200.00	\$2,200.00		\$0
<b>Totals</b>	<b>\$134,323.00</b>	<b>\$80,363.00</b>	<b>\$53,960.00</b>	<b>\$0</b>

Total Contract Price	\$134,323.00
Previously Paid	\$80,363.00
<b>Amount Now Due</b>	<b>\$53,960.00</b>
Change Orders	\$0
Balance to Finish	\$0

May 31, 2011

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

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

**Re: Novi Ice Area EECBG Energy Contract – Closing Documents  
Serv-Ice Refrigeration, Inc.  
Our File No. 55142 NOV**

Dear Ms. Moreno:

We have received and reviewed the following closing documents for the Novi Ice Area EECBG Energy Contract:

- Application for Payment No. 3
- Application for Payment No. 4
- Maintenance and Guarantee Bond
- Waivers of Lien
- Consent of Surety to final payment
- Contractor's Sworn Statement

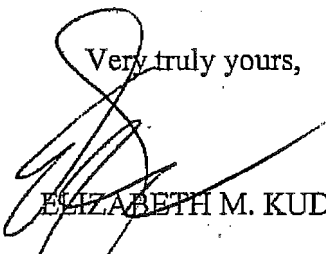
Subject to the approval of the Final Pay Estimate by City staff and/or consultant the closing documents appear to be in order.

It is our understanding that Serv-Ice Refrigeration, 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.

If you have any questions regarding the above, please do not hesitate to call.

Very truly yours,



ELIZABETH M. KUDLA

EMK

C: 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)

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**SERV-ICE REFRIGERATION, INC.**

143 Cady Centre, #207 • Northville, MI 48187 • Phone: (248) 735-6000 • Fax: (248) 735-6001

May 10, 2011

J. S. Vig

16650 Racho Road

Taylor, MI 48180

Subject: Novi EECBG Final Payment

Attached you will find the information requested as of 4/28/11 to obtain final payment for the above stated project.

1. Sworn Statement
2. Full unconditional waivers
3. Consent of Surety

Sincerely,

Serv-Ice Refrigeration, Inc.

*Suzan Bishop*

Suzan Bishop

Office Manager



Bond Number 1260892

### Consent of Surety to Final Payment

**Owner:**

City of Novi

45175 W. Ten Mile Rd

Novi MI 48375

**Contractor:**

Serv-Ice Refrigeration Inc

143 Cady Center

Suite 207

Northville MI 48167

**Project Name:**

EECBG Ice Arena Energy Conservation Measures

**Project or Contract Number:**

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, West Bend Mutual Insurance Company, 8401 Greenway Blvd, Suite 1100, Middleton, WI 53582, as Surety, 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 the Owner as set forth.

IN WITNESS WHEREOF, the Surety has hereunto set its hand, this 3rd day of May, 2011.

WEST BEND MUTUAL INSURANCE COMPANY  
(Surety)

Witness: \_\_\_\_\_

By: *Darlene Fisher*  
(Signature of Attorney-in-Fact)

Darlene Fisher  
(Printed Name of Attorney-in-Fact)

MICHIGAN ONLY: This policy is exempt from the filing requirements of Section 2236 of the Insurance Code of 1956, 1956 PA 218 and MCL 500.2236.

State of Michigan	Sworn Statement	Date through: 05/10/11
County of Wayne		Application #: Final (#3 & #4)

SUZAN BISHOP, being duly sworn, deposes and says:

1. That Serv-Ice Refrigeration, Inc. is the Subcontractor for an improvement to the property described below.
2. That the following is a statement of each subcontractor and supplier and laborer, for which the payment of wages or fringe benefits and withholdings is due but unpaid, with whom the Subcontractor has subcontracted for performance under the contract with the owner or lessee thereof, and that amounts due to the persons as of the date hereof are correctly and fully set forth opposite their names as follows:

Name of Subcontractor, Supplier, or Laborer	Type of Improvement Furnished	Total Contract Price	Amount Already Paid	Amount Currently Owning	Balance to Complete
Trane Co.	Chiller	39538.00	39538.00	0	0
Young Supply	Thermostor Hot Water Heat Recovery	5391.00	5391.00	0	0
McNaughton McKay	Allen Bradley/electrical	7646.83	7646.83	0	0
West Bend Mutual	Bonding	3358.00	3358.00	0	0
Vilter Manufacturing	Compressor parts	1644.44	1644.44	0	0
Serv-Ice Refrigeration	Labor/DDC	40264.41	14269.73	25,994.68	0
GTR Industrial	Labor	8515.00	8515.00	0	0
Cogeneration Consultants	Control Program	27965.32	0	27965.32	0
<b>TOTALS</b>		<b>134323.00</b>	<b>80363.00</b>	<b>53960.00</b>	<b>0</b>

3. The contracts or subcontracts cited herein are for improvement to the following real property situated in Novi, Michigan described as Project : EECBG Novi Ice Arena Energy, 42400 Ice Arena Drive, Novi, MI 48375.
4. That the contractor has not procured material from, or subcontracted with, any person other than those set forth above and owes no money for the improvement other than the sums set forth above.
5. Deponent further says that he or she makes the foregoing statement as the subcontractor for the purposes of representing the owner or lessee of the above described premises and his or her agents that the above described property is free from claims of construction liens, or the possibility of construction liens, except as specifically set forth above and except for claims of construction liens by the laborers which may be provided pursuant to Section 109 of the Construction Lien Act, Act No. 497 of the Public Acts of 1980, as amended, being Section 570.1109 of the Michigan Compiled Laws.

Warning(to owner): AN OWNER OR LESSEE OF THE ABOVE-DESCRIBED 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 PURSUANT TO SECTION 109 OF THE CONSTRUCTION LIEN ACT) TO THE DESIGNEE OR THE OWNER OR LESSEE IF THE DESIGNEE IS NOT NAMED OR HAS DIED.

DATED: 5-10-11

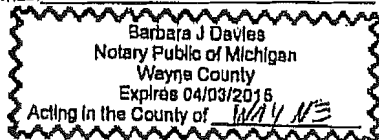
Suzan Bishop  
SIGNATURE OF DEPONENT

SUBSCRIBED AND SWORN BEFORE ME ON: (DATE) 10 MAY 2011 WAYNE COUNTY, MICHIGAN

MY COMMISSION EXPIRES:

SIGNATURE

NOTARY



**FULL UNCONDITIONAL WAIVER**

My/our contract with SERV-ICE REFRIGERATION, INC to provide  
CONTROL PROGRAM (other contracting party)  
for the improvement of the property described as  
NOVI ICE ARENA 42400 NICK LIDSTROM DRIVE  
NOVI, MI 48375 having been

fully paid and satisfied, by signing this waiver, all my/our construction lien rights against such property are hereby waived and released.

If the improvement is provided to property that is a residential structure and if the owner or lessee of the property or the owner's or lessee's designee has received a notice of furnishing from me/one or us or if I/we are not required to provide one, and the owner, lessee, or designee has not received this waiver directly from me/one of us, the owner, lessee, or designee may not rely upon it without contacting me/one of us, either in writing, by telephone, or personally, to verify that it is authentic.

COGENERATION CONSULTANTS, ALAN CROLL

(Printed Name of Lien Claimant)



(Signature of lien claimant)

Signed on: 5.25.2011

Address: 5770 KING JAMES LN

WATERFORD, MI 48327

Telephone: 810-499-0831

**DO NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.**

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FULL UNCONDITIONAL WAIVER

Serv-Ice Refrigeration, Inc.

My/Our contract with \_\_\_\_\_

(Other contracting party)

to provide Trane chiller

for the improvement of the property described as: \_\_\_\_\_

EECBG Ice Arena Energy


42400 Ice Arena Drive

Novi, MI 48375

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

John W. Frei, Authorized Signatory  
TRANS U.S. Inc.

BY: \_\_\_\_\_



(signature of lien claimant)

Address: \_\_\_\_\_

Trane U.S., Inc

27475 Meadowbrook Rd

Novi, MI 48377

Telephone: \_\_\_\_\_

Signed on: \_\_\_\_\_

1-17-11

(date)

DON NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.

THE CONSTRUCTION ASSOCIATION OF MICHIGAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR CHANGES MADE TO THIS FORM BY LEGISLATIVE ENACTMENTS OR JUDICIAL DECISIONS.



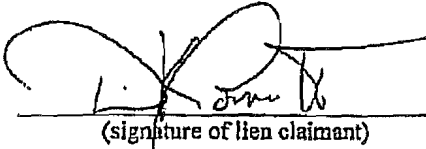
FULL UNCONDITIONAL WAIVER

Serv-Ice Refrigeration, Inc.

My/Our contract with \_\_\_\_\_  
to provide HVAC/REFG Equipment & parts (Other contracting party)

for the improvement of the property described as: \_\_\_\_\_  
EECBG Ice Arena Energy  
42400 Ice Arena Drive  
Novi, MI 48375

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

BY:   
(signature of lien claimant)

Address: YOUNG SUPPLY COMPANY  
52000 SIERRA DR.  
CHESTERFIELD TWP, MI 48047

Telephone: 586-421-2400

Signed on: 5/4/11  
(date)

**DON NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.**

**THE CONSTRUCTION ASSOCIATION OF MICHIGAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR CHANGES MADE TO THIS FORM BY LEGISLATIVE ENACTMENTS OR JUDICIAL DECISIONS.**

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FULL UNCONDITIONAL WAIVER

Serv-Ice Refrigeration, Inc.

My/Our contract with \_\_\_\_\_

(Other contracting party)

to provide electrical products

for the improvement of the property described as: \_\_\_\_\_

EECBG Ice Arena Energy

42400 Ice Arena Drive

Novi, MI 48375

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

BY: \_\_\_\_\_

*Virginia Parath*  
(signature of lien claimant)

Address: \_\_\_\_\_

McNaughton-McKay Electric

1357 E Lincoln

Telephone: \_\_\_\_\_

Madison Hts MI 48071

Signed on: \_\_\_\_\_

3/25/11

(date)

DON NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.

THE CONSTRUCTION ASSOCIATION OF MICHIGAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR CHANGES MADE TO THIS FORM BY LEGISLATIVE ENACTMENTS OR JUDICIAL DECISIONS.

**FULL UNCONDITIONAL WAIVER**

Serv-Ice Refrigeration, Inc.

My/Our contract with \_\_\_\_\_  
to provide FILTER EQUIPMENT (Other contracting party)

for the improvement of the property described as: \_\_\_\_\_  
EECBG Ice Arena Energy  
42400 Ice Arena Drive  
Novi, MI 48375

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

BY: Michael Curdy  
(signature of lien claimant)

Address: 5555 S. PACKARD AVENUE  
CUDAHY, WI 53110  
Telephone: 414-744-0111

Signed on: May 4, 2011  
(date)

**DON NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.**

**THE CONSTRUCTION ASSOCIATION OF MICHIGAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR CHANGES MADE TO THIS FORM BY LEGISLATIVE ENACTMENTS OR JUDICIAL DECISIONS.**

**FULL UNCONDITIONAL WAIVER**

My/our contract with Serv-Ice Refrigeration, Inc to provide  
Labor/Welding (other contracting party)  
Novi Ice Arena 42400 Arena Drive Novi, Michigan  
\_\_\_\_\_ for the improvement of the property described as

\_\_\_\_\_ having been  
fully paid and satisfied, by signing this waiver, all my/our construction lien rights  
against such property are hereby waived and released.

If the improvement is provided to property that is a residential structure and if the  
owner or lessee of the property or the owner's or lessee's designee has received  
a notice of furnishing from me/one or us or if I/we are not required to provide one,  
and the owner, lessee, or designee has not received this waiver directly from  
me/one of us, the owner, lessee, or designee may not rely upon it without  
contacting me/one of us, either in writing, by telephone, or personally, to verify  
that it is authentic.

Walter R. Garchow/GTR Industrial Systems

(Printed Name of Lien Claimant)

Walter R. Garchow

(Signature of Lien claimant)

Signed on: 5-9-2011

Address: 9483 Vans Lane

Kingsley, MI 49649

Telephone: 231-218-3362

**DO NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.**