



CITY of NOVI CITY COUNCIL

Agenda Item G
November 28, 2011

SUBJECT: Approval to award an engineering services agreement for design engineering services for SAD 176 Woodham Road Water Main extension to Spalding DeDecker Associates, Inc., in the amount of \$9,023.

SUBMITTING DEPARTMENT: Department of Public Services, Engineering Division *BTC*

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 9,023
AMOUNT BUDGETED	\$ 0
APPROPRIATION REQUIRED	\$ 9,023 (to be Included In 2nd quarter budget amendment)
LINE ITEM NUMBER	To be determined (Water & Sewer Funds)

BACKGROUND INFORMATION:

Property owners on Woodham Road approached the City with a petition requesting the formation of a special assessment district (SAD) to finance the installation of water main in the Echo Valley Estates Subdivision in Section 29. The project would extend a public water main approximately 525 feet south along the east side of Woodham Road to serve nine properties as shown on the attached map.

A formal petition, signed by eight of the nine property owners in the potential SAD, was submitted to the City Clerk on October 11, 2011, following a public information meeting held on October 6, 2011 by Engineering staff to provide information to the residents regarding the potential costs and process for an SAD. The attached October 25, 2011 memo from Brian Coburn provides additional background regarding the informal process prior to the submittal of the formal petition that initiates the process to create the SAD. At this early stage in the SAD process, costs are estimated to be \$110,700; the cost apportioned equally to each landowner—currently estimated to be \$12,300 per parcel.

The formation of an SAD includes five resolutions and two public hearings (see attached for additional detail regarding the SAD process). The first resolution in the SAD process was adopted by City Council at the November 14, 2011 meeting. Resolution 1 authorizes the preparation of plans, specifications and detailed construction cost estimates for the project.

Staff recommends Spalding DeDecker Associates, Inc. (SDA) be awarded the engineering services contract for this project as directed by Resolution 1. SDA's engineering fees are based on the fixed fee schedule established in the Agreement for Professional Engineering Services for Public Projects for the City's three pre-qualified engineering consultants. The design fees for this project will be \$9,023 (10.00% of the estimated construction cost of

\$90,225). The construction phase engineering fees will be awarded at the time of construction award and will be based on the contractor's bid and the fee percentage in the Agreement for Professional Engineering Services for Public Projects. A draft of the Supplemental Professional Engineering Services Agreement for this project is enclosed and includes the project scope and schedule.

Preliminary engineering for the project would begin in December to provide a design and a more detailed cost estimate that would be presented to the property owners within the SAD at another public information meeting. Following that public information meeting, Resolution 2, which sets the date for the first public hearing regarding necessity of the project, would be presented to City Council for consideration.

The creation of an SAD allows the City to recoup its capital expenditures on SAD projects by collecting assessments from benefitting landowners, typically over a 20-year period for water main installation. For a project of this size, the time needed to complete an SAD project (i.e., from Resolution Number 1 adoption through construction completion) ranges from 6 months to a year.

RECOMMENDED ACTION: Approval to award an engineering services agreement for design engineering services for SAD 176 Woodham Road Water Main extension to Spalding DeDecker Associates, Inc., in the amount of \$9,023.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

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

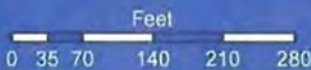
Proposed Special Assessment District

Woodham Road Water Main Extension
SAD 176



Proposed Water Main
to be funded by Special
Assessment District (SAD)

Map Author: Croy
Date: 8/29/11
Project: Potential Woodham SAD
Version #: V1.1



1 inch = 162 feet

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any of those or primary source. The map was prepared by most Notice of Map Accuracy Standards and seek the most accurate accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 332 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



City of Novi

Engineering Division
Department of Public Services
26300 Delwal Drive
Novi, MI 48375
cityofnovi.org

10/25/2011

To: Mayor and City
Council members
FY); SAD consideration moving forward.
Clay



MEMORANDUM

TO: ROB HAYES, P.E.: DIRECTOR OF PUBLIC SERVICES
FROM: BRIAN COBURN, P.E.: ENGINEERING MANAGER *BIC*
SUBJECT: PROPOSED SPECIAL ASSESSMENT DISTRICT 176
WOODHAM DRIVE WATER MAIN EXTENSION
DATE: OCTOBER 25, 2011

The enclosed formal petition to create a special assessment district (SAD) for the construction of water main along Woodham Drive in Echo Valley Subdivision has been received. The petition is signed by eight of the nine property owners in the proposed district. This SAD would connect to the water main that was previously constructed on Woodham Drive under SAD 171 and extend the water main approximately 500 feet. The project costs are currently estimated to be \$12,300 plus interest per parcel, which would typically be financed over 20 years.

Staff has been working with the residents on Woodham since earlier this summer when an informal petition was received. A preliminary cost estimate was developed and presented to the property owners on October 6, 2011 at a public information meeting. The formal petitions were provided to the residents at that meeting and were returned with signatures to the City Clerk on October 11.

The enclosed page from the City's website provides additional detail regarding the SAD process. The first step following receipt of the formal petition is to present Resolution 1 for City Council consideration. Resolution 1 would authorize staff to hire a consultant and develop design plans and specifications for the project.

We plan to prepare Resolution 1 for consideration by City Council at an upcoming meeting.

cc: Kathy Smith-Roy, Finance Director
Victor Cardenas, Assistant City Manager

PETITION FOR SPECIAL ASSESSMENT DISTRICT WATER IMPROVEMENTS

TO: The City Council of the City of Novi

We, the undersigned, owners of property in **Echo Valley Estates**, Section 29, of the City of Novi, do hereby petition the Novi City Council to hold a Public Hearing on the necessity of establishing a Special Assessment District relative to installing a water line and all necessary appurtenances within **Echo Valley Estates** to service the aforementioned properties, and to make the necessary arrangements to create a Special Assessment District for the purpose of paying the cost of such public improvement.

SIGNATURE OF OWNERS	SIDWELL NUMBER	ADDRESS	DATE SIGNED
1. <i>David P. ...</i>		24039 WOODHAM	10/6/11
2. <i>...</i>		24040 Woodham	10/6/11
3. <i>George A. Riv...</i>		23953 Woodham	10/6/11
4. <i>Bob G. Gans</i>		24015 WOODHAM	10/6/11
5. <i>Elizabeth ...</i>		23971 Woodham	10/6/11
6. <i>Diane ...</i>		23970 WOODHAM	10/9/11
7. <i>(Annelise) ...</i>		23968 Woodham	10/10/11
8. <i>Robert ...</i>		23931 Woodham	10/10/11
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			

CITY OF NOVI
CITY CLERK'S OFFICE
2011 OCT 11 A 9:20

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The undersigned, being first duly sworn upon his oath deposes and states that ^{property owners} A is the owner of real property located in the proposed District, that each signature to the above and foregoing petition is the genuine signature of the person signing same; and that to his best knowledge and belief each person signing said petition was, at the time of signing, an owner of real property located in the proposed district in the City of Novi, County of Oakland, State of Michigan.

George A. Riv...
ADDRESS: 23953 WOODHAM - NOVI

Subscribed and sworn to before me on this 11th day of October 2011

Natalie Latinen
Notary Public
Oakland County, MI

NATALIE LATINEN
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Dec 14, 2012
ACTING IN COUNTY OF Oakland

My Commission Expires 12-14-12

[Government](#)[Community](#)[City Services](#)[Reference](#)[Agendas & Minutes](#)[How Do I](#)[Stay Connected](#)

Special Assessment District Update

In February 2003, the Novi City Council adopted "Review the SAD Process" as one of its goals. The new procedure detailed here is the result of ordinance review and comparison studies of similar communities. It is believed that this new SAD Ordinance, adopted October 6, 2003, will reduce the process by four months.

What is a Special Assessment?

A Special Assessment can be made for any public improvement within Novi, which is of such a nature as to directly benefit any property within a defined area.

What types of improvements are financed by Special Assessment?

The most common types of improvements that are financed through the SAD process include:

- Road improvements
- Sanitary sewers
- Water mains
- Storm sewers
- Street lighting
- Sidewalks

How does the process begin?

The SAD process is initiated by either a resident Request for Information Petition or Resolution by the City Council.

If the process is begun through the new Request for Information Petition, it must be signed by 30 percent of the total units of benefit in the district. Then, a public informational meeting is held regarding the SAD process, preliminary design and cost estimates for the project, and timeframe for the process. The City of Novi's Engineering Division does preliminary engineering for the public informational meeting.

Residents then have 60 days following the public information meeting in which to submit a formal Petition to Start a Special Assessment District, which must be signed by 51 percent of the total units of benefit (per tap unit, front foot, etc.) in the proposed district. District boundaries may change between the public information meeting and the submission of the Petition to Start a Special Assessment District. This petition initiates the formal SAD process.

What is a unit of benefit?

A unit of benefit is determined by the City of Novi on a basis appropriate to the improvement.

Who oversees the bid process?

The City of Novi's Engineering Division facilitates the bid process and oversees construction of projects.

Once the process is started, can it be stopped?

City Council views this process as a partnership between the City and the residents. The ordinance does state that property owners can request to stop the process at any time until the City Council adopts Resolution #5; however, since the City incurs significant planning and design expenses at the onset of the process, the City Council has the right to approve or deny such request.

How many years can the SAD payments be spread over and what is the payment schedule?

The amount of years varies by type of project, however the term is normally less than the life expectancy of the improvement (not to exceed 15 years for roads and 20 years for all other utilities).

The first installment is due upon confirmation of the SAD roll before construction begins, OR on such date as the City Council may determine. Subsequent installments are billed with the summer property tax bill.

What is the interest rate?

The interest rate reflects current market conditions and is not to exceed eight percent. The rate is established by the City Council. Interest is calculated on the unpaid balance. If the assessment is prepaid prior to the commencement of interest date, there is no interest charge.

If I move or sell my property, am I still responsible for the loan?

Once the SAD roll is confirmed the City places a lien on the properties and assumes the position of first lien holder. The City does not require that the assessment be paid off during a real estate transfer; however, individuals should consult with a title company to verify requirements.

Is there a procedure that would provide relief for property owners with a demonstrated financial hardship?

With the approval of the City Council and the City Assessor, a Special Assessment may be deferred by the reason of poverty per "Federal guidelines" for a specific property. The lien is placed on the property and all payments are deferred until the property is transferred. However, interest accrues on the unpaid balance.

SAD Process

Resolution # 1

City Council makes three tentative determinations: the necessity of the improvement; the conclusion on whether to proceed with the improvement; and, the establishment of a proposed district of properties that will be specially benefited by the improvement (the proposed "special assessment district"). Once such determinations are made, the Council directs the City Manager to have plans and a cost estimate prepared for the improvement.

Resolution # 2

City Council confirms the tentative necessity of the improvement, sets a public hearing date on the issues to be considered for Resolution # 3, and directs the City Clerk to provide notice of the public hearing as provided in the City Code.

First Public Hearing is held to allow the Council to hear comments and objections on the proposed improvement and on the proposed special assessment district.

Resolution # 3

Following the public hearing, City Council again determines whether to proceed with the improvement, and, if so, this resolution approves the preliminary plans and cost estimate, designates the special assessment district, and directs the City Assessor to prepare a proposed special assessment roll, reflecting the total cost of designing, financing and constructing the improvement and the amount each property in the special assessment district will have to pay.

Resolution # 4

City Council receives the proposed special assessment roll prepared by the City Assessor, sets a date for a public hearing on the proposed assessment roll, and directs the City Clerk to provide notice of the public hearing as provided in the City Code.

Second Public Hearing is held to allow the Council to hear comments and objections on the proposed special assessment roll.

Resolution # 5

Following the public hearing, City Council makes the final determination on proceeding with the improvement, and confirms the special assessment roll, either as presented or as modified based upon comments and objections received at the public hearing.

The approved improvement is then pursued, and properties are assessed in accordance with Resolution # 5.

For more information

Brian Coburn, Engineer
45175 W. Ten Mile Road
Novi, MI 48375

248-347-0454

[Email](#)

SUPPLEMENTAL PROFESSIONAL ENGINEERING SERVICES AGREEMENT

SAD 176 WOODHAM ROAD WATER MAIN EXTENSION

This Agreement shall be considered as made and entered into as of the date of the last signature hereon, and is between the City of Novi, 45175 W. Ten Mile Road, Novi, MI 48375-3024, hereafter, "City," and Spalding DeDecker Associates, Inc., whose address is 905 South Boulevard East, Rochester Hills, MI 48307, hereafter, "Consultant."

RECITALS:

This Agreement shall be supplemental to, and hereby incorporates the terms and conditions of the AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES FOR PUBLIC PROJECTS, and attached exhibits, entered into between the City and the Consultant on September 24, 2009.

The project includes the design and the preparation of plans and specifications for the proposed SAD 176 Woodham Road Water Main Extension.

NOW, THEREFORE, in consideration of the foregoing, the City and Consultant agree as follows:

Section 1. Professional Engineering Services.

For and in consideration of payment by the City as provided under the "Payment for Engineering Services" section of this Agreement, Consultant shall perform the work described in the manner provided or required by the following Scope of Services, which is attached to and made a part of this Agreement as Exhibit A, all of said services to be done in a competent, efficient, timely, good and workmanlike manner and in compliance with all terms and conditions of this Agreement.

Exhibit A Scope of Services

Section 2. Payment for Professional Engineering Services.

1. Basic Fee.
 - a. Design Phase Services: The Consultant shall complete the design phase services as described herein for a lump sum fee of \$9,023, which is 10.00% of the estimated construction cost (\$90,225) as indicated on the design and construction engineering fee curve provided in Exhibit B of the Agreement for Professional Engineering Services for Public Projects.
 - b. Construction Phase Services will be awarded at the time of construction award, should it occur.

2. Payment Schedule for Professional Engineering Services Fee.

Consultant shall submit monthly statements for professional engineering services rendered. The statements shall be based on Consultant's estimate of the proportion of the total services actually completed for each task as set forth in Exhibit A at the time of billing. The City shall confirm the correctness of such estimates, and may use the City's own engineer for such purposes. The monthly statements should be accompanied by such properly completed reporting forms and such other evidence of progress as may be required by the City. Upon such confirmation, the City shall pay the amount owed within 30 days.

Final billing under this agreement shall be submitted in a timely manner but not later than three (3) months after completion of the services. Billings for work submitted later than three (3) months after completion of services will not be paid. Final payment will be made upon completion of audit by the City.

3. Payment Schedule for Expenses.

All expenses required to complete the scope of services described herein, including but not limited to costs related to mileage, vehicles, reproduction, computer use, etc., shall be included in the basic fee and shall not be paid separately. However, as compensation for expenses that are not included in the standard scope of services, when incurred in direct connection with the project, and approved by the City, the City shall pay the Consultant its actual cost times a factor of 1.15.

Section 4. Ownership of Plans and Documents; Records.

1. Upon completion or termination of this agreement, all documents prepared by the Consultant, including tracings, drawings, estimates, specifications, field notes, investigations, studies, etc., as instruments of service shall become the property of the City.

2. The City shall make copies, for the use of the Consultant, of all of its maps, records, laboratory tests, or other data pertinent to the work to be performed by the Consultant under this Agreement, and also make available any other maps, records, or other materials available to the City from any other public agency or body.

3. The Consultant shall furnish to the City, copies of all maps, records, field notes, and soil tests that were developed in the course of work for the City and for which compensation has been received by the Consultant.

Section 5. Termination.

1. This Agreement may be terminated by either party upon 7- days' prior written notice to the other party in the event of substantial failure by the other party to fulfill its obligations under this agreement through no fault of the terminating party.

2. This Agreement may be terminated by the City for its convenience upon 90 days' prior written notice to the Consultant.

3. In the event of termination, as provided in this Article, the Consultant shall be paid as compensation in full for services performed to the date of that termination, an amount calculated in accordance with Section 2 of this Agreement. Such amount shall be paid by the City upon the Consultant's delivering or otherwise making available to the City, all data, drawings, specifications, reports, estimates, summaries, and that other information and materials as may have been accumulated by the Consultant in performing the services included in this Agreement, whether completed or in progress.

Section 6. Disclosure.

The Consultant affirms that it has not made or agreed to make any valuable gift whether in the form of service, loan, thing, or promise to any person or any of the person's immediate family, having the duty to recommend, the right to vote upon, or any other direct influence on the selection of consultants to provide professional engineering services to the City within the two years preceding the execution of this Agreement. A campaign contribution, as defined by Michigan law shall not be considered as a valuable gift for the purposes of this Agreement.

Section 7. Insurance Requirements.

1. The Consultant shall maintain at its expense during the term of this Agreement, the following insurance:

- A. Worker's Compensation insurance relative to all Personnel engaged in performing services pursuant to this Agreement, with coverage not less than that required by applicable law.
- B. Comprehensive General Liability insurance with maximum bodily injury limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate and minimum Property Damage limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate.
- C. Automotive liability insurance covering all owned, hired, and non-owned vehicles with Personal Protection insurance to comply with the provisions of the Michigan No Fault Insurance Law including Residual Liability insurance with minimum bodily injury limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate minimum property damage limits of \$1,000,000 (One Million Dollars) each occurrence and/or aggregate.
- D. The Consultant shall provide proof of Professional Liability coverage in the amount of not less than \$1,000,000 (One Million Dollars) per occurrence and/or aggregate, and Environmental Impairment coverage.

2. The Consultant shall be responsible for payment of all deductibles contained in any insurance required hereunder.

3. If during the term of this Agreement changed conditions or other pertinent factors should in the reasonable judgment of the City render inadequate insurance limits, the Consultant will furnish on demand such additional coverage as may reasonably be required under the

circumstances. All such insurance shall be effected at the Consultant's expense, under valid and enforceable policies, issued by the insurers of recognized responsibility which are well-rated by national rating organizations and are acceptable to the City.

4. All policies shall name the Consultant as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice to the City.

With the exception of professional liability, all insurance policies shall name the City of Novi, its officers, agents, and employees as additional insured. Certificates of Insurance evidencing such coverage shall be submitted to Sue Morianti, Purchasing Manager, City of Novi, 45175 West Ten Mile Road, Novi, MI 48375-3024 prior to commencement of performance under this Agreement and at least fifteen (15) days prior to the expiration dates of expiring policies.

5. If any work is sublet in connection with this Agreement, the Consultant shall require each subconsultant to effect and maintain at least the same types and limits of insurance as fixed for the Consultant.

6. The provisions requiring the Consultant to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Consultant under this Agreement.

Section 8. Indemnity and Hold Harmless.

A. The Consultant agrees to indemnify and hold harmless the City, its elected and appointed officials and employees, from and against any and all claims, demands, suits, losses and settlements, including actual attorney fees incurred and all costs connected therewith, for any damages which may be asserted, claimed or recovered against the City by reason of personal injury, death and/or property damages which arises out of or is in any way connected or associated with the actions or inactions of the Consultant in performing or failing to perform the work.

The Consultant agrees that it is its responsibility and not the responsibility of the City to safeguard the property and materials used in performing this Agreement. Further, this Consultant agrees to hold the City harmless for any loss of such property and materials used pursuant to the Consultant's performance under this Agreement.

Section 9. Nondiscrimination.

The Consultant shall not discriminate against any employee, or applicant for employment because of race, color, sex, age or handicap, religion, ancestry, marital status, national origin, place of birth, or sexual preference. The Consultant further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 4563) and will require a similar covenant on the part of any consultant or subconsultant employed in the performance of this Agreement.

Section 10. Applicable Law.

This Agreement is to be governed by the laws of the State of Michigan and the City of Novi Charter and Ordinances.

Section 11. Approval; No Release.

Approval of the City shall not constitute nor be deemed release of the responsibility and liability of Consultant, its employees, associates, agents and subconsultants for the accuracy and competency of their designs, working drawings, and specifications, or other documents and services; nor shall that approval be deemed to be an assumption of that responsibility by the City for any defect in the designs, working drawings and specifications or other documents prepared by Consultant, its employees, subconsultants, and agents.

After acceptance of final plans and special provisions by the City, Consultant agrees, prior to and during the construction of this project, to perform those engineering services as may be required by City to correct errors or omissions on the original plans prepared by Consultant and to change the original design as required.

Section 12. Compliance With Laws.

This Contract and all of Consultant's professional services and practices shall be subject to all applicable state, federal and local laws, rules or regulations, including without limitation, those which apply because the City is a public governmental agency or body. Consultant represents that it is in compliance with all such laws and eligible and qualified to enter into this Agreement.

Section 13. Notices.

Written notices under this Agreement shall be given to the parties at their addresses on page one by personal or registered mail delivery to the attention of the following persons:

City: Rob Hayes, P.E., Director of Public Services and Maryanne Cornelius, Clerk, with a copy to Thomas R. Schultz, City Attorney

Consultant: James L. Van Tiflin, P.E., Project Manager

Section 14. Waivers.

No waiver of any term or condition of this Agreement shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.

Section 15. Inspections, Notices, and Remedies Regarding Work.

During the performance of the professional services by Consultant, City shall have the right to inspect the services and its progress to assure that it complies with this Agreement. If such inspections reveal a defect in the work performed or other default in this Agreement, City shall provide Consultant with written notice to correct the defect or default within a specified

number of days of the notice. Upon receiving such a notice, Consultant shall correct the specified defects or defaults within the time specified. Upon a failure to do so, the City may terminate this Agreement by written notice and finish the work through whatever method it deems appropriate, with the cost in doing so being a valid claim and charge against Consultant; or, the City may preserve the claims of defects or defaults without termination by written notice to Consultant.

All questions which may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, and the interpretation of plans and specifications shall be decided by the City. All questions as to the satisfactory and acceptable fulfillment of the terms of this agreement shall be decided by the City.

Section 16. Delays.

No charges or claims for damages shall be made by the Consultant for delays or hindrances from any cause whatsoever during the progress of any portions of the services specified in this agreement, except as hereinafter provided.

In case of a substantial delay on the part of the City in providing to the Consultant either the necessary information or approval to proceed with the work, resulting, through no fault of the Consultant, in delays of such extent as to require the Consultant to perform its work under changed conditions not contemplated by the parties, the City will consider supplemental compensation limited to increased costs incurred as a direct result of such delays. Any claim for supplemental compensation must be in writing and accompanied by substantiating data.

When delays are caused by circumstances or conditions beyond the control of the Consultant as determined by the City, the Consultant shall be granted an extension of time for such reasonable period as may be mutually agreed upon between the parties, it being understood, however, that the permitting of the Consultant to proceed to complete the services, or any part of them, after the date to which the time of completion may have been extended, shall in no way operate as a waiver on the part of the City of any of its rights herein set forth.

Section 17. Assignment.

No portion of the project work, heretofore defined, shall be sublet, assigned, or otherwise disposed of except as herein provided or with the prior written consent of the City. Consent to sublet, assign, or otherwise dispose of any portion of the services shall not be construed to relieve the Consultant of any responsibility for the fulfillment of this agreement.

Section 18. Dispute Resolution.

The parties agree to try to resolve any disputes as to professional engineering services or otherwise in good faith. In the event that the parties cannot resolve any reasonable dispute, the parties agree to seek alternative dispute resolution methods agreeable to both parties and which are legally permissive at the time of the dispute. The parties agree to use their best efforts to resolve any good faith dispute within 90 (ninety) days notice to the other party. In the event the parties cannot resolve that dispute as set forth above, they may seek such remedies as may be permitted by law.

WITNESSES

Spalding DeDecker Associates, Inc.

By: James L. Van Tiflin, P.E.
Its: Project Manager

The foregoing _____ was acknowledged before me this _____ day of _____,
20____, by _____ on behalf of _____.

Notary Public
_____ County, Michigan
My Commission Expires: _____

WITNESSES

CITY OF NOVI

By:
Its:

The foregoing _____ was acknowledged before me this _____ day of _____,
20____, by _____ on behalf of the City of Novi.

Notary Public
Oakland County, Michigan
My Commission Expires: _____

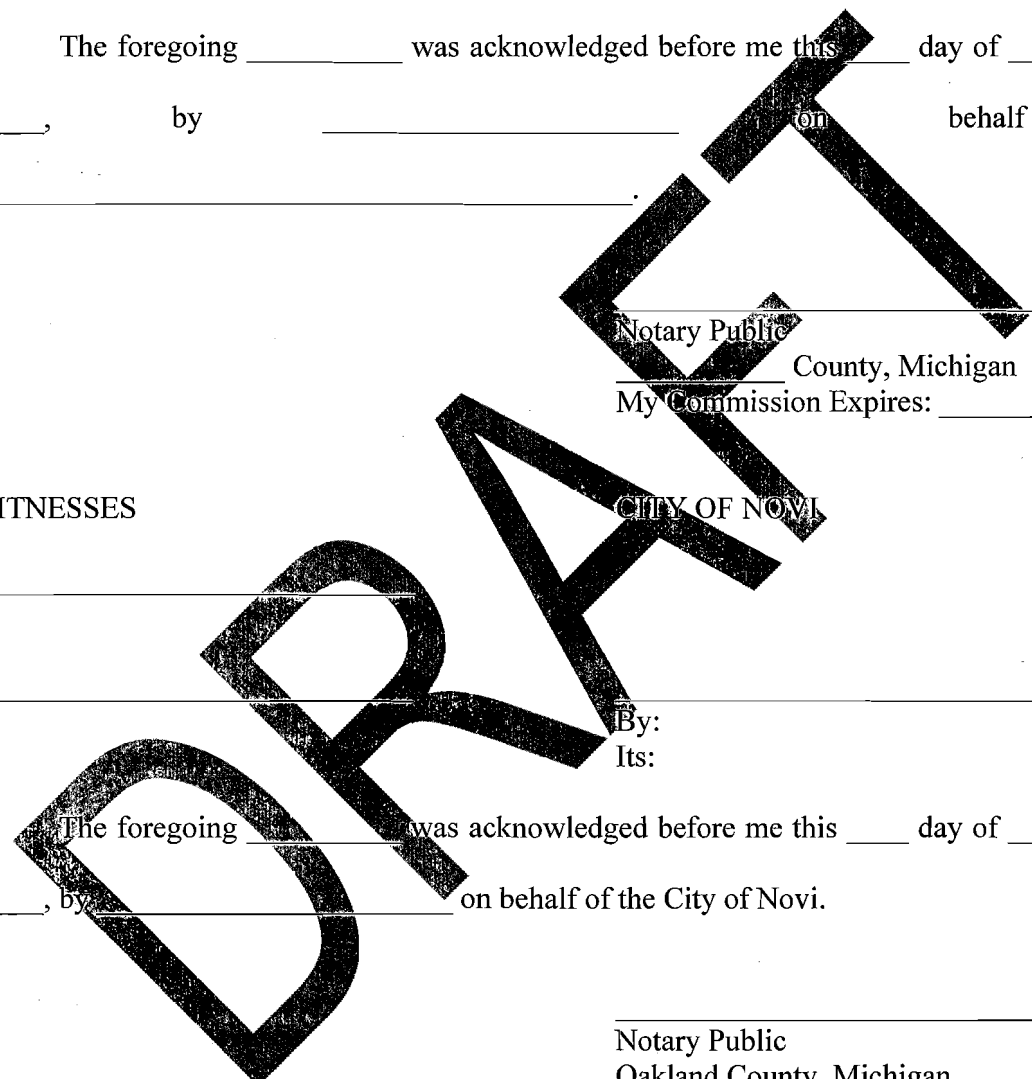


EXHIBIT A - SCOPE OF SERVICES

Consultant shall provide the City professional engineering services in all phases of the Project to which this Agreement applies as hereinafter provided. These services will include serving as the City's professional engineering representative for the Project, providing professional engineering consultation and advice and furnishing customary civil, structural, mechanical and electrical engineering services and customary engineering services incidental thereto, as described below.

A. Basic Services.

[see attached]

B. Performance.

1. The Consultant agrees that, immediately upon the execution of this Agreement, it will enter upon the duties prescribed in this agreement, proceed with the work continuously, and make the various submittals on or before the dates specified in the attached schedule. The City is not liable and will not pay the Consultant for any services rendered before written authorization is received by the Consultant.
2. The Consultant shall submit, and the City shall review and approve a timeline for submission of plans and/or the completion of any other work required pursuant to this Scope of Services. The Consultant shall use its best efforts to comply with the schedule approved by the City.
3. If any delay is caused to the Consultant by order of the City to change the design or plans, or by failure of the city to designate right-of-way, or to supply or cause to be supplied any data not otherwise available to the Consultant that is required in performing the work described; or by other delays due to causes entirely beyond the control of the Consultant; then, in that event, the time schedules will be adjusted equitably in writing, as mutually agreed between the City and the Consultant at the moment a cause for delay occurs.
4. Since the work of the Consultant must be coordinated with the activities of the City (including firms employed by and governmental agencies and subdivisions working with the City), the Consultant shall advise the City in advance, of all meetings and conferences between the Consultant and any party, governmental agency, political subdivision, or third party which is necessary to the performance of the work of the Consultant.



**City of Novi
Woodham Road Water Main Extension 2011
Project Scope**

Per our site visit on Monday, October 24, 2011, Spalding DeDecker Associates, Inc. (SDA) proposes to design the following water main extension on Woodham Road.

The project is being funded through an SAD and includes extending the 8" ductile iron water main south on Woodham Road to southern property line of House #23938. The water main will be located on the eastern side of the road in the ditch line inside the ROW. The proposed water main will terminate with a hydrant and gate valve.

As part of the project SDA will evaluate whether to tunnel or open cut underneath the driveways and next to the large trees. SDA will also evaluate the possibility of relocating the hydrant at House # 48209 to make it more accessible.

SDA's scope will include:

- SDA will perform a topographical survey from the centerline of Woodham Road to the easterly R.O.W. line. SDA will also pick up the trees outside of the ROW that would influence the water main construction.
- No geotechnical investigation or soil borings will be acquired as part of this project.
- SDA will prepare 30% plans for the City to review.
- SDA will then prepare 50% plans and acquire, on behalf of the City, the necessary MDEQ permit.
- SDA will prepare 75% plans and specifications and submit to the City for final review
- SDA will assist the City during the bidding process as needed.
- During construction, SDA will perform the construction administration and inspection and submit final record drawings in accordance with the City of Novi requirements.
- Material Testing will be minimal for this project and would include soil density testing for the open cut installation of the water main and possible testing for the asphalt driveway replacement. Material Testing is not included in our estimate and if needed will be paid for separately by the City.

SDA will perform the scope of work in accordance with the SAD schedule as follows:

- 50% Plans will be submitted to the City on 1/10/2012
- 75% Plans and Specifications submitted to the City on 1/23/2012
- 100% Bidding Documents submitted to the City on 3/12/11



SPALDING DEDECKER ASSOCIATES, INC.

905 South Boulevard East • Rochester Hills • Michigan 48307 • Tel 248 844 5400 • Fax 248 844 5404

**WOODHAM ROAD WATER MAIN EXTENSION 2011
OPINION OF PROBABLE PROJECT COST**

PROJECT NAME: Woodham Road Water Main Extension 2011
CLIENT NAME: City of Novi
PREPARED BY: M. Sedki

CHECKED BY: J. Van Tiffin

PROJECT NO: PR11-344
SAD NO: N/A
DATE: 10/26/2011

I	CONSTRUCTION				
	A	Water Main Extension Construction (Engineer's Estimate)			\$90,225.43
	B	Contingency (10%)			\$9,020.00
		TOTAL ESTIMATED CONSTRUCTION COST			\$99,245.43
II	ENGINEERING				
	E	Design Engineering	10.00%		\$9,022.54
	F	Construction Administration	7.50%		\$6,766.91
	G	Inspection Days	18	Days	\$615.00
		TOTAL ESTIMATED ENGINEERING COST			26,859.45
		OPINION OF PROBABLE COST (CONSTRUCTION & ENGINEERING)			126,104.88



SPALDING DEDECKER ASSOCIATES, INC.

905 South Boulevard East • Rochester Hills • Michigan 48307 • Tel 248 844 5400 • Fax 248 844 5404

WOODHAM ROAD WATER MAIN EXTENSION 2011 PRELIMINARY CONSTRUCTION COST

PROJECT NAME: Woodham Road Water Main Extension 2011
CLIENT NAME: City of Novi
PREPARED BY: M. Sedki

PROJECT NO: PR11-344
SAD NO: N/A
DATE: 10/26/2011
CHECKED BY: J. Van Tiflin

NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	Bonds, Insurance, & Initial Setup	1	LS	\$ 2,627.93	\$ 2,627.93
	Audio-Visual Tape of Construction Area	1	LS	\$ 1,000.00	\$ 1,000.00
	Misc. Site Restoration	1	LS	\$ 3,500.00	\$ 3,500.00
	Soil Erosion and Sedimentation Control	1	LS	\$ 2,000.00	\$ 2,000.00
	8" CL. 54 D.I. Water Main	525	LF	\$ 50.00	\$ 26,250.00
	8" Gate Valve and Well	1	EA	\$ 2,500.00	\$ 2,500.00
	Hydrant Assemblies	2	EA	\$ 2,800.00	\$ 5,600.00
	Relocate Hydrant	1	EA	\$ 2,000.00	\$ 2,000.00
	Connect to Ex. 8" Water Main	1	LS	\$ 2,000.00	\$ 2,000.00
	Tunnel Under Tree & Driveways at #24014 & 23970	1	LS	\$ 6,000.00	\$ 6,000.00
	Tunnel Under Tree at #23970	1	LS	\$ 3,500.00	\$ 3,500.00
	1" Type K Lead w/ Box Valve - Long	5	EA	\$ 2,200.00	\$ 11,000.00
	1" Type K Lead w/ Box Valve - Short	4	EA	\$ 1,000.00	\$ 4,000.00
	Remove Asphalt Driveway	140	SY	\$ 3.50	\$ 490.00
	6" Aggregate Base, 21AA Limestone	140	SY	\$ 5.50	\$ 770.00
	1100T 36B Bituminous Pavement	35	TON	\$ 90.00	\$ 3,150.00
	Furnishing Culvert Pipe, 12" RCP	125	LF	\$ 50.00	\$ 6,250.00
	Furnishing End Sections, 12" RCP	8	EA	\$ 250.00	\$ 2,000.00
	Seeding and Mulching	1,425	SY	\$ 3.00	\$ 4,275.00
	Class "A" Sodding	350	SY	\$ 3.75	\$ 1,312.50

OPINION OF PRELIMINARY PROBABLE CONSTRUCTION COST

\$90,225.43

In providing opinions of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Consultant's opinions of probable construction costs are made on the basis of the Consultant's professional judgement and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultant's opinion of probable construction cost.