



CITY of NOVI CITY COUNCIL

Agenda Item E
February 6, 2012

SUBJECT: Approval to award an amendment to the engineering services agreement to Orchard, Hiltz & McCliment for additional construction inspection services related to the 2010 Pressure Reducing Valve Replacements project (Ten Mile Road near CSX Railroad and Grand River Avenue near Main Street) in the amount of \$8,610 (which is offset by the charges to the construction contractor for exceeding the number of crew days that were in the construction contract).

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

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$ 8,610
LINE ITEM NUMBER	592-592.00-160.025

BACKGROUND INFORMATION:

The purpose of this project was to upgrade two pressure reducing valves (PRV) to improve the City of Novi's water distribution system. One PRV is located on the south side of Grand River Avenue east of Main Street, and the other is located on the south side of Ten Mile Road at the CSX Railroad. The City's water distribution system contains multiple pressure districts based on the ground elevations within the City. There are seven PRVs within the water distribution system to regulate the water pressure between districts to provide water customers with acceptable water pressure. The two PRVs that were improved as part of this project were initially installed in the early 1980's, and both had reached their life expectancy (both valves were failing, and the underground concrete vault that houses the Grand River PRV was failing). The upgrades included the replacement of the valves and other equipment, safety improvements, and improved access to each site for maintenance. Orchard, Hiltz & McCliment (OHM) was awarded the engineering consulting services for this project.

The City uses crew days in construction contracts to increase the accountability of the contractor with respect to inspection time. The contractor provides a number of anticipated crew days as part of the bid for the project. The cost per crew day is \$615 per eight hour day as stipulated in the general agreements with each of three engineering consultant firms used by the City. If the contractor requires additional days of inspection (or crew days) beyond the number contained in the bid, the cost of the additional inspection time is deducted from the contractor's pay and used to pay the consultant for the additional inspection. The purpose of using crew days for inspection services is to provide a method for the City to recoup costs to pay for additional inspection associated with slow progress by the contractor.

For this project, the contract included 19.5 crew days, but the contractor used 33.5 days to complete the work. The final payment to the contractor has been reduced by \$8,610 (14.0 crew days at \$615 per day) to offset the additional inspection costs for the project. (The final pay estimate to Sinatech is proposed for consideration elsewhere on this agenda.) This amendment of the engineering agreement is for the additional inspection costs that were incurred by OHM, as deducted from the final payment to the contractor.

RECOMMENDED ACTION: Approval to award an amendment to the engineering services agreement to Orchard, Hiltz & McCliment for additional construction inspection services related to the 2010 Pressure Reducing Valve Replacements project (Ten Mile Road near CSX Railroad and Grand River Avenue near Main Street) in the amount of \$8,610 (which is offset by the charges to the construction contractor for exceeding the number of crew days that were in the construction contract).

	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				

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and uses the most recent, 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 132 of 1970 as amended. Please contact the City GIS Manager to confirm sources and accuracy information related to this map.

City Of Novi



0 87.5 175 350 525 700
Feet

2010 PRESSURE REDUCING VALVE UPGRADES Grand River and Ten Mile Vaults

