



CITY OF NOVI CITY COUNCIL
JUNE 20, 2022

SUBJECT: Approval of recommendation from the Consultant Review Committee to extend the Agreement for Professional Engineering Services for Private Projects to Spalding DeDecker for a period of five years, effective December 18, 2022.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

BACKGROUND INFORMATION:

The City uses one pre-qualified consultant to provide professional engineering and planning services for private projects. The review and inspection services provided by this consultant are necessary to ensure compliance of private development with City engineering and planning standards. The current agreement for private projects was awarded to Spalding DeDecker on December 18, 2017. The agreement contained a five-year term (through December 18, 2022).

With the expiration of the current consulting agreement this December, the Engineering Division approached the Consultant Review Committee with a request to extend the agreement for another five (5) years. With today's economic uncertainty regarding services and their related costs, staff recommended taking advantage of the existing agreement with this firm for their Novi-specific knowledge and experience they gained over the last 10 years, which provides a tremendous benefit to staff members who interact with them daily.

This proposal was initiated by offering Spalding DeDecker the opportunity to revisit the current 2017-2022 Fee Schedule (attached as Attachment A) and provide updated fixed percentages and costs as it reasonably relates to current conditions and inflation rates.

A comparison analysis between the current (2017) and proposed (2022) fee schedules is provided in Exhibit A. As can be seen in the "Percent Change Fee" column, all increases in fees are within the expected range and are considered normal for increases since 2017. Some of the increases are substantial by percentage, but the substantial increases are typically concentrated on the lowest cost – or lesser used – reviews or inspections in each category of the schedule. Indeed, many line items on the schedule, such as

violation work, court testimonies, irregular spot inspections, and engineering plan reviews are hardly, if ever, used.

Exhibit A also shows minimum fees. All increases in minimum fees are within the expected range and are considered normal for increases since 2017. One notable increase is the amount of money collected by the consultant for "Private Improvement Inspection" which increased to \$3,500 from \$300. This is to bring this minimum up to par with the lowest-tier 2022 minimum fee proposed for the related "Utilities/Roads Construction Cost" inspections.

Engineering presented the recommended fee structure to the Consultant Review Committee on June 6, 2022. The committee provided a positive recommendation to extend the current contract agreements with the firm for an additional five years.

The revised Agreement for Professional Engineering Services for Private Projects will be provided to the consultant for re-execution as a general agreement. The consultant will submit a specific scope and fee as determined by the fee schedule or a proposal if the project is not included in the standard fee schedule.

RECOMMENDED ACTION: Approval of recommendation from the Consultant Review Committee to extend the Agreement for Professional Engineering Services for Private Projects to Spalding DeDecker, with amendments prepared by City Attorney and reviewed and approved by the City Manager, for a period of five years, effective December 18, 2022.



ATTACHMENT A

FEE DETERMINATION FORM

City of Novi, Michigan

<u>Description</u>	<u>Fee</u>	<u>Unit/Rate</u>
Land Improvement Review		
Residential (Plot Plans)		
Review	\$ 130	Lump sum
Each review for Builder initiated change	\$ 130	Lump sum
Footing inspection and one re-inspection	\$ 130	Lump sum
Additional footing inspection (after second)	\$ 100	Per Inspection
Final grade inspection	\$ 185	Lump sum
Additional final grade inspection	\$ 130	Per Inspection
Minor Land Improvement		
Review	\$ 100	Lump sum
Inspection	\$ 100	Lump sum
Construction Inspection and Acceptance Document Management & Review (Fixed Fee % of Construction Cost to include initial Pre-construction and TCO preparation meetings; ROW, Detention Basin and Site Amenities inspections, reporting and follow-up)		
(1) * Utilities/Roads (construction cost < or = \$50,000)	% 13.5	Min. Fee \$ 3500
(2) * Utilities/Roads (construction cost \$50,001 to \$100,000)	% 10.5	Min. Fee \$ 6250
(3) * Utilities/Roads (construction cost \$100,001 to \$300,000)	% 6	Min. Fee \$ 8250
(4) * Utilities/Roads (construction cost > \$300,001)	% 4	Min. Fee \$ 19000
(5) Private Improvement Inspection (grading, storm facilities, site amenities, on-site paving)	% 3.5	Min. Fee \$ 3500
(6) Additional Pre-Construction meetings	\$ 380	Lump sum
(7) Additional Occupancy Inspections (after 1 st verification of punchlist)	\$ 350	Per Inspection
* = fee to be based on sanitary sewer, storm sewer, water main and paving calculated separately. See fee sheet in Appendix A-1 for clarification.		
Record Drawing Preparation (As-built prepared by consultant) (Fixed Fee % of Construction Cost to include Maintenance Bond inspections)		
Utilities/Roads captured on As-built drawings	% 4	Min. Fee \$ 3000
Soil Erosion and Sedimentation Control Review and Inspections (Refer to "Inspection Fee Escrow Determination" form attached as Appendix A-4)		
(1) Soil Erosion Control Permit Application Review for Site Plans (including two re-reviews)	\$ 40/acre	Min. Fee \$ 300
(2) Additional Soil Erosion Control Permit Application Review for Site Plans (after third)	\$ 100	Per Review
(3) Site Plan Soil Erosion Control Inspection, if disturbed area is less than 5 acres	\$ 140	Per Inspection
(4) Site Plan Soil Erosion Control Inspection, if disturbed area is 5 acres through 15 acres	\$ 160	Per Inspection
(5) Site Plan Soil Erosion Control Inspection, if disturbed area is greater than 15 acres	\$ 220	Per Inspection

Fee Determination Continued

(6)	Review and one inspection for Residential Land Improvements	\$ 200	Lump sum
(7)	Violation work involving inspection, report and follow-up	\$ 130	Hourly
(8)	Citation work involving inspection report, follow-up, Ordinance Enforcement office meeting and court appearance	\$ 130	Hourly

Planning Document Review (Design and Construction Inspection)

(1)	Master Deed Exhibit B	\$ 25/acre	Min. Fee \$ 600
(2)	Legal Document Exhibits (including one re-review)	\$ 600	Lump sum
(3)	Additional Legal Document Exhibits review (after second)	\$ 125	Per Review

Court Testimony – Fee to be invoiced monthly for actual time expended \$ 175 Hourly

Preliminary Engineering Plan Review – (Includes Administration and Review)

Less than 15 Acres	\$ 40/acre	Min. Fee \$400
Greater than 15 Acres	\$ 30/acre	Min. Fee \$550

Final Engineering Plan Review – (Includes Administration and Review)

Less than 15 Acres	\$ 190/acre	Min. Fee \$500
Greater than 15 Acres	\$ 175/acre	Min. Fee \$500

Minor Engineering (Design and Construction Inspection)

(1)	Studies and reviews (e.g., culvert design)	\$ 100	Hourly
(2)	Inspection (spot) for non-site planned or linear projects (e.g., Franchised Utility projects)	\$ 100	Hourly
(3)	Completion Agreement Inspection	\$ 100	Hourly

Flood Plain Review (may include one (1) inspection for field verification purposes)

(1)	Major Floodplain Use Permit	\$ 3000	Lump sum
(2)	Minor Floodplain Use Permit	\$ 350	Lump sum
(3)	Individual Residential Floodplain Use Permit	\$ 350	Lump sum
(4)	Additional Flood Plain Services (e.g., meetings, CRS updating)	\$ 170	Hourly

I hereby certify that the information provided above is correct to best of my ability and will remain valid for a period of One Hundred and Twenty (120) days from the date of receipt by the City of Novi.

Firm Name

Authorized Representative – Printed Name

Authorized Representative - Signature

Date of Signature

Exhibit A
Fee Comparision 2017 to 2022
 Spalding DeDecker-Private Engineering Consultant

Land Improvement Review	2017 Fee	2022 Fee	Unit/Rate	Percent change
Residential Plot Plans	\$ 110.00	\$ 130.00	Lump Sum	18.2%
Each Review for Builder initiaged change	\$ 100.00	\$ 130.00	Lump Sum	30%
Footing inspection and one re-inspection	\$ 130.00	\$ 130.00	Lump Sum	0%
Additional footing inspection (after second)	\$ 100.00	\$ 100.00	Per Inspection	0%
Final grade inspection	\$ 185.00	\$ 185.00	Lump Sum	0%
Additional final grade inspection	\$ 130.00	\$ 130.00	Per Inspection	0%
Minor Land Improvement				
Review	\$ 70.00	\$ 100.00	Lump Sum	43%
Inspection	\$ 70.00	\$ 100.00	Lump Sum	43%

Soil Erosion and Sedimentation Control Review and Inspections

(Refer to “Inspection Fee Escrow Determination” form attached as Appendix A-4)

	2017 Fee	2022 Fee	Percent Change	Min Fee
Soil Erosion Control Permit Application Review for Site Plans (including two re-reviews) *price per acre	\$ 40.00	\$ 40.00	0%	\$300.00 *no change
Additional Soil Erosion Control Permit Application Review for Site Plans (after third review)□	\$ 100.00	\$ 100.00	0%	
Site Plan Soil Erosion Control Inspection				
Less than 5 acres	\$ 125.00	\$ 140.00	12%	
5 acres to 15 acres	\$ 145.00	\$ 160.00	10%	
Greater than 15 acres	\$ 220.00	\$ 220.00	0%	
Review and one inspection for Residential Land Improvements	\$ 135.00	\$ 200.00	48%	
Violation work involving inspection, report and follow-up	\$ 70.00	\$ 130.00	86%	
Citation work involving inspection report, follow-up, Ordinance Enforcement office meeting and court appearance	\$ 110.00	\$ 130.00	18%	

Exhibit A
Fee Comparision 2017 to 2022
 Spalding DeDecker-Private Engineering Consultant

Construction Inspection and Acceptance Document Management & Review

(Fixed Fee % of Construction Cost to include initial Pre-construction and TCO preparation meetings; ROW, Detention Basin and Site Amenities inspections, reporting and follow-up)

	2017 Fee	2022 Fee	Minimum Fee 2017	Minimum Fee 2022	Percent Change	Percent Change Minimum Fee
Utilities/Roads Construction Cost: < or = \$50,000	11%	13.5%	\$ 2,050.00	\$ 3,500.00	23%	71%
\$50,001 to \$100,000	9%	10.5%	\$ 5,250.00	\$ 6,250.00	17%	19%
\$100,001 to \$300,000	6%	6%	\$ 8,250.00	\$ 8,250.00	0%	0%
> \$300,001	4%	4%	\$ 19,000.00	\$ 19,000.00	0%	0%
Private Improvement Inspection (grading, storm facilities, site amenities, on-site paving)□	2.5%	3.5%	\$ 300.00	\$ 3,500.00	40%	1067%
Additional Pre-Construction meetings	\$ 380.00	\$ 380.00			0%	
Additional Occupancy Inspections (after 1st verification of punchlist)□	\$ 200.00	\$ 350.00			75%	

* fee to be based on sanitary sewer, storm sewer, water main and paving calculated separately. See fee sheet in Appendix A-1 for clarification.

Minor Engineering (Design & Construction Inspection)	2017 Fee	2022 Fee	Unit/Rate	Percent Change
Studies and reviews (e.g., culvert design)	\$ 95.00	\$ 100.00	hourly	5%
Inspection (spot) for non-site planned or linear projects	\$ 75.00	\$ 100.00	hourly	33%
Completion Agreement Inspection	\$ 100.00	\$ 100.00	hourly	0%

Flood Plain Review (may include one (1) inspection for field verification purposes)

Major Floodplain Use Permit	\$ 2,500.00	\$ 3,000.00	Lump Sum	20%
Minor Floodplain Use Permit	\$ 300.00	\$ 350.00	Lump Sum	17%
Individual Residential Floodplain Use Permit	\$ 300.00	\$ 350.00	Lump Sum	17%
Additional Flood Plain Services (meetings, CRS updating)	\$ 105.00	\$ 170.00	Lump Sum	62%

Exhibit A
Fee Comparision 2017 to 2022
 Spalding DeDecker-Private Engineering Consultant

Record Drawing Preparation

As-built prepared by consultant (Fixed Fee % of Construction Cost to include Maintenance Bond inspections)

	2017 Fee	2022 Fee	Minimum Fee 2017	Minimum Fee 2022	Percent Change	Change Minimum Fee
Utilities/Roads captured on As-built drawings	2.5%	4%	\$ 2,000.00	\$ 3,000.00	60%	50%

Planning Document Review (Design and Construction Inspection)

	2017 Fee	2022 Fee	Min Fee 2017	Min Fee 2022	Percent Change Fee	Percent change minimum fee
Master Deed Exhibit B (price per acre)	\$ 25.00	\$ 25.00	\$ 500.00	\$ 600.00	0%	20%
Legal Document Exhibits- including one re-review (lump sum)	\$ 450.00	\$ 600.00			33%	
Additional Legal Document Exhibits reviews (per Review)	\$ 100.00	\$ 125.00			25%	
Court Testimony – Hourly for time expended	\$ 145.00	\$ 175.00			21%	

Preliminary Engineering Plan Review – (Includes Administration and Review)

Less than 15 Acres (price per acre)	\$ 35.00	\$ 40.00	\$ 400.00	\$ 400.00	14%	0%
Greater than 15 Acres (price per acre)	\$ 26.00	\$ 30.00	\$ 550.00	\$ 550.00	15%	0%

Final Engineering Plan Review – (Includes Administration and Review)

Less than 15 Acres (price per acre)	\$ 190.00	\$ 190.00	\$ 500.00	\$ 500.00	0%	0%
Greater than 15 Acres (price per acre)	\$ 175.00	\$ 175.00	\$ 500.00	\$ 500.00	0%	0%