



CITY of NOVI CITY COUNCIL

Agenda Item H
August 11, 2014

SUBJECT: Approval to award an amendment to the engineering services agreement with URS Corporation for construction engineering services for the 2014 Chip Seal Program in the amount of \$24,025.

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

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$ 24,025
AMOUNT BUDGETED	\$ 209,800
LINE ITEM NUMBER	203-203.00-866.500

BACKGROUND INFORMATION:

As part of the City's ongoing asset management approach to maintaining roads, a report was recently completed by URS that evaluated the City's 6.7 miles of streets that have a chip sealed surface treatment. (Chip sealing is the application of an asphalt emulsion to seal the road's surface, followed by placement and compaction of small diameter crushed gravel.) The report identified \$806,200 of capital improvements necessary to improve and maintain the chip seal streets in good condition. The attached memo and report provide additional information regarding the evaluation and recommended improvements.

In anticipation of this report and the deferred capital maintenance on chip sealed roads, the approved FY2013-14 budget for annual local street capital preventative maintenance (CPM) was increased from \$50,000 to \$200,000 to include some chip seal improvements. The findings of the report show that a funding level of approximately \$200,000 each year specifically for chip seal CPM should be maintained through the FY2016-17 budget to make the necessary improvements to chip sealed roads to get them back into good condition. The report recommends an annual budget of \$90,000 beginning in FY2017-18 for routine maintenance, which includes crack sealing and patching in addition to reapplication of chip seal as needed to maintain the roads in good condition.

The scope of the 2014 Chip Seal Program includes CPM, such as drainage improvements, base repair and new chip seal on the following streets (see attached map):

- Buffington
- Henning
- Pembine
- Summit Ct.
- Summit Dr.
- Crown
- Pleasant Cove Dr.
- Shamrock Hill
- Shawood

The construction phase engineering fees are determined using two component: 1) the contract administration fee, which is determined using the fee percentage in Exhibit B of the Agreement for Professional Engineering Services for Public Projects, and 2) the construction inspection fee determined using a cost per inspection (crew) day from Exhibit B of the consultant's agreement that is then multiplied by the number of days of

inspection specified by the contractor. The construction phase engineering fees for this project include a contract administration fee of \$13,784.65 (5.5% of the \$250,630 construction bid) and an inspection fee of \$10,240 (\$640 per crew day, multiplied by the 16 days provided in the contractor's bid) for a total fee of \$24,024.65.

The construction contract calls for substantial completion of the project within 30 days and final completion of the project within 40 days of the Notice to Proceed. The contractor noted in the bid that the chip seal work cannot commence until mid-September due to workload constraints and the Notice to Proceed will be issued at that time.

RECOMMENDED ACTION: Approval to award an amendment to the engineering services agreement with URS Corporation for construction engineering services for the 2014 Chip Seal Program in the amount of \$24,025.

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

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