

City Council Agenda Summary Sheet (Purchases)

Agenda No: 2004-0473
Date: October 6, 2004
Prepared By: Paul M. Davis, P.E.; DPS/Eng, 248.841.2486
City File No: E97-002

Meeting Date: November 3, 2004

PURPOSE:

City Council is requested to approve additional costs incurred during the engineering design and construction inspection of the sanitary sewer pipe replacement and point repair project (E97-002, Phase I, Task III). Furthermore, City Council will be requested to approve a budget amendment for the density testing services provided from a subcontract with the design engineer.

DISCUSSION:

City Council awarded a contract to Spalding, DeDecker Associates (SDA) on July 18, 2001 to prepare design plans and bidding specifications for the rehabilitation of the Rochester Hills sanitary sewer system. This design work was the first phase of proposed rehabilitation repairs to the City sanitary sewer system and is included in the Capital Improvement Plan as project SS-02B.

While the design was proceeding with the Phase I, Task III project, it should be noted that the Health Club building on the southeastern corner of Rochester and Tienken was still standing, the Waltonwood at Main assisted living facility was being submitted for site plan review and the Rochester Community School district was moving forward with the reconstruction of the North Hill Elementary School. Each of these sites contributed to additional required design services performed by SDA beyond the original scope of the design proposal.

The portion of the SDA change order attributed to additional design services totals \$17,283.00 and includes the following detail for the design scope increases:

North Hill Elementary School

North Hill Elementary was constructed over a 12-inch diameter vitrified clay sanitary sewer constructed in 1967. This sewer currently heads south into the City of Rochester and is covered by an inter-local sewer agreement between Rochester and Rochester Hills. During the site plan review of North Hill Elementary reconstruction project, a plan to redirect the sanitary sewage from the North Hill line towards Tienken Road was made that also would ultimately lead to abandoning the section of sanitary sewer traversing below the school. This proposed plan is further documented as Project SS-19 in the Rochester Hills 2005 Capital Improvement Plan.

SDA proceeded with plans to route the new sewer serving North Hill Elementary to the north and along the easterly property of the Health Club parcel to the north (now the parcel with the proposed City Walk Planned Unit Development). However, subsequent sewer televising, dye testing, smoke testing investigations and topographical survey pickup at the Health Club parcel

during March, 2002 revealed that three sewer leads existed and had to be accommodated by the design. The sewer leads could not all be accommodated with the current design and this resulted in the North Hill Elementary sewer being rerouted towards the intersection of Courtland and Red Oak. Unfortunately, the later selling and demolition of the Health Club building would have eliminated the need for the sewer lead investigations, but at the time the additional work was necessary!

North Hill Shopping Center and Waltonwood at Main

The existing outlet sewer pipe serving the North Hill Shopping Center was a 10-inch diameter vitrified clay sewer built in 1967 that outlet westerly between the homes at 1430 and 1420 North Pine Street. Initially, the reconstruction or relining of this 190-foot sewer length was planned for the scope of services in Task III. However, since the proposed site plan for the Waltonwood at Main project was currently being reviewed, it was suggested that the existing 8-inch sanitary sewer running north-south by the westerly property line of the North Hill Shopping Center be reviewed for possible elimination of the sewer outlet between the homes. The existing 8-inch sewer was found to be in poor condition and the Waltonwood project could be served by a southerly extension of the sewer from the North Hill Shopping Center. Thus, SDA was requested to obtain topography and design a 10-inch diameter replacement sewer to handle sewage flows from the North Hill Shopping Center and proposed Waltonwood at Main project. The proposed sewer was built to route flows to an existing 12-inch sanitary at Pine and Winry intersection.

The second portion of the SDA change order request involves the construction engineering inspection that was performed for Phase I, Task III. The contractor construction costs and SDA construction engineering services were completed within approved budgets for the Phase I, Task I and II projects. However, the construction of Phase I, Task III demanded more inspection and administration than was originally included within the SDA construction engineering proposal. The Rochester Hills City Council approved the Phase III construction contract to Simone Construction and the construction engineering proposal from SDA at the May 7, 2003 meeting.

The majority of work on Task III was completed in November 2003. Final payment to the contractor for the construction work was made on August 5, 2004. Although the final payment exceeded the construction contract award amount of \$253,511.00, the final payment was still approximately \$9,500.00 below the permitted construction amount with the ten percent contingency.

Rochester Hills permits a contingency amount for the contractor payment portion of construction projects, but a similar contingency is not given by the City's purchasing ordinance if additional engineering or inspection is needed and cannot be accommodated within the previously approved construction engineering cost. Thirty-nine days of inspection were included in the SDA proposal but 54 days were needed for the project completion. At a \$632.00 per eight-hour day inspection charge, additional inspection resulted in \$9,480.00 and additional construction engineering and administration charge is \$4,968.35 for a total amount of \$14,448.35.

The third and final item consists of the geotechnical services component of the Task III. SDA subcontracted the services of Testing Engineers and Consultants (TEC) for Phase III instead of using the City's geotechnical consultant Schleede-Hampton. SDA has agreed to waive their ten percent markup on the subcontractor cost since the wrong company was mistakenly used. Density testing was required regardless of the consultant and a budget amendment in the amount of \$7,472.00 is proposed to cover the TEC expense.

FISCAL INFORMATION:

Staff impact associated with this request will be typical for completing a budget amendment and issuing final payment to the vendor. Funding exists in the 2004 adopted budget to cover the requested design and inspection costs and the budget amendment for the density testing services.

Fund Name	Fund Account #	Description	Budget Amount	Cost	Remaining Budget
Sewer	510.972000	Sanitary Sewer Rehabilitation (SS-02B)	\$200,000	\$31,731.35	\$162,268.65
Sewer	510.801000	Soil Boring Consultant	\$65,000.00	\$7,472.00	\$57,528.00

Vendor Name and Address:

Spalding DeDecker Associates, Inc.
905 South Boulevard East
Rochester Hills, Michigan 48307

Reason for Selection:

QBS, Best Value

Method of Purchase:

Purchase Order, Contract Agreement

RECOMMENDATION:

It is recommended that City Council approve the additional costs incurred during the engineering design and construction inspection of the sanitary sewer pipe replacement and point repair project (E97-002, Phase I, Task III) and also approve the budget amendment for the density testing services. The total recommended additional payment to SDA is \$39,203.35.

ATTACHMENTS:

Site drawing of the southeast and southwest quadrants of Rochester and Tienken

Department Authorization: Roger H. Rousse, Director of Department of Public Service

Reviewed by:

Fiscal: *Jean Farris*

Clerks: *Susan Koliba-Galeczka*

Approved by: *Pat Somerville*

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA