



# CITY of NOVI CITY COUNCIL

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**Agenda Item D**  
**July 2, 2007**

**SUBJECT:** Approval of contract extension to URS Corporation to provide additional design engineering services for the 2007 Neighborhood Road Program in the amount of \$21,000.

**SUBMITTING DEPARTMENT:** Engineering Department *174*

**CITY MANAGER APPROVAL:** *[Signature]*

<b>EXPENDITURE REQUIRED</b>	<b>\$21,000</b>
<b>AMOUNT BUDGETED</b>	<b>\$200,000</b>
<b>APPROPRIATION REQUIRED</b>	<b>N/A</b>
<b>LINE ITEM NUMBER</b>	<b>203-203.00-805.427</b>

**BACKGROUND INFORMATION:**

URS Corporation was retained in February 2007 to provide design and construction engineering services for the 2007 Neighborhood Road Program. The scope of the project at the time of engineering award consisted of approximately \$1,400,000 of construction. Since the time of engineering award, the budget was approved by City Council to include \$2,500,000 towards the 2007 Neighborhood Road Program.

URS has completed the design phase of the 2007 Neighborhood Road Program and has identified the additional effort for the increased scope in their June 15, 2007 letter, attached. URS is requesting an additional design phase fee of \$21,000 above the \$53,237 design fee originally awarded.

The Engineering Department has reviewed this request and finds that the \$21,000 amount requested is reasonable because an additional \$600,000 worth of work was designed, or a 43% increase over the original \$1,400,000 amount. The increase in design fee of \$21,000 is also a 43% increase over the original \$53,237 design fee amount.

**RECOMMENDED ACTION:** Approval of contract extension to URS Corporation to provide additional design engineering services for the 2007 Neighborhood Road Program in the amount of \$21,000.

	1	2	Y	N
<b>Mayor Landry</b>				
<b>Mayor Pro Tem Capello</b>				
<b>Council Member Gatt</b>				
<b>Council Member Margolis</b>				

	1	2	Y	N
<b>Council Member Mutch</b>				
<b>Council Member Nagy</b>				
<b>Council Member Paul</b>				



June 15, 2007

Mr. Brian T. Coburn  
City of Novi  
45175 W. Ten Mile Road  
Novi, MI 48375-3024

**Reference: Proposal for Additional Engineering Services for  
2007 Neighborhood Road Program**

Dear Brian:

As previously discussed, we are submitting this letter proposal for additional design services for the 2007 Neighborhood Roads Project. These services include the following:

- **Design Services for Approximately \$400,000 of additional Neighborhood Roads.** Per the Request for Proposal, the design and construction engineering fees were based on a total construction cost of \$1,400,000. During the design process, the City was able to budget additional money, above and beyond the original \$1,400,000, to the Neighborhood Roads Program. Per the bid opening on June 7<sup>th</sup>, the additional construction cost is approximately \$400,000. In order to complete this work, design survey, plans and specifications had to be completed for the additional streets. The cost associated with these services is **\$11,000**.
- **Design and Surveying Services for Lathum Drive.** During the bid process, the City of Novi decided to move forward with plans on Lathum Drive. The City requested that URS add this additional street via addendum to Contract Number 1. In order to issue this addendum, survey, plans and specifications had to be completed. The cost associated with these services is **\$5,500**.
- **Design and Surveying Services for Windermere Court.** During the bid process, the City of Novi decided to move forward with plans on Windermere Court. The City requested that URS add this additional street via change order to either Contract Number 1 or 2. In order to complete this change order, survey, plans and specifications had to be completed. The cost associated with these services is **\$4,500**.

This brings the total additional fee to **\$21,000**. This results in a revised maximum fee for the design phase of **\$74,237**.

It should be noted that there is no additional construction engineering fee listed for any of the additional services, since this amount is based on a percentage of construction.

If you have any questions or comments, please feel free to call.

Sincerely,

URS Corporation

601 Khaled Soubra, Ph.D., PE  
Vice President – Operations

Sean N. Kelsch, PE  
Project Manager

SNK/mm