

SUBJECT: Approval of an extension of contracts for Supplementary Building Plan Review and Inspection Services with McKenna and Carlisle Wortman/Code Enforcement Services subject to final approval of the City Manager and City Attorney for (1) year with the option of (2) one-year renewals per the attached fee schedules.

SUBMITTING DEPARTMENT: Community Development

BACKGROUND INFORMATION: The City of Novi currently uses two consultants to provide Commercial Building Permit Plan Reviews and Supplementary Building Inspections. These consultants provide the review of construction plans to assure compliance with required codes and standards prior to issuance of permits. Once construction is underway, their staff provide backup inspection services when City inspection staff are unavailable due to paid time off or required training.

The current contracts with McKenna and Carlisle Wortman/Code Enforcement Services have been in place since February 10, 2020 and will expire on February 9, 2023. Individuals from both organizations have coordinated well with our City team and have assisted us in providing excellent knowledgeable and technically proficient service to our customers. Having contracts with multiple consultants has allowed the City to take advantage of efficiencies, particular areas of expertise and widens the pool of available resources.

Community Development staff reached out to both firms requesting updated fee proposals for a potential contract extension of one (1) year with the option of (2) one-year extensions. A comparison of these proposed fees and percentage change from the current contract are provided in the attached Exhibit A. During FY-2122 the total expenditure for these services was approximately \$62,800.

In some cases, the proposed fees increased significantly. This likely represents the extremely tight market for qualified individuals in these positions as well as inflationary pressures and the limited number of qualified knowledgeable providers. It is also important to know note that that State of Michigan Inspector credentialing is requires significant experience and Master level trade licensing that typically limits each inspector to a single trade such as building, plumbing or electrical. The costs, while significant, are still much less than adding staff in each discipline to guarantee availability to serve our customers making investments in the City.

RECOMMENDED ACTION:

Approval of an extension of contracts for Supplementary Building Plan Review and Inspection Services with McKenna and Carlisle Wortman/Code Enforcement Services subject to final approval of the City Manager and City Attorney for (1) year with the option of (2) one-year renewals per the attached fee schedules.



CITY OF NOVI
SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS

FEE PROPOSAL

We, the undersigned as proposer, propose to furnish to the City of Novi, according to the specifications, terms, conditions and instructions attached hereto and made a part thereof:

Building Code Plan Review & Inspection

Hourly Rate

A. Building/Mechanical/Electrical/Plumbing \$ 135

Inspection Categories (M-F; minimum four (4) hrs. per day)

	Hourly Rate (Prior day notice)	Hourly Rate (Same day notice)
B. Building	\$ <u>92.50</u>	\$ _____
C. Mechanical	\$ <u>92.50</u>	\$ _____
D. Plumbing	\$ <u>92.50</u>	\$ _____
E. Electrical	\$ <u>92.50</u>	\$ _____

Alternates

F. Fire Alarm	\$ <u>92.50</u>	\$ _____
G. Fire Suppression	\$ <u>92.50</u>	\$ _____

Exceptions (all exceptions must be noted here):

Comments: _____

Non-Iran Linked Business

By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.

This proposal submitted by:

Company (Legal Registration) McKenna Associates Inc.


Address 235 E. Main

City Northville State MI Zip 48167

Telephone 248-596-0920 Fax 248-596-0930

Authorized Agent's Name John Jackson

Authorized Agent's Title President

Authorized Agent's Signature 

E-mail jjackson@mcka.com

Date 10/15/2022

MEMORANDUM



TO: PETE AUGER, CITY MANAGER
FROM: CHARLES BOULARD, COMMUNITY DEVELOP. DIRECTOR
SUBJECT: SUPPLEMENTARY PLAN REVIEW AND BUILDING & TRADE INSPECTION SERVICES
DATE: OCTOBER 31, 2022

The City of Novi currently uses two consultants to provide Commercial Building Permit Plan Reviews and Supplementary Building Inspections. These consultants provide the review of construction plans to assure compliance with required codes and standards prior to issuance of permits. Once construction is underway, their staff provide backup inspection services when City inspection staff are unavailable due to paid time off or required training.

The current contracts with McKenna and Carlisle Wortman/Code Enforcement Services have been in place since February 10, 2020 and will expire on February 9, 2023. Individuals from both organizations have meshed well with our City team and have assisted us in providing excellent knowledgeable and technically proficient service to our customers. Having contracts with multiple consultants has allowed the City to take advantage of efficiencies, particular areas of expertise and widens the pool of available resources.

Community Development staff reached out to both firms requesting updated fee proposals for a potential contract extension of one (1) year with the option of (2) one-year extensions. A comparison of these proposed fees and percentage change from the current contract are provided in the attached Exhibit A.

In some cases, the fees increased significantly. This likely represents the extremely tight market for qualified individuals in these positions as well as inflationary pressures and the limited number of qualified knowledgeable providers. It is also important to know that State of Michigan Inspector credentialing is based on experience and trade licensing that typically limits each inspector to a single trade such as building, plumbing or electrical. The costs, while significant, are still much less than adding staff in each discipline to guarantee availability to serve our customers making investments in the City.

In view of the ongoing talent challenges and economic climate staff recommends extending the current agreements. Staff proposes bringing these extensions forward for consideration City Council at a future meeting.

Please let me know if I can provide any additional information.

Exhibit A

Comparison of Supplementary Plan Review and Inspection Fee Proposals

McKenna	2020 Fee	2023 Fee	Unit	Percent Change	Notes
Commercial Plan Review	\$70.00	\$135.00	per hour	92.6%	
Building Inspections	\$70.00	\$92.50	per hour	32.1%	(4) hr. min. per inspector (typ)
Mechanical Inspections	\$65.00	\$92.50	per hour	42.3%	
Plumbing Inspections	\$65.00	\$92.50	per hour	42.3%	
Electrical Inspections	\$65.00	\$92.50	per hour	42.3%	
Fire Alarm	\$65.00	\$92.50	per hour	42.3%	
Fire Suppression	\$65.00	\$92.50	per hour	42.3%	

Carlisle Wortman/CES

Commercial Plan Review	\$115.00	\$120.00	per hour	4.3%	
Building Inspections	\$65.00	\$75.00	per inspection	15.4%	(4) hr. min. per inspector (typ)
Mechanical Inspections	\$65.00	\$75.00	per inspection	15.4%	
Plumbing Inspections	\$65.00	\$75.00	per inspection	15.4%	
Electrical Inspections	\$65.00	\$75.00	per inspection	15.4%	
Fire Alarm		\$75.00	per inspection		
Fire Suppression		\$75.00	per inspection		



CITY OF NOVI

**SUPPLEMENTARY BUILDING & TRADE INSPECTION SERVICES
AND PLAN REVIEW SERVICES-
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL BUILDINGS**

FEE PROPOSAL

We, the undersigned as proposer, propose to furnish to the City of Novi, according to the specifications, terms, conditions and instructions attached hereto and made a part thereof:

Building Code Plan Review & Inspection

Hourly Rate

A. Building/Mechanical/Electrical/Plumbing \$ 120.00

Inspection Categories (M-F; minimum four (4) hrs. per day)

	Hourly Rate (Prior day notice)	Hourly Rate (Same day notice)
B. Building	\$ 75 per inspection	\$ 75 per inspection
C. Mechanical	\$ 75 per inspection	\$ 75 per inspection
D. Plumbing	\$ 75 per inspection	\$ 75 per inspection
E. Electrical	\$ 75 per inspection	\$ 75 per inspection

Alternates

F. Fire Alarm	\$ 75 per inspection	\$ 75 per inspection
G. Fire Suppression	\$ 75 per inspection	\$ 75 per inspection

Exceptions (all exceptions must be noted here):

- Optional inspection pricing for large single projects: \$120 per-hour.
- Optional plan review pricing for projects valued at \$1,000,000 or more: 80% of city review fee.

Comments:

- Optional annual contract renewals shall include a 3% price increase subject to mutual agreement.

Non-Iran Linked Business

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This proposal submitted by:

Company (Legal Registration) Carlisle Wortman Associates, Inc
Address 117 N. 1st Street #70
City/State/Zip Ann Arbor, MI 48104
Telephone (734) 662-2200
Fax (734) 662-1935


Authorized Agent's Name

Authorized Agent's Title

Authorized Agent's Signature

E-mail

Date



CARLISLE WORTMAN ASSOCIATES, INC.
John L. Enos, AICP
Vice President

jenos@cwaplan.com

10/18/2022