

Grand Ledge City Council Resolution #_____ of 2022

**A Resolution to Approve a Proposal for Construction Phase Services from Fishbeck
for the Iron Removal Facility.**

A resolution adopted by the Grand Ledge City Council, at a regular meeting held on Monday, 11 July 2022, in the Council Chambers, City Hall, 310 Greenwood St., Grand Ledge MI 48837, in compliance with the Open Meetings Act, as amended.

Whereas, the City of Grand Ledge, Michigan (“City”) is a municipal corporation organized under the provisions of the Home Rule City Act, Public Act 279 of 1909, as amended, and is governed by the provisions of the Grand Ledge City Charter adopted 07 August 2018, as amended (“Charter”); and

Whereas, Charter §13.1A provides:

“The power to make and to authorize the making of contracts on behalf of the City is vested in the City Council and shall be exercised in accordance with the provisions of law”; and

Whereas, Fishbeck has provided a proposal for construction phase services for the Iron Removal Facility; and

Whereas, staff have reviewed and recommend approving the proposal for construction phase services for the Iron Removal Facility;

Now, Therefore, It Is Resolved:

1. The City approve the proposal for construction phase services from Fishbeck for the Iron Removal Facility, as attached.
2. The City directs the City Manager and Finance Director / Treasurer to appropriate the funds necessary to implement said proposal
3. The City Manager, or their duly authorized agent or representative, is authorized and directed to implement said proposal on behalf of the City of Grand Ledge; to do any other act(s) or thing(s) which shall be necessary to implement said proposal on behalf of the City of Grand Ledge; to preserve and protect the rights, duties and obligations of the City thereunder; and to do any act or thing required by statute, Charter, ordinance, rule, regulation or other provision of law in order to implement said proposal.

Motion by

Second by

Ayes:

Nays:

Absent:

Approved:

Thomas J. Sowle, Jr., Mayor

I, Gregory L. Newman, Grand Ledge City Clerk, certify this is Resolution #_____ of 2022, adopted by the Grand Ledge City Council at a regular meeting held on Monday, 11 July 2022; in the Council Chambers, City Hall, 310 Greenwood St., Grand Ledge MI 48837, in compliance with the Open Meetings Act, as amended.

Gregory L. Newman, City Clerk

July 7, 2022
Project No. 210262

Mr. Adam Smith
City Manager
City of Grand Ledge
310 Greenwood Street
Grand Ledge, MI 48837

Proposal for Construction Phase Services for the City of Grand Ledge Iron Removal Facility

Dear Adam:

Fishbeck appreciates the opportunity to provide this proposal for construction phase services in support of the City of Grand Ledge Iron Removal Plant project. Fishbeck is in the final stages of design on the project with a goal of issuing the project for bidding in Fall 2022, contingent on the permitting process through EGLE.

The City is currently tracking financing through both the USDA Rural Development and Drinking Water Revolving Fund programs. The USDA program requires inclusion of the construction phase engineering services, including construction administration and construction observation, as part of the application process. Approval of this proposal will need to be documented on an Exhibit K to the current Engineering Agreement between the City and Fishbeck for inclusion in the USDA funding application. An Exhibit K for Amendment 1 and the amended pages from the Engineering Agreement are included.

Scope of Services

The following services will be part of the construction phase services for this project.

Construction Administration

1. Review the contractor's bond and insurance information and assist the City in the execution of the contract documents by providing the necessary forms and documents.
2. Attend and conduct a preconstruction meeting in the City of Grand Ledge with contractors and representatives of the City, and the regulatory and funding agencies, as applicable.
3. Review contractor's construction schedule, schedule of values, and submittal schedule, shop drawings, samples, and testing submittals.
4. Review contractor's submittals, including shop drawings, erection drawings, samples, and testing data which the contractor is required to submit for compliance with design concepts.
5. Consult and advise the City as to the acceptability of substitute materials and equipment that may be proposed by the Contractor.
6. Receive items required by the contract documents to be designed by the contractor for informational purposes to determine that the contractor has understood these responsibilities and obtained the required professional design assistance.

7. Respond in writing to the Contractor's requests for information (RFIs) and issue clarifications and interpretations to the contract documents, as applicable, including recommending change orders and work change directives to the City as applicable.
8. Provide clarifications and interpretations during the construction. Issue bulletins and change orders, as appropriate.
9. Attend preinstallation meetings with the Contractor and subcontractors as noted in the project specifications.
10. Attend progress meetings, approximately monthly, with the contractor, subcontractors, and City representatives.
11. Visit the site at intervals appropriate to the various stages of construction. Site visits will be conducted by the project manager, the lead engineer or specific discipline engineers, or other qualified personnel dependent on the progress of the work.
12. Keep the City informed of the progress of the Work. Review contractor applications for payment and provide recommendations for payment to the City.
13. Review certified payroll reports from the Contractor if wage rates are required by the applicable funding agency.
14. Make recommendations for the replacement or correction of defective work, as necessary, and provide notifications to the Contractor, as applicable.
15. Assist the contractor and the City in coordination of training of water plant personnel for the operation and maintenance of the project equipment and systems.
16. Collect and review operation and maintenance manual documentation from the contractor.
17. Provide limited start-up assistance in conjunction with the start-up and training specified to be provided by the equipment suppliers. This generally includes attendance during equipment start-up, coordination with suppliers to resolve operational or controls-related problems, and verification of control system operation.
18. Review the completed work to verify substantial completion. Develop a project closeout punch list.
19. Review contractor project closeout documents, including waivers of lien, consent of surety, and warranties.
20. Conduct a final inspection to verify project completion.
21. Provide project record drawings to the City based on the contractor's as-built documentation. Two full size copies, two reduced size copies, and one electronic copy of the record drawings will be distributed to the City.

Construction Observation

Without limiting Fishbeck's obligations under MCL 339.2011, Fishbeck will provide the services of a Resident Project Representative (RPR) at the site to provide observation of the Work. The role of the RPR will be observation of the work performed by the contractor and to act as the liaison between the field and the Fishbeck engineers and designers. For issues involving a deviation from the contract documents, the role of the RPR is to communicate with the appropriate Fishbeck staff who will provide direction to the contractor on how to proceed or consult with the City if there are changes which affect contract price or time.

The proposal assumes an RPR will generally be onsite for regular working days when the contractor is performing major work onsite, up to the substantial completion date. The RPR may only be on site part time when there is not significant work in progress, or in cases when the work performed is exposed such that it can be reviewed

after installation. After substantial completion, the RPR will be on site part time to verify completion of punch list items. The RPR will maintain daily reports documenting the work completed, contractor presence on site, weather conditions, and issues and resolutions that may arise.

Assumptions

The following assumptions were used in the development of this proposal:

- This proposal is based on a 21-month construction schedule, which is reflected in the bidding documents, and based on our current understanding of equipment delivery lead times.
- This proposal assumes attendance at the preconstruction meeting and up to 20 monthly construction progress meetings. The construction progress meetings are conducted by the general contractor, including documentation of minutes.
- This proposal assumes attendance at up to 5 preinstallation meetings at the job site.
- This proposal assumes up to 8 days for startup assistance.
- The City will pay permit fees, where applicable.
- All applicable construction permits will be the responsibility of the contractor.
- Services for corrosion control study and additional operational demonstration requirements from EGLE are not fully defined yet and are not included in this proposal.

Professional Services Fees

Our fees to complete the services as described are summarized as follows:

Component	Total Lump Sum Fee
Construction Administration	\$496,400
Construction Observation (RPR)	\$595,800
Total	\$1,092,200

In our original design proposal, we had estimated that our fee would be 12.0% of the project cost for an 18-month duration project, or 12.5% for a longer duration project. Adding the \$1,092,200 fee above to the approved design fee of \$659,400 yields a total project fee of \$1,751,600 which equates to 12.1% of the current anticipated project capital cost of \$14,492,000.

Exhibit K for Amendment 1 to the Engineering Agreement dated May 5, 2021 and modified pages Exhibit C Packet BC-1 and Exhibit C Packet RPR-1 from the Engineering Agreement are attached. Upon approval, please add the date for the Effective Date of this Amendment on page 1 of Exhibit K, and sign and date page 2 of Exhibit K. If you have any questions or require additional information, please contact me at 616.464.3801 or jwillemin@fishbeck.com.

Sincerely,



John A. Willemin, PE

Senior Vice President/Principal

Attachments

This is **EXHIBIT C**, consisting of **2** pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated **5/5/2021**.

Payments to Engineer for Services and Reimbursable Expenses
COMPENSATION PACKET BC-1: Basic Services – Lump Sum

Article 2 of the Agreement is supplemented to include the following agreement of the parties:

ARTICLE 2 – OWNER’S RESPONSIBILITIES

C2.01 *Compensation for Basic Services (other than Resident Project Representative) – Lump Sum Method of Payment, **this is in addition to, and not in replacement of, the original Exhibit C, Para C2.01 dealing with pre-construction services.***

A. Owner shall pay Engineer for Basic Services set forth in Exhibit A, except for services of Engineer’s Resident Project Representative, if any, as follows:

1. A Lump Sum amount of \$[**496,400**] based on the following estimated distribution of compensation:
 - a. Study and Report Phase **\$ ~~5%~~ refer to original contract**
 - b. Preliminary Design Phase **\$ ~~45%~~ refer to original contract**
 - c. Final Design Phase **\$ ~~48%~~ refer to original contract**
 - d. Bidding and Negotiating Phase **\$ ~~2%~~ refer to original contract**
 - e. Construction Phase **\$496,400**
 - f. Post-Construction Phase **\$future phase**
2. Engineer may alter the distribution of compensation between individual phases noted herein to be consistent with services actually rendered, but shall not exceed the total Lump Sum amount unless approved in writing by the Owner **and Agency**.
3. The Lump Sum includes compensation for Engineer’s services and services of Engineer’s Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor costs, overhead, profit, expenses (other than any expressly allowed Reimbursable Expenses), and Consultant charges.
4. Lump Sum, Engineer is entitled to reimbursement from Owner for the following Reimbursable Expenses **included in the Lump Sum** (see Appendix 1 for rates or charges): **included in the fee proposal.** [List any such expenses here, or indicate “None.” If “None” then the reference to Appendix 1 may be deleted.]

5. The portion of the Lump Sum amount billed for Engineer's services will be based upon Engineer's estimate of the percentage of the total services actually completed during the billing period. If any Reimbursable Expenses are expressly allowed, Engineer may also bill for any such Reimbursable Expenses incurred during the billing period.
- B. *Period of Service:* The compensation amount stipulated in Compensation Packet BC-1 is conditioned on a period of service not exceeding **36 months subject to actual time for permit approvals by the Authorities Having Jurisdiction, funding agency approvals, and the time to complete bidding and the bond closing.** If such period of service is extended, the compensation amount for Engineer's services shall be appropriately adjusted **with concurrence of the Owner and Agency.**

This is **EXHIBIT K**, consisting of **2** pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated **5/5/2021**.

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 1

The Effective Date of this Amendment is: _____.

Background Data

Effective Date of Owner-Engineer Agreement: **5/5/2021**

Owner: **City of Grand Ledge, a Michigan home rule City**

Engineer: **Fishbeck, a Michigan corporation**

Project: **Iron Removal Facility**

Nature of Amendment: [Check those that are applicable and delete those that are inapplicable.]

- _____ ~~Additional Services to be performed by Engineer~~
- X** Modifications to services of Engineer
- _____ ~~Modifications to responsibilities of Owner~~
- X** Modifications of payment to Engineer
- _____ ~~Modifications to time(s) for rendering services~~
- _____ ~~Modifications to other terms and conditions of the Agreement~~

Description of Modifications:

Add services for Construction Administration and Construction Observation as detailed in the June 23, 2022, Proposal for Construction Phase Services from Fishbeck.

Agreement Summary:

Original agreement amount:	\$659,400 _____
Net change for prior amendments:	\$0 _____
This amendment amount:	\$1,092,200 _____
Adjusted Agreement amount:	\$1,751,600 _____

Change in time for services (days or date, as applicable): **0**

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

~~Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.~~

Owner and Engineer hereby agree to add this Exhibit K, Amendment No. 1, to the Owner-Engineer Agreement. In the event of any ambiguity, conflict, or inconsistency between or among the Agreement, this Exhibit K, or any other document incorporated therein by reference, the terms that are most beneficial to the Owner, as determined in the Owner's sole discretion, shall govern."

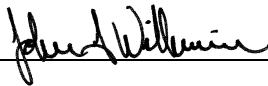
OWNER:

ENGINEER:

By: _____
Print
name: **Adam Smith**

Title: **City Manager**

Date Signed: _____

By: 
Print
name: **John Willemin**

Title: **Senior Vice President**

Date Signed: **7/7/2022**

ENGINEER AGREEMENT CERTIFICATION

PROJECT NAME: City of Grand Ledge Iron Removal Facility

The Engineer and Owner hereby concur in the Funding Agency acceptable revisions to E-500 identified in RUS Bulletin 1780-26. In addition, Engineer certifies to the following:

All modifications to E-500 have been made in accordance the terms of the license agreement, which states in part that the Engineer “must plainly show all changes to the Standard EJCDC Text, using ‘Track Changes’ (redline/strikeout), highlighting, or other means of clearly indicating additions and deletions.” Such other means may include attachments indicating changes (e.g. Supplementary Conditions modifying the General Conditions).

SUMMARY OF ENGINEERING FEES

Note that the fees indicated on this table are only a summary and if there is a conflict with any provision of Exhibit C, the provisions there overrule the values on this table. Fees shown in will not be exceeded without the concurrence of the Agency.

Basic Services	\$	<u> \$1,155,800 </u>
Resident Project Observation	\$	<u> \$ 595,800 </u>
Additional Services	\$	<u> </u>
TOTAL:		<u> \$ 1,751,600 </u>

Any adjustments to engineering fees or changes to maximum estimated values must be approved by the Agency and must include a table of what specific category or categories of fees are being changed, what fees were before and after the change, and the resulting total fee.

7/7/2022

EngineerDate

John Willemin, Senior Vice President

Name and Title

OwnerDate

Adam Smith, City Manager

Name and Title

Agency Concurrence:

As lender or insurer of funds to defray the costs of this Contract, and without liability for any payments thereunder, the Agency hereby concurs in the form, content, and execution of this Agreement.

Agency RepresentativeDate

Name and Title