

MEMO 23-14

TO: Frank Schulte, City Administrator
FROM: James Kowalski, Director of Public Services *JK*
DATE: June 16, 2023
SUBJECT: Hampton Rd. Water Main & Resurfacing Project Update –
AEW Project No. 0160-0456

On March 6, 2023, Council awarded the Hampton Rd. Water Main Replacement and Resurfacing Project from Mack to Marter to the lowest qualified bidder Pamar Enterprises, Inc. in an amount not to exceed \$2,424,642.75.

On June 5, 2023, the contractor attempted to connect the temporary water main to the city's water distribution system. When the existing water main was exposed, it was discovered that the water main material is a different material than indicated on historical records. The existing material is ductile iron, which is a preferred water main material and was found to be in excellent material.

Based on the findings, it was determined the city should reduce the scope of the contract to eliminate the water main. This change would result in a reduced timeline for construction, slightly less disruption to the residents, and cost savings to the city.

As a result of the discovery and scope reduction, the contractor, Pamar Enterprises, Inc., has requested additional compensation to account for downtime, delays, demobilization, remobilization, reduced overhead and profit, additional scheduling, and construction costs. An amount of \$178,479.45 was negotiated and agreed upon to compensate these costs. These changes to the contract are estimated to result in approximately \$700,000.00 savings to the city.

Based upon the recommendation of AEW, I concur that Council authorize the revision to the contract and proceed with the road construction of Hampton Rd. as originally proposed.

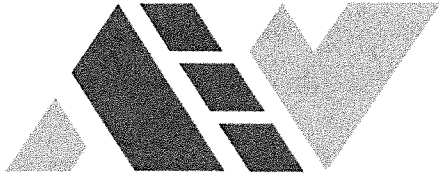
I do not believe any benefit will accrue to the City by seeking further bids. Approved for Council consideration.



Frank Schulte, City Administrator

6-16-23

Date



ANDERSON, ECKSTEIN & WESTRICK, INC.
CIVIL ENGINEERS - SURVEYORS - ARCHITECTS

Shelby Township - Roseville - Livonia
586.726.1234 | www.aewinc.com

MEMORANDUM

TO: Frank Schulte, City Administrator
Jim Kowalski, Director of Public Services

FROM: Ross Wilberding, PE

DATE: June 16, 2023

SUBJECT: **Hampton Rd Water Main and Resurfacing (Mack-Marter)**

On Monday, June 5, the contractor attempted to connect the temporary water main to the city's water distribution system. When the existing water main was exposed, it was discovered that the water main material is a different material than was indicated on historical records. The existing material is ductile iron, which is a preferred water main material and was found to be in excellent condition.

Based on this finding, the project team determined that reducing the scope of the contract to eliminate the water main work would be in the best interest of the city. These changes would result in a reduced timeline for construction, slightly less disruption to the residents, and some cost savings to the city.

However, as a result of the discovery and subsequent scope reduction, the contractor has requested additional compensation to account for downtime, delays, demobilization, remobilization, reduced overhead and profit, additional scheduling and construction management costs. An amount of \$178,479.45 was negotiated and agreed upon with the contractor, Pamar Enterprises, Inc., to compensate for these costs. These changes to the contract are estimated to result in approximately \$700,000 savings to the city.

Based on the condition of the existing water main, the need to resurface Hampton Road, and the reduction in cost to the city, we recommend the city authorize this revision to the contract and proceed with the road construction as originally proposed.

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