



CITY OF NOVI CITY COUNCIL
APRIL 3, 2023

SUBJECT: Approval to amend the Water Service Connections contract with D&D Water & Sewer, Inc. to adjust select unit costs to reflect the increase in certain material costs.

SUBMITTING DEPARTMENT: Department of Public Works, Water & Sewer Division

BACKGROUND INFORMATION:

D&D Water & Sewer has been the City's water service connection contractor for many years. Recently, the owner requested an adjustment to the fees for the water service installations to help offset the unanticipated increase in material costs. The proposed unit cost revisions include adjustments to three items (copper service leads, corporation stops, and curb stop valve boxes) for the 1-inch, 1.5-inch and 2-inch service leads D&D installs for the City. The price for labor and other services in the contract remain unchanged.

The City Attorney has reviewed this request and has prepared the attached *Addendum to Agreement for Water Service Connections*. The City and D&D Water & Sewer have maintained a professional and positive working relationship for years, and staff agrees the fee adjustment request to be reasonable based on the cost increases across the industry. This fee adjustment would result in an annual increase of approximately \$43,000.

The revised fees would remain in effect for the remainder of the contract through May of 2025.

RECOMMENDED ACTION: Approval to amend the Water Service Connections contract with D&D Water & Sewer, Inc. to adjust select unit costs to reflect the increase in certain material costs.