



CITY OF NOVI CITY COUNCIL
MARCH 4, 2024

SUBJECT: Approval of the final payment to Fonson Company, Inc. for the Lakeshore Park Pedestrian Tunnel Replacement project, in the amount of \$30,134.74, plus interest earned on retainage.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

EXPENDITURE REQUIRED	\$ 6,327.00 (expense) CIP FUND \$ 8,473.00 (expense) DRAIN FUND \$ 2,542.40 (retainage) CIP FUND <u>\$ 12,795.34 (retainage) DRAIN FUND</u> \$ 30,134.74 TOTAL
AMOUNT BUDGETED	\$ 82,554.00 CIP FUND \$ 15,250.00 DRAIN FUND
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	401-752.00-977.038 CIP FUND 211-445.00-977.038 DRAIN FUND

BACKGROUND INFORMATION:

The pedestrian tunnel, which crosses under South Lake Drive to the beach at Lakeshore Park, needed replacement. The project consisted of removing the existing tunnel and replacing it with a new precast concrete culvert with headwalls and cast-in-place wingwalls. The project also required a reconstruction of South Lake Drive and elements immediately surrounding the tunnel, such as fence, retaining wall, guardrail, and sidewalk. Lockable gates were installed on either side of the tunnel. To avoid long lead times, the precast concrete culvert was ordered in conjunction with the design award that went to the City Council on June 20, 2022.

The construction contract was approved at the January 23, 2023, City Council meeting to Fonson Company, Inc., in the amount of \$601,961.00. Staff worked with the engineering consultant for this project, AECOM-Great Lakes, to review and verify the final contract payment amount of \$30,134.74 that is due the Contractor. The City Attorney reviewed the final documentation and found it to be in acceptable form (Beth Saarela, February 6, 2024).

There were four (4) approved change orders issued resulting in an overall increase of \$11,428.11 or 1.9% over the awarded amount. This approved change order resulted in a final contract price of \$613,389.11.

RECOMMENDED ACTION: Approval of the final payment to Fonson Company, Inc., for the Lakeshore Park Pedestrian Tunnel Replacement project, in the amount of \$30,134.74, plus interest earned on retainage.