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WHITE LAKE TOWNSHIP DEPARTMENT OF PUBLIC SERVICES

7525 Highland Road, White Lake, Michigan 48383-2900, (248) 698-7700, www.whitelaketwp.com

July 7, 2023

Honorable Board of Trustees
Charter Township of White Lake
7525 Highland Road
White Lake, MI 48383

Re: DLZ Proposal – Construction Engineering Services - CWSRF 5800-1

Honorable Board of Trustees,

In January and early February 2022, White Lake and DLZ Engineering of Michigan had been in discussions with the State Revolving Fund regarding The American Rescue Plan Act (ARPA) and Infrastructure Investment and Jobs Act (IIJA) monies being allocated through the State Revolving Funds. The Township Board approved the project plan development at the February 17, 2022 Special Board Meeting. The Final Project Plan was presented and adopted by Resolution 22-021 at the May 17, 2022 Regular Board Meeting.

On October 31, 2022, DPS was notified by the State Revolving Fund that our Project 5800-01 is now fundable for Fiscal Year 2023 (FY23) for a CWSRF \$2,855,000 loan and that we would qualify for 10% (\$285,000) principal forgiveness.

The public bid opening was held June 26, 2023. The tentative award to the low bidder and the resolution to sell bonds are on the agenda for this meeting. The DLZ proposal is consistent with the project plan budget that was approved by the Township and the State.

I request the Township Board approve the DLZ proposal, Professional Engineering Services CWSRF 5800-1, in an amount not to exceed \$233,750 pending approval of the other related resolutions and contract award on this meeting agenda. I request the Township Supervisor be authorized to execute the agreement.

Please feel free to contact me if you have any questions.

Sincerely,

Aaron Potter



INNOVATIVE IDEAS
EXCEPTIONAL DESIGN
UNMATCHED CLIENT SERVICE

July 6, 2023

Mr. Rik Kowall
Township Supervisor
Charter Township of White Lake
7525 Highland Road
White Lake, MI 48383

**Re: Charter Township of White Lake
CWSRF Sanitary Sewer Lining – Construction Engineer Services**

Dear Mr. Kowall:

DLZ Michigan, Inc. (DLZ) is pleased to submit this proposal for continued professional engineering services related to construction engineering services to the Charter Township of White Lake (TOWNSHIP) for the CWSRF Sanitary Sewer Lining project.

BACKGROUND

The sanitary sewer improvements include cleaning, televising, and lining sanitary sewer pipe and manholes along Union Lake Road, Farnsworth Road, Hutchins Road, Round Lake Road, Cooley Lake Road, and Cascade Street. The project work is consistent with the goals of the CWSRF Project Plan which was Board adopted by Resolution #22-021 on May 18, 2022.

The following agreement between DLZ and the TOWNSHIP is separate and distinct from any other agreement between DLZ and the TOWNSHIP.

SCOPE OF SERVICES – CONSTRUCTION ENGINEERING

Resident Inspection

DLZ will perform Construction Observation Services on the proposed construction activities. Observation will be performed whenever the contractor is constructing the improvements proposed on the plans. Construction operations requiring full time Observation will include the following activities:

- General:
 - Construction of appurtenances. Such work can be observed by the same individual performing the construction review for the primary construction provided: (1) they are located within 500 feet of the primary construction, (2) the Contractor cooperates to the extent that the construction review staff member is informed of the construction of appurtenances, and (3) that no work is covered prior to construction review.
- Sanitary Sewer Main:
 - Cleaning and Televising.
 - CIP Pipe Lining and Lateral Reinstatement.
 - Excavation, bedding and backfill.
 - Tunneling, jacking, and boring.

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- Installation of all materials.
- Installation and construction of all appurtenances (See General).
- Structures:
 - Cleaning and CIP Lining.
 - Excavation.
 - Rim & Cover Repair.
 - Backfilling.
- Miscellaneous Work:
 - Final clean-up, pavement replacement, restoration.

Contract Administration

DLZ's functions, responsibilities, and obligation to the TOWNSHIP, in this phase of the WORK, will be as follows:

- DLZ will issue to the Contractor(s), a Notice-To-Proceed, upon direction of TOWNSHIP.
- DLZ will advise and consult with the TOWNSHIP during the construction phase of the projects.
- DLZ will attend Project Meetings.
- DLZ will make recommendations upon request of the TOWNSHIP, on claims relating to the execution and progress of the construction work.
- DLZ will review shop drawings, samples, and other submittals of the Contractor(s), only for general conformance to the design concept of the Project and for general compliance with the Contract Documents.
- Based on on-site observations and on review of Contractor(s) applications for payment and the accompanying data and schedules, DLZ will determine the amounts owing the Contractor(s) and approve, in writing and in accordance with the provisions of the General Conditions of the Contract Documents, payments to Contractor(s) in such amounts.
- DLZ will assist in the preparation of Change Orders for the TOWNSHIP's approval.
- DLZ will handle complaints and refer them to the Contractor(s) for a disposition.
- DLZ will conduct Davis-Bacon wage rate interviews as required by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) and review all contractor certified payrolls and pay applications for compliance with the Davis-Bacon wage rates.
- DLZ will receive and transmit to the TOWNSHIP all written guarantees and other required documentation assembled by the Contractor.
- DLZ will conduct a Final Review and issue a Final Report and a Certificate of Final Payment.

GIS Services

DLZ's functions, responsibilities, and obligation to the TOWNSHIP, in this phase of the WORK, will be as follows:

- DLZ will update the Township's GIS Network with revised sanitary sewer layer information per the surveyed limits of improvement.
-

Material Testing Services

DLZ will coordinate Material Testing activities on the projects. To facilitate this, DLZ will engage the services of a sub-consultant known to have expertise in this field. Tests to be performed will include, but not be limited to the following: Grain Size Analysis, Standard Proctor, Modified Proctor, Michigan One Point Cone Test, Concrete Slump Test, Concrete Air Entrainment, and Concrete Cylinder Breaking. In addition, a Density Technician, Concrete Technician and Laboratory Supervisor will be supplied. It is the intent that this sub-consultant will be mutually agreeable to White Lake Township.

The proposal fee does not include Materials and Testing Services costs, but it does include costs for coordination with the sub-consultant. DLZ will require the Contractor to include the cost for Materials Testing in the construction contract by identifying the task as an allowance in the Construction Bid documents.

SCOPE OF SERVICES – SPECIAL SERVICES

The following services, when requested and authorized by the TOWNSHIP, will be provided by DLZ or an authorized sub-consultant. Compensation for Special Services as described herein or services beyond the scope of this agreement will be based on the attached DLZ Schedule of Fees labeled Exhibit B. Sub-consultant expenses will be provided and approved by the TOWNSHIP prior to commencement of work as well.

- Services due to changes in the scope and complexity of the Project(s) or their design, including, but not limited to, changes in size, alignment, or character of construction.
- Services due to unforeseen underground conditions such as, but not limited to, the presence of petroleum products in the soil or groundwater of the site as may be encountered by excavation or dewatering activities.
- Services related to dewatering activities, testing of wells and laboratory services that may be required in connection with the Project.

TERMS AND CONDITIONS

The Standard Terms and Conditions, as set forth as attached Exhibit A, are incorporated here into and made a part of this Proposal. The Client referred to in the Standard Terms and Conditions means The Charter Township of White Lake.

SERVICE FEE

For services described in **SCOPE OF SERVICES, CONSTRUCTION ENGINEERING** related to CWSRF Sanitary Sewer Lining and Manhole Repair, DLZ proposes to charge, and the TOWNSHIP agrees to pay in accordance with the attached Schedule of Fees labeled Exhibit B. We estimate our fee will not exceed **\$233,750.00** without prior approval to TOWNSHIP. Invoices will be rendered monthly based on the actual hours expended times the rate shown on Exhibit B for the classification of the individual working on the project.

For Services described in **SCOPE OF SERVICES, SPECIAL SERVICES** if required, DLZ proposes to charge, and TOWNSHIP agrees to pay in accordance with the rates shown in Exhibit B.



INNOVATIVE IDEAS
EXCEPTIONAL DESIGN
UNMATCHED CLIENT SERVICE

White Lake Township
CWSRF Sanitary Sewer Lining
July 6, 2023
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If you approve and accept this Proposal, please sign, date and return one copy of this Proposal for our records. Should you prefer to issue a Purchase Order as your official acceptance, we request that you reference this Proposal in your paperwork.

DLZ appreciates the opportunity to submit this Letter Agreement for professional services. This offer will remain open for acceptance for 60 days. If for any reason you should have questions, please do not hesitate to call Mike Leuffgen at (248) 681-7800.

Sincerely,
DLZ MICHIGAN, INC.

Manoj Sethi, PE
President

Approved and Accepted	
Signature	_____
Printed Name	_____
Title	_____
Date	_____

Attachments:
Exhibit A: Standard Terms and Conditions
Exhibit B: Rate Schedule

Exhibit A

DLZ'S STANDARD TERMS AND CONDITIONS

- 1. INVOICES AND PAYMENT:** Unless the parties have agreed otherwise, DLZ will submit monthly invoices to CLIENT for services performed in the prior month. Except to the extent CLIENT disputes in good faith all or a portion of a DLZ invoice, CLIENT will pay DLZ the invoiced amount within thirty (30) days from the date of the invoice; and, in default of such payment, agrees to pay all cost of collection, including reasonable attorney's fees, regardless of whether legal action is initiated. Invoiced amounts not in dispute will accrue interest at eight percent (8%) per annum after they have been outstanding for over thirty (30) days. If an invoiced amount not in dispute remains unpaid sixty (60) days after the date of the invoice, DLZ may, upon giving seven (7) days written notice of its intent to do so, suspend all project services until all unpaid invoiced amounts not in dispute are paid in full. If an invoice remains unpaid ninety (90) days after the date of the invoice, DLZ may, upon giving seven (7) days written notice of its intent to do so, declare CLIENT to be in breach of this agreement.
- 2. CONSTRUCTION SERVICES:** If DLZ's scope of services includes providing professional services during the project's construction phase, DLZ will not have control over or be responsible for contractor means, methods, techniques, sequences, procedures, or schedule, or the contractor's failure to comply with the construction contract documents or applicable laws, ordinances, rules or regulations. If DLZ provides construction inspection or observation services, DLZ will report to CLIENT all contractor deviations from the construction contract documents that come to DLZ's attention. However, such services are solely intended to enable DLZ to maintain familiarity with, and keep CLIENT informed of, the general progress and quality of the contractor's work, and not to require DLZ to perform exhaustive inspections of contractor work for its compliance with the construction contract documents, which shall remain solely contractor's responsibility.
- 3. CHANGES IN REQUIREMENTS:** In the event additional services are required due to a change, after the date of this agreement, in CLIENT's requirements, or in the applicable law, standards, or governmental requirements or policies, DLZ will be entitled to additional compensation for such additional services.
- 4. SURVEY STAKING:** If DLZ's scope of services includes survey layout, DLZ will not be responsible for subsequent disturbances of its layout except to the extent caused by DLZ or persons for whom it is responsible.
- 5. MISCELLANEOUS EXPENSES:** Except to the extent otherwise provided in this agreement, CLIENT is responsible for all third-party fees and charges including, without limitation, fees and charges for inspections, zoning or annexation applications, assessments, soils engineering, soils testing, aerial topography, permits, rights-of-entry, bond premiums, title company charges, blueprint and reproduction costs, and all other third-party fees and charges.
- 6. CHANGE OF SCOPE:** DLZ's scope of services in this agreement is based on facts known at the time of execution of this agreement, including, if applicable, information supplied by CLIENT. DLZ will promptly notify CLIENT in writing of any perceived changes to its scope of services required by new information or by persons or circumstances beyond DLZ's control, and the parties shall negotiate modifications to this agreement before DLZ begins performance of the revised scope.
- 7. SAFETY:** DLZ will take reasonable steps to protect the safety of its employees, and to perform its services in a safe manner. DLZ is not responsible for project safety other than with regard to its own services.
- 8. REUSE OF PROJECT DELIVERABLES:** CLIENT's use of any project documents or DLZ deliverables, including electronic media, for any purpose other than that for which such documents or deliverables were originally prepared, or alteration of such documents or deliverables without written verification or adaption by DLZ for the specific purpose intended, will be at CLIENT's sole risk.
- 9. OPINIONS OF CONSTRUCTION COST:** Any opinion of construction costs prepared by DLZ is supplied for the general guidance of the CLIENT only. Since DLZ has no control over competitive bidding or market conditions, DLZ cannot guarantee the accuracy of such opinions as compared to contractor bids or actual cost to CLIENT.
- 10. INSURANCE:** During the performance of its services and for two years thereafter, DLZ will maintain the following minimum insurance coverage: General Liability- \$1,000,000 per occurrence, \$2,000,000 general aggregate, \$2,000,000 products/completed operations aggregate, \$1,000,000 personal/advertising injury aggregate; Automobile Liability- \$1,000,000 combined single limit; Workers Compensation and Employers Liability- in conformance with statutory requirements, and \$1,000,000 employers liability; and Professional Liability- \$2,000,000 per claim and in the aggregate. Certificates evidencing such coverage will be provided to CLIENT upon request. If DLZ is providing construction phase services, CLIENT agrees to require its contractor to include DLZ as an additional insured on the contractor's General Liability and Automobile Liability insurance policies, and DLZ's above-listed coverage will be excess over the contractor's coverage, which will be primary.
- 11. INDEMNITY:** To the fullest extent permitted by law, each of the parties agrees to indemnify and save harmless the other party from and against all liability, damages, and expenses, including reasonable attorney's fees, sustained by the other party by reason of injury or death to persons or damage to tangible property, to the proportionate extent caused by the negligent acts or omissions of the indemnifying party or its employees.
- 12. CONSEQUENTIAL DAMAGES:** Neither party will be liable to the other for consequential, special, incidental, indirect, liquidated, or punitive damages.
- 13. LIABILITY:** No employee of DLZ or of its parent, subsidiary, or affiliated companies will be personally liable to CLIENT. DLZ's total liability to CLIENT, and any coverage of CLIENT as an additional insured under any of DLZ's insurance policies, for injuries, claims, losses, expenses or damages arising out of DLZ's services or this agreement from any causes including, but not limited to, DLZ's negligence, error, omissions, strict liability, or breach of contract, will not exceed the total compensation received by DLZ under this agreement.
- 14. DISPUTES:** Any claim or controversy arising out of or relevant to this agreement, or the breach thereof, shall be settled by binding arbitration in the state in which the project is located, in accordance with the rules of the American Arbitration Association, and judgment upon any award rendered by the arbitrator(s) may be rendered in any court having jurisdiction thereof.
- 15. STATUTE OF LIMITATIONS:** The parties agree that the time period for bringing claims regarding DLZ's Service's under this agreement expires on the earlier of one year after completion of the project, or two years after completion of DLZ's project services.
- 16. DELAYS:** DLZ is not responsible for delays caused by persons or circumstances for which DLZ is not responsible.
- 17. SHOP DRAWINGS:** If DLZ's scope of services includes reviewing shop drawings, such reviews are solely with regard to their general conformance with the design concept, and not for the purpose of reviewing or approving their accuracy, completeness, dimensions, quantities, constructability, compatibility with other construction components, or compliance with the requirements of the construction contract documents, all of which remain the contractor's responsibility. DLZ is not responsible for reviewing or approving the contractor's safety precautions or construction means, methods, sequences or procedures.
- 18. ACCEPTANCE:** Both parties will consider DLZ's initiation of services prior to execution of this agreement in order to accommodate CLIENT, at CLIENT's request, as CLIENT's formal acceptance of all of the terms and conditions in this agreement.
- 19. STANDARD OF CARE:** DLZ will perform its services with the care and skill ordinarily exercised by members of its profession currently practicing under similar conditions in the same locale. DLZ does not make, and expressly disclaims, any other warranties, express or implied, relating to its services including, without limitation, warranties of merchantability and fitness for a particular purpose. DLZ shall be entitled to rely on all CLIENT-provided information except to the extent otherwise stated in the agreement.

Exhibit B
Rate Schedule

CLASSIFICATION	HOURLY RATE CHARGE
Senior Project Manager	\$ 170.00
Project Manager	\$ 150.00
Surveyor VI	\$ 160.00
Surveyor V	\$ 145.00
Engineer IV/Surveyor IV	\$ 125.00
Engineer III/Surveyor III	\$ 115.00
Engineer II/Surveyor II	\$ 100.00
Engineer I/Surveyor I	\$ 95.00
Senior Architect	\$ 155.00
Architect	\$ 120.00
Architect Intern	\$ 90.00
Landscape Architect	\$ 120.00
Senior Geologist/Senior Environmental Scientist	\$ 130.00
Geologist/Environmental Scientist	\$ 90.00
Senior Environmental Analyst	\$ 120.00
Environmental Analyst	\$ 95.00
Senior Programmer	\$ 125.00
Programmer	\$ 105.00
Senior GIS Analyst	\$ 120.00
GIS Analyst	\$ 105.00
GIS Intern	\$ 80.00
Senior CAD Operator	\$ 105.00
CAD Operator	\$ 85.00
CAD Operator Intern	\$ 70.00
Designer	\$ 100.00
Construction Project Manager	\$ 145.00
Senior Construction Inspector	\$ 105.00
Construction Inspector	\$ 80.00
2 Person Survey Crew	\$ 190.00
1 Person Survey Crew	\$ 135.00
Clerical	\$ 55.00

Table 9 – Alternative 4 – Total Project Budget

Item No	Description	Total Cost
1	Design (8%)	\$ 187,019.57
2	Construction	\$ 2,337,744.63
3	Construction Administration, Construction Engineering, Inspection (10%)	\$ 233,774.46
4	Project Plan	\$ 30,000.00
5	Legal/Financial Service	\$ 32,000.00
6	Bond Counsel	\$ 35,000.00
Total Project Budget		\$ 2,855,538.66

The 2022 discount rate, as determined by the Federal Register, is 1.875% with a project planning period of twenty (20) years.

4.4 SALVAGE VALUES & REPLACEMENT COST

Given the nature of the alternative, the proposed infrastructure improvements are designed to have an expected life of 40 years, double the 20-year planning period for the monetary present worth evaluation. As a result, all lining items (sanitary main and manholes) will have a salvage value worth half of their estimated cost at the end of the 20-year planning period. There are no items related to the alternative that have an expected life of less than 20 years, therefore there will be no replacement costs associated with the present worth analysis. These values are outlined in Table 10 for Alternative 2 and Table 11 for Alternative 4 on pages 47 and 48, respectively.