

CONTRACT ROUTING FORM

****NOTE: CITY ATTORNEY MUST REVIEW CONTRACTS BEFORE SUBMISSION TO CITY COUNCIL**

SUBMITTED BY: Nick Hutchinson *NSH* DATE: 01/24/2018

SERVICE AREA/UNIT: Public Services / Engineering

CONTRACTOR: Wolverine Engineering & Surveying, Inc.

PURPOSE: Construction Inspection Services

CONTRACT TYPE:

SERVICES

MATERIALS/CONSTRUCTION

CHANGE ORDER/AMENDMENT

CHANGE AMOUNT: \$ _____

OTHER:

CONTRACT AMOUNT: \$ 250,000

RESOLUTION REQUIRED: YES NUMBER: R-18-003

NO PROJECT MEMO ATTACHED

SIGNATURES: **PLEASE MARK PAGES**

(IN ORDER)

REQUIRED

SIGNED

DATE SIGNED

CONTRACTOR 01/23/18

SERVICE AREA 1/24/18

CITY ATTORNEY 2/13/18

CITY ADMINISTRATOR 2/14/18

MAYOR 2.16.18

CITY CLERK 2/16/18

RETURN CONTRACT TO: Brian Slizewski PHONE: 43607

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
WOLVERINE ENGINEERS & SURVEYORS, INC.
AND THE CITY OF ANN ARBOR
FOR CONSTRUCTION INSPECTION SERVICES**

The City of Ann Arbor, a Michigan municipal corporation, having its offices at 301 E. Huron St. Ann Arbor, Michigan 48104 ("City"), and Wolverine Engineers & Surveyors, Inc., a Michigan Corporation with its address at 312 North Street, Mason, Michigan 48854 ("Contractor") agree as follows on this 10th day of February 2018 (the "Effective Date").

The Contractor agrees to provide services to the City under the following terms and conditions:

I. DEFINITIONS

Administering Service Area/Unit means Public Services Area/Engineering Unit.

Contract Administrator means Nicholas Hutchinson, City Engineer, acting personally or through any assistants authorized by the Administrator/Manager of the Administering Service Area/Unit.

Deliverables means all Plans, Specifications, Reports, Recommendations, and other materials developed for and delivered to City by Contractor under this Agreement

Project means Construction Inspection Services, RFP #17-30.

II. DURATION

Services under this Agreement shall begin after the Effective Date, and shall continue until June 30, 2019, unless this Agreement is terminated as provided for in Article XI. This Agreement shall also include an option to extend the Agreement for up to two (2) additional one-year periods, subject to agreement by the City and the Contractor. An extension of the Agreement will be at the same terms and conditions in the original Agreement, except that unit prices will be adjusted as provided in the fee schedule, Appendix B.

III. SERVICES

- A. The Contractor agrees to provide Construction Inspection Services ("Services") in connection with the Project as described in Exhibit A. The Contractor understands that there is no guarantee, or implied promise of any nature, that any inspection work at all will be authorized; and that the City is under no obligation to authorize any inspection work.
- B. The Contractor agrees to provide a minimum of 3 qualified inspectors, as identified in the contractor's proposal, working simultaneously on projects in the City of Ann Arbor under this Agreement.
- C. Quality of Services under this Agreement shall be of the level of quality performed by persons regularly rendering this type of service. Determination of acceptable quality shall be made solely by the Contract Administrator.
- D. The Contractor shall perform its Services for the Project in compliance with all statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.
- E. The Contractor may rely upon the accuracy of reports and surveys provided to it by the City (if any) except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

IV. INDEPENDENT CONTRACTOR

The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

V. COMPENSATION OF CONTRACTOR

- A. The Contractor shall be paid in the manner set forth in Exhibit B. Payment shall be made monthly, unless another payment term is specified in Exhibit B, following receipt of invoices submitted by the Contractor, and approved by the Contract Administrator. Total compensation payable for all Services performed during the term of this Agreement, including extensions, shall not exceed \$250,000.00.
- B. The Contractor will be compensated for Services performed in addition to the Services described in Section III, only when the scope of and compensation for those additional Services have received prior written approval of the Contract Administrator.

- C. The Contractor shall keep complete records of work performed (e.g. tasks performed/hours allocated) so that the City may verify invoices submitted by the Contractor. Such records shall be made available to the City upon request and submitted in summary form with each invoice.

VI. INSURANCE/INDEMNIFICATION

- A. The Contractor shall procure and maintain during the life of this contract such insurance policies, including those set forth in Exhibit C, as will protect itself and the City from all claims for bodily injuries, death or property damage which may arise under this Agreement; whether the act(s) or omission(s) giving rise to the claim were made by the Contractor, any subcontractor or anyone employed by them directly or indirectly. In the case of all contracts involving on-site work, the Contractor shall provide to the City, before the commencement of any work under this Agreement, documentation satisfactory to the City demonstrating it has obtained the policies and endorsements required by Exhibit C.
- B. Any insurance provider of Contractor shall be admitted and authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable unless approved in writing by the City.
- C. To the fullest extent permitted by law, Contractor shall indemnify, defend and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses, including attorney's fees, resulting or alleged to result, from any acts or omissions by Contractor or its employees and agents occurring in the performance of or breach in this Agreement, except to the extent that any suit, claim, judgment or expense are finally judicially determined to have resulted from the City's negligence or willful misconduct or its failure to comply with any of its material obligations set forth in this Agreement.

VII. COMPLIANCE REQUIREMENTS

- A. Nondiscrimination. The Contractor agrees to comply, and to require its subcontractor(s) to comply, with the nondiscrimination provisions of MCL 37.2209. The Contractor further agrees to comply with the provisions of Section 9:158 of Chapter 112 of the Ann Arbor City Code and to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity.

- B. Living Wage. If the Contractor is a “covered employer” as defined in Chapter 23 of the Ann Arbor City Code, the Contractor agrees to comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The Contractor agrees to pay those employees providing Services to the City under this Agreement a “living wage,” as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.

VIII. WARRANTIES BY THE CONTRACTOR

- A. The Contractor warrants that the quality of its Services under this Agreement shall conform to the level of quality performed by persons regularly rendering this type of service.
- B. The Contractor warrants that it has all the skills, experience, and professional licenses necessary to perform the Services specified in this Agreement.
- C. The Contractor warrants that it has available, or will engage, at its own expense, sufficient trained employees to provide the Services specified in this Agreement.
- D. The Contractor warrants that it is not, and shall not become overdue or in default to the City for any contract, debt, or any other obligation to the City including real and personal property taxes.
- E. The Contractor warrants that its proposal for services was made in good faith, it arrived at the costs of its proposal independently, without consultation, communication or agreement, for the purpose of restricting completion as to any matter relating to such fees with any competitor for these Services; and no attempt has been made or shall be made by the Contractor to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

IX. OBLIGATIONS OF THE CITY

- A. The City agrees to give the Contractor access to the Project area and other City-owned properties as required to perform the necessary Services under this Agreement.
- B. The City shall notify the Contractor of any defects in the Services of which the Contract Administrator has actual notice.

X. ASSIGNMENT

- A. The Contractor shall not subcontract or assign any portion of any right or obligation under this Agreement without prior written consent from the City. Notwithstanding any consent by the City to any assignment, Contractor shall at all times remain bound to all warranties, certifications, indemnifications, promises and performances, however described, as are required of it under the Agreement unless specifically released from the requirement, in writing, by the City.
- B. The Contractor shall retain the right to pledge payment(s) due and payable under this Agreement to third parties.

XI. TERMINATION OF AGREEMENT

- A. If either party is in breach of this Agreement for a period of fifteen (15) days following receipt of notice from the non-breaching party with respect to a breach, the non-breaching party may pursue any remedies available to it against the breaching party under applicable law, including but not limited to, the right to terminate this Agreement without further notice. The waiver of any breach by any party to this Agreement shall not waive any subsequent breach by any party.
- B. The City may terminate this Agreement, on at least thirty (30) days advance notice, for any reason, including convenience, without incurring any penalty, expense or liability to Contractor, except the obligation to pay for Services actually performed under the Agreement before the termination date.
- C. Contractor acknowledges that, if this Agreement extends for more than one fiscal years, continuation of this Agreement is subject to appropriation and/or availability of funds for this Project. If funds to enable the City to effect continued payment under this Agreement are not appropriated or otherwise made available, the City shall have the right to terminate this Agreement without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The Contract Administrator shall give Contractor written notice of such non-appropriation within thirty (30) days after it receives notice of such non-appropriation.
- D. The provisions of Articles VI and VIII shall survive the expiration or earlier termination of this Agreement for any reason. The expiration or termination of this Agreement, for any reason, shall not release either party from any obligation or liability to the other party, including any payment obligation that has already accrued and Contractor's obligation to deliver all Deliverables due as of the date of termination of the Agreement.

XII. REMEDIES

- A. This Agreement does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory and/or other legal right, privilege, power, obligation, duty or immunity of the Parties.

- B. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any agreement between the parties or otherwise.
- C. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either Party shall subsequently effect its right to require strict performance of this Agreement.

XIII. NOTICE

All notices and submissions required under this Agreement shall be delivered to the respective party in the manner described herein to the address stated in this Agreement or such other address as either party may designate by prior written notice to the other. Notices given under this Agreement shall be in writing and shall be personally delivered, sent by next day express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent next day express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

If Notice is sent to the CONTRACTOR, it shall be addressed and sent to:
Wolverine Engineers & Surveyors, Inc.
Donald B. Heck, President
312 North Street
Mason, MI 48854

If Notice is sent to the CITY, it shall be addressed and sent to:
City of Ann Arbor
Nicholas Hutchinson, City Engineer
301 E. Huron St.
Ann Arbor, Michigan 48104

XIV. CHOICE OF LAW AND FORUM

This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction, excepting the principles of conflicts of law. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience.

XV. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this Agreement, all documents (i.e., Deliverables) prepared by or obtained by the Contractor as provided under the terms of this Agreement shall be delivered to and become the property of the City. Original basic survey notes, sketches, charts, drawings, partially completed drawings, computations, quantities and other data shall remain in the possession of the Contractor as instruments of service unless specifically incorporated in a deliverable, but shall be made available, upon request, to the City without restriction or limitation on their use. The City acknowledges that the documents are prepared only for the Project. Prior to completion of the contracted Services the City shall have a recognized proprietary interest in the work product of the Contractor.

Unless otherwise stated in this Agreement, any intellectual property owned by Contractor prior to the effective date of this Agreement (i.e., Preexisting Information) shall remain the exclusive property of Contractor even if such Preexisting Information is embedded or otherwise incorporated in materials or products first produced as a result of this Agreement or used to develop Deliverables. The City's right under this provision shall not apply to any Preexisting Information or any component thereof regardless of form or media.

XVI. CONFLICTS OF INTEREST OR REPRESENTATION

Contractor certifies it has no financial interest in the Services to be provided under this Agreement other than the compensation specified herein. Contractor further certifies that it presently has no personal or financial interest, and shall not acquire any such interest, direct or indirect, which would conflict in any manner with its performance of the Services under this Agreement.

Contractor agrees to advise the City if Contractor has been or is retained to handle any matter in which its representation is adverse to the City. The City's prospective consent to the Contractor's representation of a client in matters adverse to the City, as identified above, will not apply in any instance where, as the result of Contractor's representation, the Contractor has obtained sensitive, proprietary or otherwise confidential information of a non-public nature that, if known to another client of the Contractor, could be used in any such other matter by the other client to the material disadvantage of the City. Each matter will be reviewed on a case by case basis.

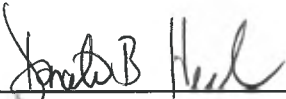
XVII. SEVERABILITY OF PROVISIONS

Whenever possible, each provision of this Agreement will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement or the application of any provision to any party or circumstance will be prohibited by or invalid under applicable law, that provision will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Agreement or the application of the provision to other parties and circumstances.

XVIII. EXTENT OF AGREEMENT

This Agreement, together with any affixed exhibits, schedules or other documentation, constitutes the entire understanding between the City and the Contractor with respect to the subject matter of the Agreement and it supersedes, unless otherwise incorporated by reference herein, all prior representations, negotiations, agreements or understandings whether written or oral. Neither party has relied on any prior representations, of any kind or nature, in entering into this Agreement. No terms or conditions of either party's invoice, purchase order or other administrative document shall modify the terms and conditions of this Agreement, regardless of the other party's failure to object to such form. This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their permitted successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This Agreement may only be altered, amended or modified by written amendment signed by the Contractor and the City. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

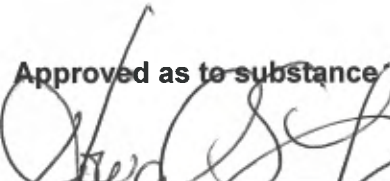
FOR CONTRACTOR

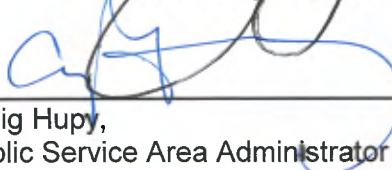
By 
Donald B. Heck, President

FOR THE CITY OF ANN ARBOR

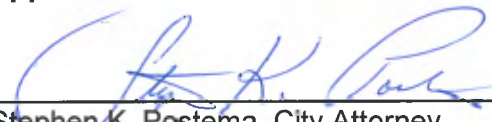
By 
Christopher Taylor, Mayor

By 
Jacqueline Beaudry, City Clerk

Approved as to substance

Howard S. Lazarus, City Administrator


Craig Hupy,
Public Service Area Administrator

Approved as to form and content


Stephen K. Postema, City Attorney

**EXHIBIT A
SCOPE OF SERVICES**

1. General

- A. The Contractor understands that there is no guarantee, or implied promise of any nature, that any inspection work at all will be authorized, and that the City is under no obligation to authorize any inspection work
- B. The Contractor agrees to provide a minimum of three (3) qualified inspectors, as identified in the Contractor's proposal, working simultaneously on projects in the City of Ann Arbor under this Agreement,

2. Requirements

- A. Ability to work effectively with the City's engineering staff with respect to any of the construction inspection services required by the City.
- B. Ability to work effectively with the public and public agencies.
- C. The ability to function in a support role to the Engineering Unit. The Contractor's services will be utilized for the construction inspection activities that exceed the staffing level or the expertise of the Engineering Unit.
- D. The ability to work with private developers, other consulting engineers, builders, contractors, and owners of property to assist and accommodate orderly development within the City while minimizing inconveniences and delays.
- E. Contractor will demonstrate and use its experience and working knowledge of private development and public project inspection relative to water main, sanitary sewer, storm sewer, road, and sidewalk construction.

3. Tasks

A. Supervision and Inspection

Engineering supervision and full time inspection services shall be provided on all projects assigned to the Contractor. Sufficient personnel as agreed upon by the City shall be assigned to the construction project to assure that each element of the project is constructed in keeping with the plans and specifications approved by the City.

Activities associated with this task will be dedicated to verifying that all materials provided and work performed is in conformance with the project plans and specifications. Inspector's Daily Reports (IDRs) shall be prepared per the guidelines below. Tasks include, but are not limited to:

- a) thorough review of the plans and specifications and other project related documents prior to construction startup;
- b) daily communication with the City Project Manager/Engineer/Civil Engineering Specialist Supervisor;

- c) daily communication with the contractor's supervisor to coordinate inspection activities and to properly inspect, test, measure, and document the work;
- d) daily communication with the contractor, advising of needed corrections to ancillary work items, e.g. traffic control and soil erosion control devices;
- e) daily communication with the survey crew(s) to obtain proper interpretation of stakes and coordinate daily staking needs;
- f) daily communication with testing personnel to properly sample and test the materials and work;
- g) attend the weekly progress/planning meetings;
- h) inspect materials to be used in the work, verifying they meet the project specifications;
- i) monitor, document and notify responsible party(s) of potentially hazardous site conditions relating to construction crew members, motorists and pedestrians, which need to be corrected;
- j) document material usage and quantities on the IDR using FieldBook;
- k) review/inspect the Contractor's equipment to confirm it meets the project specifications, and document the specific type and amount of equipment used on the IDR;
- l) inspect the contractor's workmanship to verify that it meets the methods, tolerances, time requirements, temperature requirements etc., of the specifications, and document this on the IDR;
- m) inspect and document that the work is performed and completed to the lines, grades, and elevations required by the project plans and specifications;
- n) document the contractor workforce and weather conditions on the IDR;
- o) document daily contractor activities, including any description and explanation of downtime, damage to the work, any actions taken by others including private utilities, City forces, adjacent property owners, etc. on the IDR;
- p) final measure work as it's done by the contractor, calculate quantities and document this on the IDR or in field books as appropriate;
- q) conduct daily review/inspection of temporary traffic control devices and the maintenance of traffic throughout the construction influence area;
- r) conduct periodic nighttime review/inspection of temporary traffic control devices and the maintenance of traffic throughout the construction influence area, as needed;
- s) provide certified storm water operators and conduct daily inspection of all soil erosion and sedimentation control devices for proper maintenance and effectiveness as placed;
- t) perform and document NPDES inspections at the required frequencies; suspend any work and/or reject any materials not conforming to the contract requirements;
- u) perform and document wage rate interviews;
- v) document changes, extra work, "revisions to" notes etc. on the plans to assist in the preparation of "as built" plans;
- w) develop and maintain the project "punchlist";
- x) keep all needed force account documentation, as required

The Contractor shall furnish its inspectors with equipment and materials as necessary to properly perform their work. This will include, but is not limited to, laptop computers equipped with FieldBook, cell phones, MDOT Standard Specifications for Construction, City of Ann Arbor Public Services Department Standard Specifications (City Standard Specifications), MDOT standard plans, a Nikon AP-5 Auto Level with tri-pod legs or

equivalent, eye level, right angle prism, plumb bob with gammon reel, 25 foot grade pole, 6 foot level, torpedo level, 100 foot cloth tape, 25 foot steel tape, measuring wheel, pick axe, road point shovel, sledge hammer, paint, first-aid kit, and any other hand tools needed to inspect the work.

Once assigned to the project, inspection personnel will not be removed from, or added to, the project without the written authorization of the City's Project Manager.

B. As-Built Construction Plans

The specific tasks associated with the development of the "as-built" plans include:

- a) document all plan changes, extra work, "revisions to" notes, etc. as project work progresses;
- b) collect and confirm all field changes; develop the appropriate "as-constructed" notes;
- c) submit marked up plans, drawings, and notes to the City for use in preparing as-built drawings.

4. Guidelines for IDR Content

A. Capital Improvement Projects

Prior to the start of a new project, the project manager and the inspector(s) should meet and review these guidelines and how they specifically apply to the project at hand. This conversation should also include the procedural steps for submitting and generating/ungenerating IDRs, and the review of IDRs.

Minimum information for all IDRs:

- a) Date
- b) Project Name and File Number
- c) Project Limits (as necessary)
- d) Inspector(s) Name and time spent on the project site(s) that day.
- e) Weather conditions throughout the day; temperature range (High and Low), especially if freezing conditions exist. Note any occurrences of precipitation during the work day:
- f) A timeline of activities throughout the day, which would include such items as: time contractor arrived; start and end times of any work activities and/or delays/downtime; and time the contractor left the site.
- g) Number of pieces of equipment (and specific description) on-site, either stored and/or being used (e.g. Komatsu PC 400 excavator; Case 580 Extend-a-hoe excavator, etc.) for all Contractors on-site. (Note: utilize the "equipment hours" field in FieldManager to keep track of active and inactive equipment.)
- h) Specific number of personnel on-site and their labor description for all Contractors on-site (i.e., laborers, foremen, operators, etc.).
- i) Specific location(s) where work was performed, for example: "placed 2NS sand subbase from Rd. Sta. 16+40 to 20+00 (Lt.)"

- j) Description of material acceptance testing performed. Provide name of representative(s), company that employs them, and the time they arrived and left the site.

In addition to the basic information above, the following detailed information must also be included, depending on the specific work activities occurring:

- a) Descriptions of each pay item that is documented for payment including item number, quantity accepted and posted, detailed limits of payment, and material documentation (signed delivery tickets, etc.) used in completing the work.
- b) Legible, dimensioned sketches detailing the work being paid that is not clearly shown on the plan.
- c) Description of work performed and its limits including:
- description of soil conditions encountered during the work;
 - description of groundwater conditions, if any;
 - description of the condition of traffic control devices in place and their suitability for service;
 - special safety precautions utilized by the contractor;
 - description of SESC measures in-place or utilized by the contractor;
 - discussion of unsafe working conditions created by the contractor; discussion of unsafe working practices utilized by the contractor;
 - documentation of direction provided to the contractor;
 - documentation of direction received from the Project Engineer and/or the Construction Engineering Specialist (CES) Supervisor;
 - documentation of work performed or direction provided to outside agencies such as city forces, private utility companies, or contractor(s) employed by other agencies;
 - documentation of work (or work practices) being performed by the contractor that is contrary to the specifications;
 - documentation of damage to existing site features caused by contractor forces; include statement(s) regarding city participation, or lack thereof, in repairs, e.g. damage to trees/tree roots, mailboxes, existing curb and gutter, drive approaches, private utilities (gas, fiber, etc.), or private utility service leads, etc.;
 - description/documentation of any unusual site occurrences.
- d) Description of information provided, or statements made, by the contractor that indicate additional payment or time extensions may be sought at a later date. Include any specific responses of which you are aware that were provided to the contractor in relation to these statements.
- e) Description of delays encountered while performing the work or delays or difficulties regarding material deliveries.
- f) Description of any unique or noteworthy event that may have occurred on or near the project. For example, a traffic accident that may have occurred within the traffic control of the project; vehicular damage (if you're aware that it occurred); or any other similar occurrence.
- g) Individuals that visited the site including their name and role on, or relating to, the project, and a thorough documentation of any interaction with those individuals, including the public.
- h) Description of deviations in the proposed work from the approved plans. Also include the name of the person that authorized the deviation.

- i) Document that work was performed in accordance with specifications and details (e.g. for storm sewer, note trench width at pipe, trench bedding depth with proper materials, backfilled with proper material in proper lifts; density checked per specs)
- j) Document materials such that all material delivered to the site is from the approved source and is accounted for – if placed, approximately how much; if remaining stockpiled, estimate amount. Materials and quantities reported should reflect daily tickets.

Procedure for submitting and reviewing IDRs:

- a) IDRs should be completed by the inspector daily (ideally), or at a minimum every 2 days.
- b) When submitted, the IDRs should show up as “generated” in FieldManager.
- c) Project Managers (PMs) will review IDRs at a minimum interval of twice a week, depending on the schedule worked out between the PM and the inspector.
- d) If there are changes to be made, the PMs will review them with the CES.
- e) Changes made to an IDR need to be noted in the comment section with a description of the change, the individual making the change, and the date of change made.
- f) The CES Supervisor will review disputed changes with the inspector and the PM. This review will be performed in a timely manner so that the material is still fresh in everyone’s memory, and is not holding up payments to the contractor.
- g) The CES Supervisor will review a sampling of IDRs each week to make sure these guidelines are being followed.

B. Private Development Projects

Prior to the start of a new project, the project manager and the inspector(s) should meet and review these guidelines and how they specifically apply to the project.

Minimum information for all IDRs:

1. Date
2. Project Name and File Number
3. Project Limits (as necessary)
4. Inspector(s) Name and hours spent on the project that day with a breakdown of hours spent on-site, if different.
5. Weather conditions throughout the day; temperature range (Hi and Low), especially if freezing conditions exist. Note any occurrences of precipitation during the work day.
6. A timeline of activities throughout the day, which would include such items as: time contractor arrived; time they started productive work; start and end times of any delays/downtime; time productive work was completed; time the contractor left the site.
7. Number of pieces of equipment (and specific description) on-site, e.g. Komatsu PC 400 excavator; Case 580 Extend-a-hoe excavator, etc. for all Contractors on-site.
8. Specific number of personnel on-site and their labor description for all Contractors on-site (i.e. laborers, foremen, operators, etc.).

9. Specific location(s) where work was performed, for example: "placed 2NS sand subbase from Rd. Sta. 16+40 to 20+00 (Lt.)". Document how work was performed in accordance with specifications and details (e.g. for storm sewer, note trench width at pipe, trench bedding depth with proper materials, backfilled with proper material in proper lifts; density checked per specs)

In addition to the basic information above, the following detailed information must also be included, depending on the specific work activities occurring:

- a) Legible, dimensioned sketches detailing intricate piping layouts or unusual circumstances to be included on the as-built markups.
- b) Description of work performed and its limits including:
 - soil and groundwater conditions encountered during the work;
 - condition of traffic control devices in place and their suitability for service;
 - if SESC measures need correction
 - unsafe working conditions and note if the CES Supervisor is notified.
 - direction provided to the contractor;
 - direction received from the Project Engineer and/or the CES Supervisor;
 - work performed by and/or any direction provided to outside agencies such as city forces, private utility companies, or contractor(s) employed by other agencies;
 - work (or work practices) being performed by the contractor that is contrary to the specifications;
 - density testing, or any other material acceptance testing, performed this date. Provide name of density testing company.
 - damage to existing site features caused by contractor forces; include statement(s) regarding city participation, or lack thereof, in repairs. E.g., damage to trees/tree roots, mailboxes, existing curb and gutter, drive approaches, private utilities (gas, fiber, etc.), or private utility service leads, etc.
- c) Description of delays encountered while performing the work or delays or difficulties regarding material deliveries. Note information provided or statements made by the Contractor indicating any potential project delays.
- d) Description of any unique or noteworthy event that may have occurred on or near the project. For example, a traffic accident that may have occurred within the traffic control of the project; vehicular damage (if you're aware that it occurred); or any other similar occurrence.
- e) Individuals that visited the site including their name (if provided) and role on, or relating to, the project, and any interaction with those individuals, including the public.
- f) Description of deviations in the proposed work from the approved plans and specifications. Also include the name of the person that authorized the deviation.

Procedure for submitting & reviewing IDRs:

- a) IDRs should be completed by the inspector daily (ideally), or at a minimum every 2 days.
- b) When submitted, the IDRs should show up as "ungenerated" in FieldManager.
- c) Project Managers (PMs) will review IDRs at a minimum interval of twice a week.
- d) IDRs will be reviewed in light of the above IDR Guidelines.

- e) If there are minor changes to be made (such as grammatical changes), the PMs can make those changes as they review. More substantial changes should be marked up and discussed with the inspector.
- f) CES Supervisor will review disputed changes with the inspector and the PM. This review will be performed in a timely manner such that the material is still fresh in everyone's memory, and is not holding up payments to the contractor.
- g) CES Supervisor to review a sampling of IDRs each week to make sure this procedure is being followed.

**EXHIBIT B
COMPENSATION**

General

Contractor shall be paid for those Services performed pursuant to this Agreement inclusive of all reimbursable expenses (if applicable), in accordance with the terms and conditions herein. The Compensation Schedule below/attached states the nature and amount of compensation the Contractor may charge the City:

Total compensation payable for all Services performed during the term of this Agreement, including extensions, shall not exceed \$250,000.00.

Regular Rate	Overtime Rate	Classification	Description
\$65.00/hour	\$65.00/hour	Inspector Level 1	Inspector has at least one year of civil inspection experience. Inspector can read and interpret basic engineering plans; and can inspect relatively straightforward construction work.
\$65.00/hour	\$65.00/hour	Inspector Level 2	Inspector is familiar with plans and specifications; and has at least three years of experience inspecting public infrastructure projects.
\$70.00/hour	\$70.00/hour	Inspector Level 3	Inspector has a detailed understanding of complex construction work; and has at least five years of experience inspecting public infrastructure projects. Highly proficient at interpreting plans, specifications, and project requirements. Capable of being the lead inspector on projects with multiple crews and inspectors.
\$120.00/day		Mobilization	Mobilization may be charged once per calendar day per inspector. Mobilization shall be charged only when the Inspector is located on-site.

Notes:

1. Billed inspector hours shall be documented by the inspector's daily reports (IDRs). Overtime shall be for documented hours worked in excess of 8 hours per day.
2. All mileage, equipment, vehicle, materials, supplies, and other similar costs shall not be billed separately; but shall be included in the mobilization cost.
3. The costs for supervisory and administrative support staff shall not be billed separately; but shall be included in the mobilization cost.
4. The above rates shall be in effect through June 30, 2019. Beginning in 2019, the rates shall be adjusted annually effective July 1, based on the consumer price index for that January.

EXHIBIT C
INSURANCE REQUIREMENTS

Effective the date of this Agreement, and continuing without interruption during the term of this Agreement, Contractor shall have, at a minimum, the following insurance, including all endorsements necessary for Contractor to have or provide the required coverage.

A. The Contractor shall have insurance that meets the following minimum requirements:

1. Professional Liability Insurance or Errors and Omissions Insurance protecting the Contractor and its employees in an amount not less than \$1,000,000.

2. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident
Bodily Injury by Disease - \$500,000 each employee
Bodily Injury by Disease - \$500,000 each policy limit

3. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98 or current equivalent. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the following minimum limits of liability are required:

\$1,000,000	Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined
\$2,000,000	Per Job General Aggregate
\$1,000,000	Personal and Advertising Injury

4. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, equivalent to, as a minimum, Insurance Services Office form CA 00 01 07 97 or current equivalent. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the limits of liability shall be \$1,000,000 for each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined.

5. Umbrella/Excess Liability Insurance shall be provided to apply in excess of the Commercial General Liability, Employers Liability and the Motor Vehicle coverage enumerated above, for each occurrence and for aggregate in the amount of \$1,000,000.

- B. Insurance required under A.3 and A.4 above shall be considered primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance. Further, the Contractor agrees to waive any right of recovery by its insurer against the City.
- C. Insurance companies and policy forms are subject to approval of the City Attorney, which approval shall not be unreasonably withheld. Documentation must provide and demonstrate an unconditional 30 day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. Contractor shall furnish the City with satisfactory certificates of insurance and endorsements prior to commencement of any work. Upon request, the Contractor shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this Agreement, the Contractor shall deliver proof of renewal and/or new policies and endorsements to the Administering Service Area/Unit at least ten days prior to the expiration date.