City of Birmingham
A Walkable Community

MEMORANDUM

Engineering Dept.

DATE: **June 19, 2015**

TO: **Joseph Valentine, City Manager**

FROM: **Paul T. O'Meara, City Engineer**

SUBJECT: **Professional Services Agreement**
G2 Consulting Group

As a matter of standard policy, the Engineering Dept. often hires an outside geotechnical engineering firm to provide testing services on our construction projects. A geotechnical engineer specializes in making sure that soils our projects are constructed on are sound and, once dug up, recompacted properly. They also test materials brought to the job site, such as concrete, asphalt, and crushed limestone, to make sure it meets specifications. Tests are also conducted on concrete once it has been placed, to verify that it achieves required strength.

For many years, Schleede-Hampton Associates has often performed material testing for the City of Birmingham in conjunction with our construction projects. Although we have also used other testing companies, we have found that we have been most satisfied with the response and performance of Schleede over the years. Schleede-Hampton has also had the unique ability to respond quickly to our needs, since their local office is located in Birmingham, on Cole St. The Commission approved an operating agreement between the City and Schleede-Hampton in 2013, which was set to expire next year.

We were recently informed that Schleede-Hampton Associates has been acquired by another similar firm that operates in the area, known as G2 Consulting Group. G2 has expanding in this market for about 20 years. Schleede-Hampton staff consider the buyout a positive thing, and they intend to keep operating their Birmingham office for the time being, using existing staff. To that end, it is anticipated that their services would continue in a similar manner, although they would operate under the name of G2 Consulting.

Due to the name change, it is appropriate to prepare and sign a new standard operating agreement. Attached is a five year agreement similar to those prepared in the past by the City Attorney. Mr. Noel Hargrave-Thomas, President of G2, has signed the attached agreement. All pertinent City staff have signed the agreement as well. Also attached for reference is a summary sheet of G2's current rate structure, compared to the structure that Schleede-Hampton offered under their previous agreement (dated 2013). The fees reflect an average 3% increase, which is reasonable considering that Schleede-Hampton, like other firms, was not increasing their fees during the bad economic period prior to that time.

It is recommended that the City of Birmingham engage the material testing firm of G2 Consulting Group, Inc. to perform engineering and material testing services according to the attached agreement.

SUGGESTED RESOLUTION:

To engage the consulting firm of G2 Consulting Group, Inc., to perform professional engineering services according to the attached agreement.

CITY OF BIRMINGHAM
G2 CONSULTING GROUP
ENGINEERING CONSULTANT CONTRACT

THIS AGREEMENT, made and entered into this ___ day of _____, 2015, by and between the CITY OF BIRMINGHAM, a Michigan Municipal Corporation located at 151 Martin Street, Birmingham, Michigan, hereinafter referred to as the CITY, and G2 CONSULTING, whose address is 1866 Woodslee St., Troy, MI 48083, hereinafter referred to as the CONSULTANT.

W I T N E S S E T H:

WHEREAS, the CITY would like to engage the professional services of the CONSULTANT to perform geotechnical engineering services, including inspections and consulting, and

WHEREAS, the CONSULTANT is willing to render such services desired by the CITY for the considerations hereinafter expressed.

NOW, THEREFORE, for and in consideration of the mutual undertakings of the parties hereto, all as hereinafter set forth, it is agreed by and between the parties as follows:

1. The CONSULTANT shall perform engineering services for the CITY, including, but not limited to, investigations, studies and preliminary engineering, soil borings, soil tests, geotechnical design, inspections during construction, etc.,

The CONSULTANT will provide said services only when requested to do so by the City Engineer.

2. The CONSULTANT shall perform all work under the direction of the City Engineer or a designated representative.

3. The CITY agrees to pay the CONSULTANT for services rendered on the basis of an hourly fee as set forth in Exhibit A which is attached hereto and made a part hereof. The hourly fee may be reviewed and adjusted annually by mutual consent of both parties in writing. The CONSULTANT shall submit billings on a regular basis, but no more than once a month.

4. This Agreement shall commence on May 16, 2015, and shall terminate on March 31, 2020. However, notwithstanding the term of the agreement, the City shall have the right to terminate this Agreement on ten (10) days written notice. In the event of termination, the CONSULTANT shall receive compensation for services to the date the termination takes effect and the City shall be entitled to retain and use the results to the date the termination takes effect and the City shall be entitled to retain and use the results of all information, documents and recommendations prepared by the CONSULTANT through such date.

5. If the CONSULTANT fails to perform its obligations hereunder, the CITY may take any and all remedial actions permitted by law.

6. The CONSULTANT shall hire personnel of good character and fitness to perform the duties under this Agreement.

7. The CONSULTANT agrees that neither it nor its subcontractors will discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight or marital status. The CONSULTANT shall inform the CITY of all claims or suits asserted against it by the CONSULTANT'S employees who work pursuant to this Agreement. The CONSULTANT shall provide the CITY with periodic status reports concerning all such claims or suits, at intervals established by the CITY.

8. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled either by commencement of a suit in Oakland County Circuit Court, the 48th District Court or by arbitration. If both parties elect to have the dispute resolved by arbitration, it shall be settled pursuant to Chapter 50 of the Revised Judicature Act for the State of Michigan and administered by the American Arbitration Association with one arbitrator being used, or three arbitrators in the event any party's claim exceeds $1,000,000. Each party shall bear its own costs and expenses and an equal share of the arbitrator's and administrative fees of arbitration. Such arbitration shall qualify as statutory arbitration pursuant to MCL §600.5001 et. seq., and the Oakland County Circuit Court or any court having jurisdiction shall render judgment upon the award of the arbitrator made pursuant to this Agreement. The laws of the State of Michigan shall govern this Agreement, and the arbitration shall take place in Oakland County, Michigan. In the event that the parties elect not to have the matter in dispute arbitrated, any dispute between the parties may be resolved by the filing of a suit in the Oakland County Circuit Court or the 48th District Court.

9. To the fullest extent permitted by law, the CONSULTANT and any entity or person for whom the CONSULTANT is legally liable, agrees to be responsible for any liability, defend, pay on behalf of, indemnify, and hold harmless the City of Birmingham, its elected and appointed officials, employees and volunteers and others working on their behalf against any and all claims, demands, suits, or loss, including all costs and reasonable attorney fees connected therewith, and for any damages which may be asserted, claimed or recovered against or from the CITY, its elected and appointed officials, employees, volunteers or others working on their behalf, by reason of personal injury, including bodily injury and death and/or property damage, including loss of use thereof, which arise out of the acts, errors or omissions of the CONSULTANT including its employees and agents, in the performance of this Agreement. Such responsibility shall not be construed as liability for damage caused by or resulting from the sole act or omission of its elected or appointed officials, employees, volunteers or others working on behalf of the CITY.

The CITY agrees that the contractors shall be solely responsible for job site safety and all contractors shall be required in the CITY'S contract with such contractors to indemnify the

CONSULTANT for any liability incurred by the CONSULTANT as a result of the contractor's negligent acts or omissions. However, such indemnification shall not extend to liability resulting from the negligence of the CONSULTANT.

10. The CONSULTANT shall not commence work under this Agreement until it has, at its sole expense, obtained the insurance required by this paragraph. All certificates of insurance shall be with insurance carriers licensed and admitted to do business in the State of Michigan. All coverages shall be with insurance carriers acceptable to the City of Birmingham. The CONSULTANT shall maintain during the life of this Agreement the types of insurance coverage and minimum limits as set forth below:

A. Workers' Compensation Insurance: CONSULTANT shall procure and maintain during the life of this Agreement, Workers' Compensation Insurance, including Employers Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

B. Commercial General Liability Insurance: CONSULTANT shall procure and maintain during the life of this Agreement, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than $1,000,000 per occurrence combined single limit, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable.

C. Motor Vehicle Liability Insurance: CONSULTANT shall procure and maintain during the life of this Agreement Motor Vehicle Liability Insurance, including all applicable no-fault coverages, with limits of liability of not less than $ 1,000,000 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

D. Additional Insured: The Commercial General Liability and Motor Vehicle Liability, as described above, shall include an endorsement stating the following shall be *Additional Insureds*: The City of Birmingham including all elected and appointed officials, all employees, all boards, commissions and/or authorities and board members. This coverage shall be primary and any other insurance maintained by the additional insureds shall be considered to be excess and non-contributing with this insurance required from CONSULTANT under this Section.

E. Professional Liability Insurance: If Professional Liability Insurance is available, Professional Liability Insurance with limits of not less than $2,000,000 per claim if CONSULTANT will provide service that are customarily subject to this type of coverage.

F. Cancellation Notice: Workers' Compensation Insurance, Commercial General Liability Insurance, Professional Liability Insurance and Motor Vehicle Liability Insurance as described above, shall include an endorsement stating the following: "Thirty (30) days Advance Written Notice of Cancellation or Non-Renewal shall be sent to: Director of Finance, City of Birmingham, P.O. Box 3001, 151 Martin Street, Birmingham, Michigan 48012.

G. Proof of Insurance Coverage: CONSULTANT shall provide the CITY at the time the Agreement is returned for execution, Certificates of Insurance and/or policies, acceptable to the City, as listed below.

1) Two (2) copies of Certificate of Insurance for Workers' Compensation Insurance;

2) Two (2) copies of Certificate of Insurance for Commercial General Liability Insurance;

3) Two (2) copies of Certificate of Insurance for Vehicle Liability Insurance;

4) Two (2) copies of Certificate of Insurance for Professional Liability Insurance;

H. Coverage Expiration: If any of the above coverages expire during the term of this Agreement, CONSULTANT shall deliver renewal certificates and/or policies to the City at least (10) days prior to the expiration date.

11. If, after the effective date of this Agreement, any official of the CITY, or spouse, child, parent or in-law of such official or employee shall become directly or indirectly interested in this Agreement or the affairs of the CONSULTANT, the CITY shall have the right to terminate this Agreement without further liability to the CONSULTANT if the disqualification has not been removed within thirty (30) days after the CITY has given the CONSULTANT notice of the disqualifying interest. Ownership of less than one percent (1%) of the stock or other equity interest in a corporation or partnership shall not be a disqualifying interest. Employment shall be a disqualifying interest.

12. The CONSULTANT and the CITY agree that the CONSULTANT is acting as an independent contractor with respect to the CONSULTANT'S role in providing services to the CITY pursuant to this Agreement, and as such, shall be liable for its own actions and neither the CONSULTANT nor its employees shall be construed as employees of the CITY. Nothing contained in this Agreement shall be construed to imply a joint venture or partnership and neither party, by virtue of this Agreement, shall have any right, power or authority to act or create any obligation, express or implied, on behalf of the other party, except as specifically outlined herein. Neither the CITY nor the CONSULTANT shall be considered or construed to be the agent of the other, nor shall either have the right to bind the other in any manner whatsoever, except as

specifically provided in this Agreement, and this Agreement shall not be construed as a contract of agency. The CONSULTANT shall not be considered entitled or eligible to participate in any benefits or privileges given or extended by the CITY, or be deemed an employee of the CITY for purposes of federal or state withholding taxes, FICA taxes, unemployment, workers' compensation or any other employer contributions on behalf of the CITY.

13. The CONSULTANT agrees that it will apply for and secure all permits and approvals as may be required from the CITY in accordance with the provisions of applicable laws and ordinances of the CITY, State of Michigan or federal agencies.

14. This Agreement shall be binding upon and apply and inure to the benefit of the parties hereto and their respective successors or assigns. The covenants, conditions, and the agreements herein contained are hereby declared binding on the CITY and CONSULTANT. It is further agreed that there shall be no change, modification, or alteration hereof, except in writing, signed by both of the parties hereto. Neither party shall assign any of the rights under this Agreement without prior approval, in writing, of the other. Any attempt at assignment without prior written consent shall be void and of no effect.

15. The CITY shall be the owner of all the drawings, specifications or other documents prepared by the CONSULTANT. Any modifications made to the drawings by the CITY shall be clearly marked as such on the modified document. The CITY may not use these documents for any purpose other than pursuant to the activities provided for in this Agreement.

16. Notices shall be given to:

a. City of Birmingham
151 Martin Street
P.O. Box 3001
Birmingham, MI 48012-3001
Attention: Ms. Laura Pierce

With copies to:

Timothy J. Currier, City Attorney
Beier Howlett, P.C.
200 E. Long Lake Road, Ste. #110
Bloomfield Hills, MI 48304

b. G2 Consulting Group, LLC
1866 Woodslee
Troy, MI 48083
Attention: Noel J. Hargrave-Thomas

17. The CONSULTANT acknowledges that in performing services pursuant to this Agreement, certain confidential and/or proprietary information (including, but not limited to, internal organization, methodology, personnel and financial information, etc.) may become

involved. The CONSULTANT recognizes that unauthorized exposure of such confidential or proprietary information could irreparably damage the CITY. Therefore, the CONSULTANT agrees to use reasonable care to safeguard the confidential and proprietary information and to prevent the unauthorized use or disclosure thereof. The CONSULTANT shall inform its employees of the confidential or proprietary nature of such information and shall limit access thereto to employees rendering services pursuant to this Agreement. The CONSULTANT further agrees to use such confidential or proprietary information only for the purpose of performing services pursuant to this Agreement.

18. This Agreement shall be governed by and performed, interpreted and enforced in accordance with the laws of the State of Michigan. The CONSULTANT agrees to perform all services provided for in this Agreement in accordance with and in full compliance with all local, state and federal laws and regulations.

19. If any provision of this Agreement is declared invalid, illegal or unenforceable, such provision shall be severed from this Agreement and all other provisions shall remain in full force and effect.

FAIR PROCUREMENT OPPORTUNITY: Procurement for the City of Birmingham will be handled in a manner providing fair opportunity for all businesses. This will be accomplished without abrogation or sacrifice of quality and as determined to be in the best interest of the City of Birmingham.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF BIRMINGHAM

_____

Stuart Lee Sherman, Mayor

_____

Laura Pierce, Clerk

G2 CONSULTING GROUP, LLC

By: _____

Its: PRESIDENT

APPROVAL (Sec 2-289 City Code)

Paul T. O'Meara, City Engineer
as to Substance

Mark Gerber, Director of
Finance as to Financial Obligation

Joseph Valentine, City Manager as to
Substance

Timothy J. Currier, City Attorney as to
Form

CONSULTING GROUP

Schedule of Fees and Services – 2015 Construction Season
Fees Valid through December 31, 2015

A. Engineering Services

Construction Materials Testing and Engineering Services for field testing and inspection duties, meetings and conferences, recommendations, reporting, and consultation will be furnished in accordance with the following schedule of hourly rates:

Engineering Technician (3 hour minimum charge)	$ 46.00
Senior Engineering Technician (3 hour minimum charge)	$ 54.00
Supervising Engineering Technician (3 hour minimum charge)	$ 64.00
Staff Engineer	$ 80.00
Project Engineer	$ 90.00
Project Manager	$ 125.00
Principal of Firm	$ 135.00

Rates are portal to portal from our Birmingham, Michigan office.

Overtime rates of 1.4 x base rate apply to time on the project in excess of 8 hours per day or for work on Saturdays, Sundays, and recognized legal holidays.

Technician rates include all concrete field testing equipment costs and report review, preparation and distribution charges. Engineering time will only be charged for direct involvement in the project.

Daily equipment / vehicle charge, which includes all site vehicle usage and communications costs, will be invoiced at $30.00 per day.

Trips to project sites or borrow sources for sample collection / pick-up will be invoiced at a lump sum of $100.00, which includes personnel time and vehicle usage charges.

B. Laboratory Testing Services

Aggregates

Washed Gradations	
1/2" Maximum and smaller	$ 75.00
3/4" Maximum and larger	$ 90.00
Abrasion (LA Machine)	$ 350.00
Sulfate Soundness, per cycle	$ 225.00
Mix Design Verification, per agg. (includes gradation, fineness modulus, absorption, specific gravity, and unit weight)	$ 195.00
Deleterious Substances - visual pick	$ 75.00
Moisture-Density Tests	
Modified Proctor (ASTM D 1557, AASHTO T180)	$ 175.00
Standard Proctor (ASTM D 698, AASHTO T99)	$ 155.00
ASTM D5268 Topsoil Evaluation, per sample (includes grain size, pH and organic content)	$ 175.00
Atterberg Limits (LL, PL, PI) determination	$ 95.00
Grain Size Distribution with Hydrometer Analysis, per sample	$ 155.00

Portland Cement Concrete

Concrete Compression Tests, each (including reserves not tested)	$ 15.00
Flexural Tests on Concrete Beams	$ 95.00
Concrete Mix Design Preparation (ACI 211)	$ 600.00

Asphalt Materials, per sample

Extraction Tests	$ 155.00
Marshall Properties (stability, flow, unit wt.)	$ 155.00
Theoretical Maximum Specific Gravity (Rice's Method)	$ 80.00
Penetration Test (ASTM D-5)	$ 75.00

C. Equipment Charges

Nuclear Moisture/Density Gauge, per day	$ 45.00
Field Marshall Test Equipment, per day	$ 30.00
MDOT Field Density Test Equipment, per day	$ 30.00

SCHLEEDE HAMPTON ASSOCIATES INC

CONSULTING ENGINEERS

Schedule of Fees and Services – 2013 Construction Season
Fees Valid through December 31, 2013

A. Engineering Services

Construction Materials Testing and Engineering Services for field testing and inspection duties, meetings and conferences, recommendations, reporting, and consultation will be furnished in accordance with the following schedule of hourly rates:

Engineering Technician (3 hour minimum charge)	$ 39.00
Senior Engineering Technician (3 hour minimum charge)	$ 54.00
Supervising Engineering Technician (3 hour minimum charge)	$ 64.00
Staff Engineer	$ 75.00
Project Engineer	$ 85.00
Project Manager	$ 125.00
Principal of Firm	$ 135.00

Rates are portal to portal from our Birmingham, Michigan office.

Overtime rates of 1.5 x base rate apply to time on the project in excess of 8 hours per day or for work on Saturdays, Sundays, and recognized legal holidays.

Technician rates include all concrete field testing equipment costs and report review, preparation and distribution charges. Engineering time will only be charged for direct involvement in the project.

Daily equipment / vehicle charge, which includes all site vehicle usage and communications costs, will be invoiced at $25.00 per day.

Trips to project sites or borrow sources for sample collection / pick-up will be invoiced at a lump sum of $100.00, which includes personnel time and vehicle usage charges.

2254 COLE STREET
BIRMINGHAM, MICHIGAN 48009
248-540-3044 • FAX: 248-540-3282

B. Laboratory Testing Services

Aggregates

Washed Gradations	
1/2" Maximum and smaller	$ 70.00
3/4" Maximum and larger	$ 85.00
Abrasion (LA Machine)	$ 350.00
Sulfate Soundness, per cycle	$ 195.00
Mix Design Verification, per agg. (includes gradation, fineness modulus, absorption, specific gravity, and unit weight)	$ 175.00
Deleterious Substances - visual pick	$ 75.00
Moisture-Density Tests	
Modified Proctor (ASTM D 1557, AASHTO T180)	$ 160.00
Standard Proctor (ASTM D 698, AASHTO T99)	$ 140.00
ASTM D5268 Topsoil Evaluation, per sample (includes grain size, pH and organic content)	$ 175.00
Atterberg Limits (LL, PL, PI) determination	$ 95.00
Grain Size Distribution with Hydrometer Analysis, per sample	$ 155.00

Portland Cement Concrete

Concrete Compression Tests, each (including reserves not tested)	$ 15.00
Flexural Tests on Concrete Beams	$ 95.00
Concrete Mix Design Preparation (ACI 211)	$ 600.00

Asphalt Materials, per sample

Extraction Tests	$ 150.00
Marshall Properties (stability, flow, unit wt.)	$ 150.00
Theoretical Maximum Specific Gravity (Rice's Method)	$ 75.00
Penetration Test (ASTM D-5)	$ 75.00

C. Equipment Charges

Nuclear Moisture/Density Gauge, per day	$ 45.00
Field Marshall Test Equipment, per day	$ 30.00
MDOT Field Density Test Equipment, per day	$ 30.00