



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: May 23, 2022



To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Dee Ann Irby, Controller
William J. Huotari, City Engineer
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 3: Exercise Renewal Option – General Consulting Engineering Services

History

General consulting engineering services are used primarily by the Engineering Department. These services are needed when in-house project design capacity is exceeded; when specific professional engineering expertise is not available in-house; when spikes occur in workload (especially inspection); when technical studies, long range utility studies and/or plans are needed; and when reviews of complex traffic studies for major new development proposals are needed.

Consultants are also needed for design and/or inspection of the City's water, sewer, and road projects; soil erosion permit inspections; and for right-of-way permit inspections of utility and private developer work. The number of projects and permits each year far exceeds the capacity of the Engineering Department's inspection staff and sometimes the capacity of the project design staff.

The cost of engineering design and inspection by consultants is included in the capital budget, while the cost of private development and/or permit inspections by consultants is included in the Engineering Department operating budget.

The City currently has four (4) engineering consultants: Hubbell, Roth & Clark, Inc (HRC); OHM Advisors (OHM); Anderson, Eckstein & Westrick, Inc (AEW); and Fishbeck. HRC has long been the City's consultant, since the 1960s, and at one time they were the City's only consultant. In 2004, OHM was added and acts as the City's traffic consultant in addition to inspection and design services. AEW and Fishbeck were added in 2017 to take advantage of the strengths of each consultant and to assure that our service needs, particularly inspection services, did not exceed the capacity of our consultants.

City Council awarded five-year contracts to each consulting firm with an option to renew for an additional five years (Resolution #2017-06-105-J-4-a) on June 19, 2017.

Over the last five (5) years, total expenditures for engineering consulting services has been approximately \$9,090,000: HRC \$3,610,000; AEW \$2,390,000; OHM \$2,330,000 and Fishbeck \$760,000. The services provided cover a wide variety, including soil erosion permit inspections; private



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agreement inspections for water, sewer, road and other construction associated with private development; and inspections on city capital projects.

Purchasing

The City of Troy on April 4, 2017, issued a Request for Proposal (RFP-COT 17-13) for General Consulting Engineering Services which resulted in a best value award and Professional Services Agreement to the top four ranked firms; Hubbell, Roth & Clark, Inc (HRC); OHM Advisors; Anderson, Eckstein & Westrick, Inc (AEW); and Fishbeck, (Resolution #2017-06-105-J-4a). The 5-year contract expires June 30, 2022 and includes an option to renew for an additional five (5) years. All four consultants were asked if they were willing to extend their contract for an additional five (5) years under the same terms and conditions. While all four firms are interested in renewing; they are reluctant to do so at the current hourly rate schedule. As with other industries and the current economic situation, providing a competitive wage is a priority to recruiting and maintaining highly qualified employees.

Per the Bureau of Labor and Statistics the difference in the Consumer Price Index between the current year and 2017 is 18.2%. Whereas, the original contract did not allow for annual increases, each firm is proposing an average increase of 12-16% and annual adjustments based on the State of Michigan, Department of Treasury Inflation Rate Multiplier, not to exceed 5%. This annual increase, if requested by the consultants, will be processed administratively not more than once per year during the five (5) year renewal.

City Management is in mutual agreement with the proposed rate increases as the City has benefited from 2017 rates for the past five (5) fiscal years. By renewing contracts with the current contracted engineering firms, the City will continue to benefit from continuity of service and exceptionally high level of engineering consulting services on an as needed basis, meeting all the needs of the Engineering Department. The contracts, consultant performance and contract billing will continue to be monitored closely.

Financial

General Consulting Engineering Services for capital projects are funded from each projects funding source, such as from Water and Sewer funds and the Capital Projects Fund. Additionally, as needed General Consulting Engineering Services for inspection, infrastructure planning and engineering studies is funded by the Engineering Department's operating budget.

Recommendation

City Management recommends exercising the five-year option to renew contracts for General Consulting Engineering Services with Hubbell, Roth, and Clark, Inc; OHM Advisors; Anderson, Eckstein & Westrick, Inc; and Fishbeck; under the same terms and conditions, except as provided by the revised pricing schedules for each consultant; contracts to expire June 30, 2027.

Legal Review

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.

TROY CONSULTANT PROPOSED 2022 RATES

| | AEW | | HRC | | OHM | | Fishbeck | |
|--------------------------------------|-----------------------------|----------|-----------------------------|----------|-----------------------------|-------------|-----------------------------|----------|
| | 2017 | 2022 | 2017 | 2022 | 2017 | 2022 | 2017 | 2022 |
| | <i>Average Increase 14%</i> | | <i>Average Increase 12%</i> | | <i>Average Increase 13%</i> | | <i>Average Increase 16%</i> | |
| Engineering Services | | | | | | | | |
| Prof Engineer | \$140.00 | \$159.00 | \$134.00 | \$149.98 | \$170-\$180 | \$145-\$188 | \$175.00 | \$200.00 |
| Grad Engineer | \$103.00 | \$117.00 | \$77.00 | \$87.24 | \$106-\$123 | \$125-\$145 | \$115.00 | \$140.00 |
| Project Engineer | \$103.00 | \$117.00 | \$86.80 | \$97.96 | \$119-\$165 | \$130-\$165 | \$95.00 | \$110.00 |
| Engineering Aide | \$86.00 | \$98.00 | \$119.00 | \$113.15 | \$55.00 | \$70.00 | \$75.00 | \$95.00 |
| Technician | \$69.00 | \$79.00 | \$97.50 | \$109.65 | \$70-\$116 | \$87-\$143 | \$85.00 | \$120.00 |
| Survey Services | | | | | | | | |
| Prof Surveyor | \$140.00 | \$159.00 | \$120.40 | \$134.68 | \$118-\$149 | \$135-\$162 | \$130.00 | \$160.00 |
| Grad Surveyor | \$103.00 | \$117.00 | \$115.10 | \$128.89 | \$107.00 | \$120.00 | \$110.00 | \$120.00 |
| Surveyor | \$78.00 | \$98.00 | \$102.50 | \$115.12 | \$74-\$103 | \$90-\$120 | \$85.00 | \$110.00 |
| Surveyor Aide | \$69.00 | \$88.00 | \$67.80 | \$77.19 | \$55.00 | \$70.00 | \$75.00 | \$90.00 |
| Crew Three (3) Person | \$208.00 | \$237.00 | \$215.90 | \$239.06 | \$210.00 | \$250.00 | \$250.00 | \$320.00 |
| Crew Two (2) Person | \$175.00 | \$198.00 | \$165.80 | \$184.30 | \$165.00 | \$180.00 | \$205.00 | \$230.00 |
| Crew One (1) Person | \$136.00 | \$154.00 | \$115.00 | \$128.78 | \$110.00 | \$125.00 | \$130.00 | \$160.00 |
| Inspection Services: | | | | | | | | |
| Lead Inspector | \$86.00 | \$98.00 | \$98.00 | \$110.20 | \$116.00 | \$125.00 | \$110.00 | \$140.00 |
| Inspectors | \$78.00 | \$88.00 | \$84.00 | \$94.90 | \$92-\$106 | \$87-\$125 | \$85.00 | \$110.00 |
| Soil Erosion Inspector | \$78.00 | \$88.00 | \$25.00 | \$30.41 | \$106.00 | \$108.00 | \$80.00 | \$90.00 |
| Environmental Services: | | | | | | | | |
| Prof Engineer | \$125.00 | \$142.20 | \$135.00 | \$150.64 | \$170-\$180 | \$145-\$188 | \$175.00 | \$195.00 |
| Grad Architect | \$109.00 | \$124.00 | \$77.00 | \$87.24 | \$106-\$123 | \$125-\$145 | \$110.00 | \$125.00 |
| Project Engineer | \$109.00 | \$124.00 | \$86.80 | \$97.96 | \$119-\$165 | \$130-\$165 | \$85.00 | \$120.00 |
| Environmental Analyst | \$109.00 | \$124.00 | \$91.80 | \$103.42 | \$92.00 | \$130 | \$135.00 | \$150.00 |
| Wetland Scientist/Biologist | \$109.00 | \$124.00 | \$185.00 | \$205.29 | \$133.00 | \$165.00 | \$145.00 | \$130.00 |
| Registered Landscape Architect | \$90.00 | \$102.30 | \$160.00 | \$177.96 | \$83-\$115 | \$105-\$138 | \$130.00 | \$140.00 |
| Traffic Engineering Services: | | | | | | | | |
| Prof Traffic Engineer | \$140.00 | \$159.00 | \$91.00 | \$102.55 | \$170-\$180 | \$145-\$188 | \$195.00 | \$215.00 |
| Grad Traffic Engineer | \$103.00 | \$117.00 | \$78.40 | \$88.77 | \$106-\$123 | \$125-\$145 | \$95.00 | \$130.00 |
| Traffic Technician | \$86.00 | \$98.00 | \$89.00 | \$100.36 | \$70-\$116 | \$87-\$143 | \$90.00 | \$110.00 |

**City of Troy
Oakland County, Michigan
Contract Form**

ARTICLES OF AGREEMENT, made and entered into this _____ day of May, 2022 by and

between _____ of _____
(Name) (City and State)

herein after called the Contractor and the City of Troy, Troy, Michigan hereinafter called the Owner,

WITNESSETH, that the Contractor and the Owner for the considerations hereinafter named, agree as follows:

1. That all Contract Documents hereto attached or herein referred to shall be and are hereby made a part of the agreement and contract.
 - a. 2017 Contract Provisions
 - b. 2022 Price Schedule
 - c. Annual adjustments, effective July 1, per the State of Michigan, Department of Treasury Inflation Rate Ratio Multiplier, not to exceed 5%
2. The Contractor shall furnish all labor, materials, and equipment necessary and perform all of the work as set forth in this Proposal and Agreement in strict accordance with the specifications and other documents which have been made a part of this contract in the manner, time, and place as therein set forth.
3. In consideration whereof, the Owner agrees to pay to the Contractor the amounts provided in the attached Proposal and Agreement, being the product of the unit prices therein set forth, all in the time and manner as set forth in the Contract Documents.
4. IN WITNESS whereof said parties have hereunto set their hands and seals, the day and year first above written.

WITNESS:

1. _____ Contractor
2. _____ Title

APPROVED:

BY: _____
Mayor

City Manager or Designee

CITY OF TROY

Owner

RESOLUTION NUMBER: _____

APPROVED AS TO FORM AND LEGALITY:

City Attorney

ATTEST: _____
City Clerk

May 17, 2022



**EXHIBIT A
CITY OF TROY
HOURLY RATES**

| <u>Employee Classification</u> | <u>Hourly Rate</u> |
|--|---------------------------|
| PRINCIPAL ENGINEER / SURVEYOR / ARCHITECT | \$ 174.00 |
| SENIOR PROJECT ENGINEER / SURVEYOR / ARCHITECT | 159.00 |
| LICENSED ENGINEER / SURVEYOR / ARCHITECT | 143.00 |
| GRADUATE ENGINEER / SURVEYOR / ARCHITECT | 117.00 |
| TEAM LEADER | 117.00 |
| ENGINEERING AIDE III | 98.00 |
| ENGINEERING AIDE II | 88.00 |
| ENGINEERING AIDE I | 79.00 |
| ENGINEERING AIDE TRAINEE | 57.00 |
| SECRETARIAL (Special Projects) | 48.00 |
| SURVEY FIELD (3 PERSON CREW) | 237.00 |
| SURVEY FIELD (2 PERSON CREW) | 198.00 |
| SURVEY FIELD (1 PERSON CREW) | 154.00 |
| CONFINED SPACE ENTRY CREW (2 PERSON) | 228.00 |
| CONFINED SPACE ENTRY (EACH ADDITIONAL PERSON) | 77.00 |
| DATA COLLECTOR (SURVEY CREW) | 33.00 |
| GPS SURVEY EQUIPMENT | 82.00 |

EFFECTIVE JANUARY 2022 AND
UPDATED ANNUALLY TO REFLECT CPI.

Hubbell, Roth & Clark, Inc.

2022 Hourly Rate Schedule
Prepared for:

City of Troy

| <u>Category</u> | <u>Billable Rates</u> |
|---------------------------------------|-----------------------|
| Principal | 119.00 - 168.00 |
| Sr. Associate/Managing Engineer | 168.00 - 185.00 |
| Associate/Managing Engineer | 120.00 - 160.00 |
| Department Manager | 112.00 - 155.00 |
| Sr. Project Engineer/Architect | 125.00 - 152.00 |
| Project Engineer/Architect | 100.00 - 124.00 |
| Staff Engineer/Architect | 92.00 - 112.00 |
| Graduate Engineer/Architect I/II | 87.00 - 100.00 |
| GIS Specialist | 70.00 - 95.00 |
| Right of Way Specialist | 135.00 - 135.00 |
| Environmental Analyst | 80.00 - 104.00 |
| Sr. Designer | 125.00 - 140.00 |
| Designer | 92.00 - 130.00 |
| Sr. Cadd Technician | 97.00 - 112.00 |
| Survey Office Supervisor | 130.00 - 130.00 |
| Registered Surveyor | 130.00 - 130.00 |
| Survey Technician | 100.00 - 105.00 |
| Survey Party Chief | 82.00 - 110.00 |
| Survey - Instrument Person | 72.00 - 72.00 |
| Survey - Survey Assistant | 58.00 - 58.00 |
| Supervisors- Construction Observation | 100.00 - 120.00 |
| Field Project Representatives | 100.00 - 130.00 |
| Construction - Office Technician | 60.00 - 78.00 |
| Sr. Construction Observer | 84.00 - 98.00 |
| Construction Observer I/II | 56.00 - 80.00 |
| Construction Engineer | 85.00 - 125.00 |
| Testing Technician | 50.00 - 90.00 |
| Administrative Support** | 55.00 - 110.00 |

Billable Rates are based on 2.8 times actual payroll

Billable rates for Hubbell, Roth & Clark, Inc. include Unemployment and Payroll taxes, contributions for Social Security, Retirement benefits, Medical and Life insurance benefits, normal printing cost, telephones, fax, computer time, mileage, other overhead costs and profit.

Allowable Reimbursable expenses will be invoiced at our cost which is defined as the direct costs plus 12% .

** This Category includes Computer, Reproduction and Administrative Staff.



OHM ADVISORS HOURLY RATE SCHEDULE

| | |
|--|----------|
| Professional Engineer IV / Architect IV / Senior Interior Designer IV | \$188.00 |
| Professional Engineer III / Architect III / Senior Interior Designer III | \$170.00 |
| Professional Engineer II / Architect II / Senior Interior Designer II | \$155.00 |
| Professional Engineer I / Architect I / Senior Interior Designer I | \$145.00 |
| Project Specialist II | \$160.00 |
| Project Specialist I | \$130.00 |
| Graduate Engineer IV | \$145.00 |
| Graduate Engineer III | \$140.00 |
| Graduate Engineer II | \$135.00 |
| Graduate Engineer I | \$125.00 |
| Graduate Architect III / Landscape Architect III / Interior Designer III | \$138.00 |
| Graduate Architect II / Landscape Architect II / Interior Designer II | \$115.00 |
| Graduate Architect I / Landscape Architect I / Interior Designer I | \$105.00 |
| Technician IV | \$143.00 |
| Technician III | \$125.00 |
| Technician II | \$108.00 |
| Technician I | \$87.00 |
| Engineering / Architectural / Interior Design Aide | \$70.00 |
| Professional Surveyor III | \$162.00 |
| Professional Surveyor II | \$150.00 |
| Professional Surveyor I | \$135.00 |
| Graduate Surveyor | \$120.00 |
| Surveyor III | \$120.00 |
| Surveyor II | \$110.00 |
| Surveyor I | \$90.00 |
| Surveyor Aide | \$70.00 |
| Planner IV | \$160.00 |
| Planner III | \$144.00 |
| Planner II | \$120.00 |
| Planner I | \$105.00 |
| Planner Aide | \$70.00 |
| Graphic Designer | \$110.00 |
| Administrative Support | \$80.00 |
| Clerical Aide | \$68.00 |
| Principal | \$215.00 |
| Sr. Associate | \$198.00 |
| Associate | \$187.00 |

Rates as reflected subject to review and adjustment on an annual basis.
2022 Public Rates 21 -1122

Rate Schedule

July 1, 2022 to June 30, 2023

| | |
|---|-----------------------------|
| Principal | \$255 |
| Architect Construction Engineer/Manager/Administrator Engineer Estimator Geologist Hydrogeologist Industrial Hygienist Interior Designer Project Manager Scientist Surveyor | |
| Senior Level | \$150–\$250 |
| Mid Level | \$135–\$149 |
| Staff Level | \$90–\$134 |
| Architectural Specialist Engineering Specialist Environmental Specialist Health & Safety Specialist Operations Specialist Technical Specialist Project Superintendent Survey Specialist | |
| Senior Level | \$150–\$225 |
| Mid Level | \$110–\$149 |
| Staff Level | \$90–\$109 |
| Technician | |
| Senior Level | \$120–\$140 |
| Mid Level | \$101–\$119 |
| Staff Level | \$80–\$100 |
| Production Support | \$90 |
| Photocopies | \$0.10/Copy |
| Mileage/Passenger Vehicles | \$0.70/Mile |
| Field and Service Vehicles | \$0.95/Mile (\$37/day min.) |
| Equipment Schedule | Separate Schedule |
| Expenses and Outside Services | Cost Plus 10% |

Compensation to be at one and one-half times the hourly rate for approved overtime.

Invoices are rendered every four weeks and payment is due upon receipt. A service charge of 1% per four-week period is added to accounts unpaid after 28 days from date of billing.

Fishbeck will agree to accepting the SOM CPI escalator as our metric for annual rate increases commencing 2023, however we reserve the right to request an adjustment after two years (on or before 6/30/2024), if the escalator the City of Troy is requesting that we accept is not sufficient to cover inflation or the employee driven market we are experiencing at this time.