

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION ADMINISTRATION SERVICES AND CONSTRUCTION INSPECTION SERVICES FOR PEDESTRIAN IMPROVEMENTS AT LEAR ROAD/CREEKSIDE DRIVE AND WALKER ROAD/ARMOUR ROAD AND DECLARING AN EMERGENCY.

WHEREAS, that the City invited proposals from qualified firms for construction administration services and construction inspection services for pedestrian improvements at Lear Road/Creekside Drive and Walker Road/Armour Drive (LOR-CR 610.0.91); and

WHEREAS, that the City Engineer and the Administration reviewed said proposals and recommended the firm of DLZ of Cleveland, Ohio; and

WHEREAS, Council coming now to consider said proposals has determined the proposal of DLZ of Cleveland, Ohio to be the best responsive proposal and is acceptable to this Council.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF
THE CITY OF AVON LAKE, STATE OF OHIO:

Section No. 1: That the Mayor is hereby authorized and directed to enter into an agreement with DLZ of Cleveland, Ohio, to provide the City with construction administration services and construction inspection services for pedestrian improvements at Lear Road/Creekside Drive and Walker Road/Armour Drive (LOR-CR 610.0.91). (Exhibit A)

Section No. 2: That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any of its committees which resulted in such formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section No. 3: That this Ordinance is hereby declared to be an emergency measure, the emergency being the necessity of providing the necessary construction services in the installation of pedestrian improvements on these highly traveled roads, thus for the health, safety, and welfare of the citizens of Avon Lake. Therefore, this Ordinance shall take effect and be in full force immediately after its passage and approval by the Mayor.



INNOVATIVE IDEAS
EXCEPTIONAL DESIGN
UNMATCHED CLIENT SERVICE

July 7, 2023

Mr. Chris Howard
Consulting City Engineer
City of Avon Lake
150 Avon Belden Road
Avon Lake, Ohio 44012

RE: LOR-CR610-0.91 Intersection Improvements (PID 115785)
DLZ Fee Proposal for CM/CI Services

Dear Mr. Howard,

DLZ is pleased to submit our fee proposal for professional services for the LOR-CR610-0.91 Intersection Improvements Project. For this project, DLZ will provide construction inspection, project management, construction administration, and quality assurance materials testing for the duration of the project.

Our fee was calculated as a not-to-exceed amount based on a construction duration of 9 weeks, or 45 working days as estimated from a start date of July 31 and a construction completion date of September 29, 2023. The fee reflects providing ODOT prequalified staff performing the scope of work outlined in the RFP. It includes a full-time project inspector, a project manager, a construction engineer 2, a traffic signal & lighting inspector, a soils & aggregate inspector, and a documentation clerk. Some of those roles are on an as-needed basis. The estimate to perform this work, including materials testing, is \$60,649. DLZ will only invoice for the actual time spent on-site by the inspectors when the contractor is performing work.

Additionally, we show hours for pre-construction and post-construction administrative work anticipated over the course of two weeks both before and after project construction. We anticipate some minor effort associated with ODOT's standard audit/documentation review and have included an allotment of hours for that task. Lastly, the fee proposal includes costs for DLZ to perform quality assurance materials testing, which is broken down in Attachment "A".

The fee proposal rates were developed using ODOT's Hourly Calculation Spreadsheet which takes actual DLZ employee hourly rates and incorporates DLZ's audited overhead rate to determine an average billable hourly rate. This sheet is included with the fee proposal as Attachment "B".

Depending on the Agreement, DLZ will invoice either according to the unit rates shown for the classifications on the fee proposal, or we will use actual hourly rates of DLZ project staff multiplied by our Company Multiplier of 2.89. DLZ typically composes our invoices using the standard ODOT IPS invoicing spreadsheet, however we can use a comparable City format, if requested. If the fixed fee groups are required, DLZ will submit a list of fixed fee groups and staff. Lastly, DLZ's Cognizant Review Certificate detailing our overhead rate is included as Attachment "C" for reference.

Thank you for selecting DLZ for this opportunity. We look forward to working together with the City of Avon Lake on this exciting project. If you should have any questions about the fee proposal or require further clarification, please do not hesitate to contact us.

Sincerely,



Daniel R. Uhler, PE
Field Services Department Manager

CC: Bob Kirkley – DLZ Ohio, Inc.
Thomas Hessler – DLZ Ohio, Inc.
file

COST PROPOSAL SUMMARY FOR
LOR-CR610-0.91 (PID 115785)
Prepared for the City of Avon Lake
Prepared by DLZ Ohio, Inc.

This hourly estimate was based on the following schedule:

Contract Duration of July 31 - September 29 (60 days)
 Construction Work: 45 working days (9 weeks)
 Contractor Working Five 8-hour days: 8 hrs/day x 45 days = 360 hours
 Assume zero hours of OT

Admin. Work for pre-construction services over the course of 2 weeks
 Admin. Work for post-construction services over the course of 2 weeks

Rates Based on ODOT Hourly Rate Calculations

Proj Mgr. \$	160.00	Proj. Insp. \$	101.00
Const. Eng. 2 \$	133.00	S&A Insp \$	108.00
T&E Insp. \$	113.00	Doc. Clerk \$	81.00

Task Description	Project Manager (CPE)	Const. Engineer (CE2)	Traffic & Electrical Insp. (T&E)	Proj. Insp. (PI)	Soils & Agg. Insp. (S&A)	Documentation Clerk		
Pre-Construction Services (over the course of 2 weeks)								
Pre-Construction Meeting	1	1		1		1		
Create Project Bill of Materials		1				8		
Develop Project Doc. Control System		5						
Review Submittals (Assume 5 @ 1 hr/each)								
Pre-Construction Services Individual Hours Totals	1	7	0	1	0	9		18 Task hrs
Pre-Construction Services Individual Cost Totals	\$160.00	\$931.00	\$0.00	\$101.00	\$0.00	\$729.00		\$1,921.00 Task cost
Construction Services (9 weeks)								
Management of Construction by CPE (1 hrs per wk)	9	36				18		
Construction Engineering & Admin by CE 2 (4 hrs per wk; 10%)								
Documentation of Quantities, Daily Reports, LPA Documents (2 hrs per week)	2	2				3		
Construction Progress Meetings & Minutes (2 Meetings)	3	2				2		
Review and Approve Contractor Pay Estimates (3 Estimates)				360				
Prepare and Approve Contractor Change Orders (Up to 2)			16					
Full time Project Inspection (9 wks x 40hrs/wk)					16			
Traffic & Electrical Inspection for Electrical Items (2 days)								
Soils & Aggregate Inspection for Full Depth Areas (4 days)								
Construction Services Individual Hours Totals	14	40	16	360	16	23		469 Task hrs
Construction Services Individual Cost Totals	\$2,240.00	\$5,320.00	\$1,808.00	\$36,360.00	\$1,728.00	\$1,863.00		\$49,319.00 Task cost
Post Construction Services (over the course of 2 weeks)								
Develop and Address Punch List	1			4				
Project Final Walk Through	1			1				
Prepare Final Change Order	2					4		
Final Close Out Document Preparation						4		
Post-Construction Services Individual Hours Totals	4	0	0	5	0	8		17 Task hrs
Post-Construction Services Individual Cost Totals	\$640.00	\$0.00	\$0.00	\$505.00	\$0.00	\$648.00		\$1,793.00 Task cost

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 Contractor Working Five 8-hour days: 8 hrs/day x 45 days = 360 hours
 Assume zero hours of OT

Admin. Work for pre-construction services over the course of 2 weeks
 Admin. Work for post-construction services over the course of 2 weeks

Rates Based on ODOT Hourly Rate Calculations				
Proj Mgr. \$	160.00	Proj. Insp. \$	101.00	
Const. Eng. 2 \$	133.00	S&A Insp \$	108.00	
T&E Insp. \$	113.00	Doc. Clerk \$	81.00	

ODOT Audit / Documentation Review	PM	CE2	T&E Insp.	Proj. Insp.	S&A Insp.	Doc. Clerk	24 Task hrs
Documentation Preparation & Organization	8			8		8	
Documentation Review with ODOT LPA Coordinator (w/ DLZ PM and Proj. Insp)							
ODOT Audit Individual Hours Totals	8	0	0	8	0	8	24
ODOT Audit Individual Cost Totals	\$1,280.00	\$0.00	\$0.00	\$808.00	\$0.00	\$648.00	\$2,736.00

Other Direct Costs

Project Primary Inspector Company Truck - (ODOT Rate \$49/day x 45 days)
 Materials Testing (See Attachment "A")

	\$2,205	
	\$2,675	
Other Direct Costs	\$4,880	Total ODC's



Summary of Parts:	
Pre Construction Services	\$1,921.00
Construction Services	\$49,319.00
Post Construction Services	\$1,793.00
ODOT Audit / Doc. Review	\$2,736.00
Other Direct Costs	\$4,880.00

TOTAL FEE PROPOSAL FOR CA/CI SERVICES:

\$60,649

ATTACHMENT "A"
MATERIALS TESTING COSTS FOR
LOR-CR610-0.91 (PID 115785)

Task No.		Units	Unit Cost	TASK TOTAL
	DLZ Laboratory Billing Rates			
1.0	Testing Description			
1.01	Materials Technician (5 days at 4 hrs/day)	20 ea	\$75 per hour	\$1,500.00
1.02	Concrete Cylinders (1 set of 5 each day)	25 ea	\$22 per cylinder	\$550.00
1.03	Concrete Beams	0 ea	\$60 per beam	\$0.00
1.04	Moisture Density Curves & Gradation)	0 ea	\$240 per sample	\$0.00
1.05	Asphalt AC Content/Gradation	0 ea	\$170 per sample	\$0.00
1.06	Asphalt MSG	0 ea	\$85 per sample	\$0.00
1.07	Asphalt BSG	0 ea	\$90 per set of 3 samples	\$0.00
1.08	Compaction Equipment	4 days	\$50 per day	\$200.00
1.09	Concrete Equipment	5 days	\$35 per day	\$175.00
1.10	Routine Electronic Reports	1 LS	\$250 Lump Sum	\$250.00
	Total Costs			\$2,675.00

Hourly Rate Calculations

Instructions - Insert information in yellow highlighted cells only. On Sheet 2, input information to determine rates per classification. Hourly rates will be calculated automatically.

Agreement No.:

PID 115785

C-R-S:

LOR-CR610-0.91

Firm Name:

DLZ Ohio

Company Overhead: 162.77%

Average Overhead: 157.79%

Cost of Money: 1.46%

Net Fee %: 10%

The company records OT premium as: Direct Labor

Does the company anticipate billing overtime? No

Classification	1.5X OT?	Avg. Raw Rate	Overhead	C.O.M	Net Fee	Computed Straight Time/OT Exempt Billing Rate ¹	Computed Overtime Billing Rate ¹
Project Manager	No	\$55.00	\$89.52	\$0.80	\$14.18	\$160	N/A
Project Inspector	No	\$34.93	\$56.86	\$0.51	\$9.00	\$101	N/A
Construction Engineer 2	No	\$46.00	\$74.87	\$0.67	\$11.86	\$133	N/A
Documentation Clerk	No	\$28.00	\$45.58	\$0.41	\$7.22	\$81	N/A
Traffic & Electrical	No	\$39.00	\$63.48	\$0.57	\$10.05	\$113	N/A
Soils & Aggregate	No	\$37.25	\$60.63	\$0.54	\$9.60	\$108	N/A

¹ **Note:** Rounded the nearest dollar.

Hourly Rate Calculations

Instructions - Insert information in yellow highlighted cells only. On Sheet 2, input information to determine rates per classification. Hourly rates will be calculated automatically.

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PID 115785

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Project Manager	No	\$55.00	\$89.52	\$0.80	\$14.15	\$159	N/A
Project Inspector	No	\$34.93	\$56.86	\$0.51	\$8.99	\$101	N/A
Construction Engineer 2	No	\$46.00	\$74.87	\$0.67	\$11.83	\$133	N/A
Documentation Clerk	No	\$28.00	\$45.58	\$0.41	\$7.20	\$81	N/A
Traffic & Electrical	No	\$39.00	\$63.48	\$0.57	\$10.03	\$113	N/A
Soils & Aggregate	No	\$37.25	\$60.63	\$0.54	\$9.58	\$108	N/A

¹ **Note:** Rounded the nearest dollar.

Average Raw Rate Calculations per Classification

Agreement No.: PID 115785

C-R-S: LOR-CR610-0.91

Firm Name: DLZ Ohio

Instructions - Insert classification descriptions in yellow highlighted cells as applicable. They will be carried forward to Sheet 1. Input employee names or ID along with their rate. Rates should be actual employee pay rates. Add lines as needed for additional employee rates if necessary. For each classification, indicate whether employees in the classification are eligible for overtime paid at time-and-a-half (non-exempt). Average rates for each classification will be calculated automatically and exported to Sheet 1.

Project Manager	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Daniel Uhler	\$55.00
Average Raw Rate	\$55.00

Project Inspector	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Kevin Hudnall	\$37.20
James Rosa	\$37.00
Karl Hansen	\$31.69
Emmet McGrath	\$27.75
Jeff Hickling	\$41.00
Average Raw Rate	\$34.93

Construction Engineer 2	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Cory Shryock	\$42.00
Peter McHugh	\$50.00
Average Raw Rate	\$46.00

Documentation Clerk	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Ashley Levine	\$28.00
Average Raw Rate	\$28.00

Average Raw Rate Calculations per Classification

Agreement No.: PID 115785

C-R-S: LOR-CR610-0.91

Firm Name: DLZ Ohio

Instructions - Insert classification descriptions in yellow highlighted cells as applicable. They will be carried forward to Sheet 1. Input employee names or ID along with their rate. Rates should be actual employee pay rates. Add lines as needed for additional employee rates if necessary. For each classification, indicate whether employees in the classification are eligible for overtime paid at time-and-a-half (non-exempt). Average rates for each classification will be calculated automatically and exported to Sheet 1.

Traffic & Electrical	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Mike Miller	\$39.00
Average Raw Rate	\$39.00

Soils & Aggregate	
Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Steven Barnard	\$37.50
Stephen Mobley	\$37.00
Tad Crothers	\$37.25
Average Raw Rate	\$37.25

Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Average Raw Rate	

Is overtime paid at 1.5X? ----->	No
Employee Name or I.D	Rate
Average Raw Rate	



OHIO DEPARTMENT OF TRANSPORTATION

CONSULTANT INDIRECT COST RATE COGNIZANT REVIEW APPROVAL CERTIFICATE NO.: 06012023-SPG-02

All items discussed in this **Cognizant Review Approval Certificate** refer, respectively, to the following:

Company Name (Consultant/Auditee):	DLZ OHIO, INC.
Based on Actual Costs Incurred for Company's Year Ended:	12/31/2022
Effective Date of Cognizant Approval (ODOT Approval Date):	06/01/2023
Based on Independent Audit Report Issued by CPA Firm (Auditor):	Somerset, CPAs and Advisors

This Certificate presents the results of a review we performed in accordance with our role as Cognizant Agency as defined in 23 U.S.C. 112(b)(2)(c) and 23 CFR 172.3 and 172.7. The review involved a detailed examination of the CPA's audit workpapers supporting: (1) the independent audit report on the Company's Statement of Direct Labor, Fringe Benefits, and General Overhead (indirect cost rate schedule); and (2) the associated report on internal controls and compliance. The CPA represented that the audit was conducted in accordance with *Government Auditing Standards* as promulgated by the Comptroller General of the United States, and the audit was designed to determine that the indirect cost rate schedule was prepared in accordance with Cost Principles contained in the Federal Acquisition Regulation, 48 CFR Part 31. Our cognizant review was performed in accordance with the AASHTO Review Program for CPA Audits of Consulting Engineers' Indirect Cost Rates as recommended in the *AASHTO Uniform Audit & Accounting Guide for Audits of Architectural and Engineering (A/E) Consulting Firms*. During our cognizant review, nothing came to our attention that caused us to believe that the CPA's audit procedures, audit report, and supporting workpapers for the indirect cost rate schedule did not conform in all material respects to the aforementioned regulations and auditing standards.

Conclusion: We recommend acceptance of the following rates, which, unless otherwise noted, were computed based on direct labor costs incurred on A/E projects:

Corporate Indirect Cost Rate:	162.77%
Facilities Capital Cost of Money (FCCM) Rate:	1.46%

Overtime Premium: According to the Company's established allocation methodology, as audited by the CPA:

- ☐ All overtime premium is allocated to the indirect cost pool; accordingly, overtime premium is not eligible as a direct charge to contracts.
- ☒ Project-related overtime premium is allocated to direct cost objectives and is allowable as a direct charge, with overhead applied, to applicable contracts. Overtime premium that is not project related is included in the indirect cost pool.
- ☐ Overtime premium is allocated and billed as an Other Direct Cost (ODC) to applicable contracts, with no overhead applied.
- ☐ Either no overtime premium was incurred during the audit period, or your company has not established a policy for allocating and billing these costs. (Overtime premium is not allowable as either a direct charge to projects or as part of the indirect cost rate computation.)

Note:

The approved rates are for use for billings and cost proposals on contracts funded by the State of Ohio and/or Federal sources, including projects for ODOT and Ohio Local Public Agencies (LPAs). The above rates are based on the most recent cost information your Company submitted to ODOT. As more current cost information becomes available, it must be submitted through the ODOT PreQ system. The submittal is due no later than six months after the close of your Company's fiscal year (July 1 for all companies with a December 31 fiscal year end). See detailed requirements at <https://www.transportation.ohio.gov/wps/portal/gov/odot/working/publications/audit-consultant>. Failure to submit timely may result in the loss of your ODOT prequalification.

Approved by:

Scot P. Gormley

Scot P. Gormley

ADMINISTRATOR

ODOT OFFICE OF EXTERNAL AUDITS (OEA)

1980 West Broad Street, Mail Stop 2140, Columbus, OH 43223

Phone: 614.644.0384

Cell/Text: 614.949.8981

[Transportation.Ohio.gov](https://www.transportation.ohio.gov)



OHIO DEPARTMENT OF TRANSPORTATION

PASSED: 7/10/2023

/s/ Martin E. O'Donnell

President of Council

POSTED: 7/14/2023

APPROVED: 7/11/2023

ATTEST: /s/ Valerie E. Rosmarin

Clerk of Council

/s/ Gregory J. Zilka

Mayor