

MEMORANDUM

DATE: January 7, 2025

TO: Melissa R. Marsh, City Manager

FROM: Sean P. Ballantine, Director of Public Services

SUBJECT: Contract Extension – DiLisio Contracting

The City manages its concrete road reconstruction and paving projects under two separate contracts; R-3 Residential road construction, and Major and Local Sectional concrete replacement. The R-3 projects were most recently bid in March, 2024, while the Major and Local Sectional projects were bid in February, 2023, with the pricing extended for the 2024 construction year. The successful bidder for both projects was DiLisio Contracting. In anticipation of the 2025 construction year, DiLisio has reached out to our consulting engineering firm Nowak and Fraus indicating their willingness to extend current pricing for both contracts.

DiLisio is an experienced long-time contractor of the City of Madison Heights for these programs, and similar projects for other area municipalities. As with prior bids or contract extensions, Staff would note that this contract extension will not automatically commit the City to any projects in the upcoming 2025-26 fiscal year. Projects would not be authorized to start until funding was made available through the normal Budget process. These projects, assuming approval, would then be constructed by DiLisio under this contract.

Taking into account the quality of their work, as well as the significant and ongoing pricing increases of every manner of contracted service, Staff concurs with the recommendation of Nowak and Fraus, and respectfully requests that Council accept the contract extensions for the R-3, and Major and Local Sectional projects with DiLisio Contracting for the upcoming construction year. This represents a proposed budgeted cost of \$2,281,000. Funding is proposed for the 2025-26 fiscal year.

City of Madison Heights
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