



CIVIL ENGINEERS
LAND SURVEYORS
LAND PLANNERS

February 21, 2024

City of Madison Heights
300 W. 13 Mile Road
Madison Heights, MI 48071

Attn.: Mr. Sean Ballantine, Director of Public Services

Re: **2024 Major Street and Local Road Sectional Repair Project**
NFE Recommendation Letter – Extension of Contract to Dilisio Contracting Inc.
Madison Heights, Michigan

Dear Mr. Ballantine:

As you are aware, the City of Madison Heights awarded the 2023 Major Street and Local Road Sectional Repair Project to Dilisio Contracting Inc. of Clinton Township, Michigan based upon the February 15, 2023 public bid opening held at the City Offices.

Dilisio Contracting Inc. has expressed a willingness to enter into a contract extension (refer to attached February 19, 2024 correspondence) for the upcoming 2024 construction season and to hold their units prices unchanged from the 2023 Contract. Due to the inflation and substantial material costs increases we have seen each year on other projects in other local communities, we would expect this contract to be increased by 7%-10% if put out to bid. Due to their experience, high quality workmanship, and past performance; we acknowledge that the City of Madison Heights will save both time and money associated with re-bidding this work. All indications are that 2024 prices will increase substantially based upon recent bid tabulations and reported material cost increases.

Dilisio Contracting Inc. has completed projects within the City of Madison Heights. They have completed several other similar projects for the City of Troy and Sterling Heights during the past couple of years and are qualified to complete the above referenced project based upon their past experience and our research.

Therefore, we recommend that the contract for the 2024 Pavement Resurfacing Project be extended in the amount of \$741,315.70, to Dilisio Contracting Inc. of 23525 Lakepointe Drive, Clinton Township, MI 48036.

Should you have any questions, please feel free to contact our office at any time.

Very truly yours,

NOWAK & FRAUS ENGINEERS

A handwritten signature in black ink, appearing to read 'Brad Brickel', is written over a horizontal line.

Brad Brickel, P.E.
Consulting Assistant City Engineer

Enclosures

cc: City of Madison Heights – Melissa Marsh, City Manager (300 W. Thirteen Mile Road, Madison Heights, MI. 48071)
NFE - Timothy L. Germain, PE., City Engineer (46777 Woodward Avenue, Pontiac, MI 48342) - copy
File: NFE# N962-N965 Electronic File – 2024 Recommendation Letter

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