

MEMORANDUM

DATE: February 28, 2024

TO: Melissa R. Marsh, City Manager

FROM: Sean P. Ballantine, Director of Public Services

SUBJECT: Contract Extension – Major and Local Sectional Paving

In a letter to Nowak and Fraus, our consulting engineering firm, DiLisio Contracting has indicated that they are agreeable to extending current bid pricing for the 2024 construction season. This is in reference to the Major and Local Sectional concrete replacement project. This project was most recently bid in 2023, with DiLisio being the lowest qualified bidder.

DiLisio has been the successful bidder on these projects for many years, and has a proven track record of high-quality work, responsiveness to the City's needs, and excellent communication with our staff and engineers. Given the extreme increases in the price of materials and labor, Staff concurs with the recommendation of our consulting engineer, and recommends that Council approve the contract extension with DiLisio Contracting for the Major and Local Sectional concrete replacement projects, for a total estimated cost of \$741,315.70.

I would also note that this contract extension does not automatically commit the City to any projects in the upcoming 2024-25 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.

Department of Public Services
City of Madison Heights
801 Ajax Drive
Madison Heights, Michigan 48071

p: (248) 589-2294 | f: (248) 589-2679 | e: DPS@Madison-Heights.org