MEMORANDUM

DATE: **February 23, 2026**

TO: **Melissa R. Marsh, City Manager**

FROM: **Sean P. Ballantine, Director of Public Services**

SUBJECT: **Bid Award – 2026 R-3 Residential Road Projects**

The 2025 R-3 road construction projects consisted of full reconstructions, which generally involve the removal and replacement of concrete pavement, with extensive modifications to the road bed and subgrade drainage due to soil conditions in the area. The 2026 projects were identified as candidates for the modified sectional approach based on more ideal ground and subgrade conditions. Because of this, the successful bidder for the 2025 projects, DiLisio Contracting, was unable to offer a contract extension due to a variety of distinct and missing pay items between the two construction approaches.

Bid number MH 26-01 was issued, and three sealed bids were received at the City Clerk's office by the deadline of February 18. Upon review, and as identified in the attached recommendation letter and bid tabulation from Nowak and Fraus, our Consulting City Engineers, DiLisio Contracting, of Clinton Township was the low bidder.

DiLisio is an experienced long-time contractor of the City of Madison Heights for this program, and similar projects for other area municipalities. As in years past, Staff would note that this bid award will not automatically commit the City to any projects in the upcoming 2026-27 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.

Staff concurs with the recommendation of our City Engineer, and recommends that City Council award the bid for the 2026 R-3 Residential Road Projects to the lowest responsible bidder, DiLisio Contracting, Inc., of Clinton Township, in the total project amount of $1,669,954.50. Funding is programmed in the upcoming 2026-27 Budget.