

MEMORANDUM

DATE: February 21, 2023

TO: Melissa R. Marsh, City Manager

FROM: Sean P. Ballantine, Public Works Supervisor
R. Corey Almas, Director of Public Services

SUBJECT: Bid Award – 2023 Major & Local Sectional Concrete Repairs

Due to the continuing increases in the price of concrete, materials, and labor, the Major and Local Sectional Concrete program is typically bid on an annual basis. Even more so in the last year, contractors are finding themselves unable to extend pricing for more than the initial contract term. The bid was prepared, and on February 15, six sealed bids were received at City Hall by the deadline. One bid was immediately rejected for insufficient paperwork. Upon review, and as identified in the attached recommendation letter from Nowak and Fraus, our Consulting City Engineers, DiLisio Contracting, of Clinton Township, Michigan, was the low bid.

DiLisio is a long-time concrete contractor for the City, and has completed many identical projects for the City of Madison Heights, as well as other area municipalities in recent years. The pricing received is favorable given the current market conditions, and is significantly lower than the original engineers estimate for the bid. We would also note that this bid award does not automatically commit the City to any projects in the upcoming 2023-24 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.

Based on these facts, Staff concurs with the recommendation of our City Engineer, and recommends that City Council award the bid for the 2023 Major and Local Sectional Concrete Repairs to the lowest responsible bidder, DiLisio Contracting, Inc., of Clinton Township, Michigan, for the total project amount of \$965,230.90.

Department of Public Services

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