



CITY OF NOVI CITY COUNCIL
FEBRUARY 10, 2025

SUBJECT: Consideration of approval of Change Order No. 2 to Ajax Paving Industries, Inc. for construction of an 11 Mile Road Pavement Preservation Overlay, Taft Road to Clark Street.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- Recommending a cost-effective fix-pavement preservation overlay for 280K rather than a rehabilitation for 1.08M
- Total project costs are estimated at 280K
- The project will commence this spring /summer and will take 2-3 weeks to complete. All traffic will be maintained by flagging

	FY 2024/25
EXPENDITURE REQUIRED	\$ 238,928.07
BUDGET	
Major Street Fund 202-449.20-975.177	\$ 315,000.00
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0
Budget includes the current estimated total project costs for construction (design engineering, construction engineering, crew days, material testing, contingency, etc.), the out-the-door estimated budget is 280K	

BACKGROUND INFORMATION:

On May 20, 2024, City Council approved Change Order No. 3 to Ajax Paving Industries, Inc. to perform a Pavement Preservation Overlay (PPO) on Beck Road between 9 and 11 Mile Roads. The pavement on Beck Road from 9 Mile Road to 11 Mile Road was in poor condition. DPW staff have been using different maintenance options to extend the pavement life until an alternative Beck Road project comes to fruition. City staff recommended issuing a change order to the contractor of the 2023 Capital Preventative Maintenance (CPM) project, Ajax Paving. Ajax who agreed to hold unit

prices from the 2023 CPM project for the Beck Rd PPO, which resulted in significantly lower costs than what was estimated (approx. \$1M less).

On August 12, 2024, City Council approved Change Order No. 1 to Ajax Paving Industries, Inc. to perform the same Pavement Preservation Overlay on 11 Mile Road, between Beck and Taft Roads, which required a similar course of action as Beck Road. Due to the relative location and economy of scale to Beck Road, it made sense to move forward with Ajax on this section of road also.

The timing and final product of Change Order No. 1 met was praised by residents in the neighboring subdivisions. Therefore, we are once again requesting this change order on 11 Mile, from Taft Road to Clark Street.

Furthermore, this section of 11 Mile Road (Taft Road to Clark Street) is currently budgeted for a ~\$1.08M rehabilitation in the 2027-28 FY. Changing the project to a preservation overlay and completing it in the same contract will offset the costly reconstruction. As discussed in the Finance and Administration Committee, this allows flexibility for funding larger projects with unforeseen expanded costs (12 Mile Road Widening) in future fiscal years. There will be no impact to the capital road program fund balance this fiscal year since the costs are being covered by a combination of maintenance dollars and deferred project savings (moving Beck Road – 11 Mile to Grand River from FY 2025/26 to FY 2026/27).

City engineering consultant, AECOM, provided a proposal for the construction administration, inspection crew days, and material testing services. The contract administration and geotechnical engineering services related to this project addition will be granted to the following pre-qualified firms using the fee percentages in the Agreements for Professional Engineering Services and Geotechnical Engineering Services for Public Projects.

AECOM		
Design	2.0% of the Change Order value (\$238,928.07 x 0.02)	\$4,778.56
Contract Administration	3.0% of the Change Order value (\$238,928.07 x 0.03)	\$7,167.84
Crew Days	\$800 daily inspection fee X 5 days	\$4,000.00
G2 Consulting Group, Inc. (G2)		
Material testing services	3.0% of the Change Order value (\$238,928.07 X 0.03)	\$7,167.84

RECOMMENDED ACTION: Approval of Change Order No. 2 to Ajax Paving Industries, Inc. for construction of an 11 Mile Road Pavement Preservation Overlay, Taft Road to Clark Street, in the amount of \$238,928.07.