



CITY OF NOVI CITY COUNCIL
MAY 20, 2024

SUBJECT: Approval of the final payment to Merlo Construction Company, Inc. for the 2020 Pathway Gaps and ADA Compliance Program, in the amount of \$155,266.91, plus interest earned on retainage.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

EXPENDITURE REQUIRED	\$ 97,177.31 Expense \$ 58,089.60 Retainage \$ 155,266.91 TOTAL
AMOUNT BUDGETED	\$ 142,531.00 Expense
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	Municipal Street Fund Expense- 204-446.00-974.478 & 204-446.00-975.021 Retainage- 204-000.00-211.476

BACKGROUND INFORMATION:

The 2020 Pathway Gap and ADA Compliance program (formerly the 2019 Pathways and ADA program) consisted of approximately 22,070 square feet of concrete sidewalk and 2,320 square feet of ADA sidewalk ramps at various locations throughout the City. Push button upgrades were also included to improve the safety of pedestrian crossings on Haggerty Road, between Eight Mile Road and Nine Mile Road, and on Grand River Avenue at the Suburban Collection Showplace and Taft Road intersections. This initial contract was split up into nine (9) separate divisions.

After the award of this contract, staff recognized a gap that was missed in the Safe Routes to School (SRTS) project. The gap in question was on the south side of Borchart Drive, just west of Silvery Lane making it possible for students to better access the Orchard Hills Elementary school sidewalk network. Since the SRTS project was already

let by the Michigan Department of Transportation, staff could not change order that project and therefore added it to this contract.

With this contract still open and taking advantage of the lower unit prices that Merlo was offering, staff change ordered the Meadowbrook Glens Sidewalk Repair Pilot Program as well, in the amount of \$343,778.50 (Change Order No. 3).

The construction contract was approved at the July 27, 2020, City Council meeting to Merlo Construction Company, Inc., in the amount of \$823,127.40. Staff worked with the engineering consultant for this project, OHM-Advisors, to review and verify the final contract payment amount of \$155,266.91 due to the Contractor. The City Attorney reviewed the final documentation and found it to be in acceptable form (Beth Saarela, April 12, 2024).

There were seven (7) approved change orders issued on this project resulting in an overall increase of \$330,077.40 or 40.1% over the awarded amount. These approved change orders resulted in a final contract price of \$1,153,204.80.

RECOMMENDED ACTION: Approval of the final payment to Merlo Construction Company, Inc., for the 2020 Pathway Gaps and ADA Compliance Program, in the amount of \$155,266.91, plus interest earned on retainage.