



CITY OF NOVI CITY COUNCIL
AUGUST 10, 2026

SUBJECT: Consideration of approval to award the construction contract to Federal Paving, Inc., the low bidder, for the 2026-27 Neighborhood Roads Program – Asphalt, in the amount of \$5,378,404.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- The project scope includes asphalt road reconstruction and/or rehabilitation of neighborhood roads, with as needed concrete curb replacement and sidewalk ramp replacements.
- Subdivisions or roads selected for the two-year program are Camden Court, Iroquois Estates, Meadowbrook Glens, Salow's Walnut Hills/Glenda Dr, Saratoga Circle, Settler's Creek, Stonehenge Village, Taft Knolls, Tollgate Ravines, and Vistas of Novi.
- Construction will begin immediately following award, with final completion expected in October 2027.

FINANCIAL IMPACT

	Budget
EXPENDITURE REQUIRED	\$ 5,378,404.70 Construction Award <u>\$ 434,125.88 Engineering Services</u> \$ 5,812,530.58 Total
BUDGET Local Streets Fund	\$ 6,393,783.00 Includes FY 2025-26 Rollover, FY 2026-27 Budget, and FY 2027-28 Proposed Budget
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0

Budget includes current estimated total project costs for construction (construction engineering, crew days, contingency, etc.), which is \$6.4M.

BACKGROUND INFORMATION:

City engineering consultant, OHM, assisted the Engineering Division with the design of the 2026-27 Neighborhood Roads Program - Asphalt. OHM and City staff developed a potential list of streets for the 2026 and 2027 Neighborhood Roads Program (NRP). The program is divided into two contracts, concrete roads, and asphalt roads. The program was advertised for a two-year contract to secure unit prices and lower the overall costs of bidding and design.

The NRP asphalt program includes rehabilitation and reconstruction of local roadways. Subdivisions or roads selected for the two-year program are Camden Court, Iroquois Estates, Meadowbrook Glens, Salow's Walnut Hills/Glenda Dr, Saratoga Circle, Settler's Creek, Stonehenge Village, Taft Knolls, Tollgate Ravines, and Vistas of Novi.

The project was advertised on July 6, 2026. Six bids were received and opened on July 27, 2026, following the solicitation period. Federal Paving, Inc. is recommended in the best interest of the City as it is responsive and complies with all the requirements of the bidding instructions. The award recommendation letter and the bid tabulation are attached.

To keep within budget, City staff have elected to reduce the scope of the original bid to \$5,378,404.70. If additional funding becomes available, additions may be brought to City Council for approval later.

Contractor	Total Bid*
Federal Paving, Inc.	\$ 7,142,360.96
Pro-Line Asphalt Paving Corp	\$ 7,285,798.00
Cadillac Asphalt, LLC	\$ 7,457,848.31
Fonson Company, Inc.	\$ 7,709,583.46
Anglin Civil, LLC	\$ 7,696,233.22
Ajax Paving Industries, Inc.	\$ 8,818,776.23

***Crew Days are included to compare bids but not included in the award. See bid tabulation for all bids received.**

The contract administration and geotechnical engineering services related to this project will be awarded to the following pre-qualified firms using the fee percentages in the Agreements for Professional Engineering Services and Geotechnical Engineering Services for Public Projects.

OHM	Contract Administration	4% of the construction award	\$ 215,136.19
	Crew Days	\$800 daily inspection fee x 146 days	\$ 116,800.00
G2	Material testing services	1.9% of the construction award	\$ 102,189.69
TOTAL			\$ 434,125.88

Construction will begin immediately following award, with final completion expected in October 2027.

RECOMMENDED ACTION: Approval to award the construction contract to Federal Paving, Inc., the low bidder, for the 2026-27 Neighborhoods Road Program – Asphalt, in the amount of \$5,378,404.70.