



CITY OF NOVI CITY COUNCIL
APRIL 13, 2026

SUBJECT: Consideration to award the construction contract to Fer-Pal Construction USA LLC, for the Cedarspring Estates Water Main Lining project, for \$2,016,667.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- Cedarspring Estates has experienced numerous water main breaks due to corrosion and deteriorated ductile iron pipe.
- The existing pipe will be lined with cured-in-place pipe, which was successfully completed in the Westminster subdivision in 2023.
- Construction is expected to start this spring/summer and be completed by summer/fall.

FINANCIAL IMPACT

	FY 2025/26 Budget
EXPENDITURE REQUIRED	\$ 2,016,667.00 Construction \$ 80,666.68 Engineering Services \$ 2,165,333.68 TOTAL
BUDGET	
W&S FUND 592-536.00-976.242	\$ 2,224,150.00
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0
Budget includes current estimated total project costs for construction (construction engineering, crew days, contingency, etc.), which is \$ 2.2M.	

BACKGROUND INFORMATION:

The Cedarspring Estates subdivision has experienced numerous water main breaks due to corrosion and deteriorated ductile iron pipe. The existing ductile iron water main was installed when the subdivision was built in the late 1970s. This project includes the lining of approximately 5,250 feet of 8-inch water main and 615 feet of 12-inch water main with a cured-in-place pipe (CIPP) lining. Since CIPP is a trenchless method of rehabilitating water main, the project will be less disruptive to the residents of Cedarspring Estates than a traditional open-cut installation. The project will also include replacement of existing valves and hydrants. Temporary water service will be provided to the residents during the project. This method was successfully used in the Westminster Subdivision in 2023.

The project was advertised for public bids on March 12, 2026. Two (2) bids were received and opened on April 2, 2026, following the solicitation period. Fer-Pal Construction USA LLC 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, including the bid tabulation, is attached.

Contractor	Total Bid*
Fer-Pal Construction USA LLC	\$2,084,667
Pamar Enterprises, Inc.	\$2,389,510

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

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

OHM	Contract Administration	4.0% of the construction award	\$80,666.68
	Crew Days	\$800 daily inspection fee x 85 days	\$68,000.00
TOTAL			\$148,666.68

Construction is expected to start this spring/summer and be completed by summer/fall.

RECOMMENDED ACTION: Approval to award the construction contract to Fer-Pal Construction USA LLC, the low bidder, for the Cedarspring Estates Water Main Lining project, in the amount of \$2,016,667.