



CITY OF NOVI CITY COUNCIL
DECEMBER 16, 2024

SUBJECT: Approval of the final payment to Toebe Construction, LLC., for the Crescent Boulevard (NW Ring Road)/Industrial Spur and Bond Street – Phase 2 (SW Ring Road) Construction projects.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- Crescent Boulevard construction had an initiation deadline due to an expiring MDEQ permit expiration
- Industrial Spur (Lambert Drive) included with Crescent Boulevard construction
- New 26' X 97' natural bottom culvert/bridge for Middle Rouge River crossing
- Change order for Bond Street – Phase 2, water main, and traffic signals

FINANCIAL IMPACT

	FY 2024/25
EXPENDITURE REQUIRED	\$ 52,034.49 – Retainage – Crescent Blvd \$ 29,425.04 – Retainage – Bond St-Phase \$ 81,459.53 – TOTAL
BUDGET	
Major Street Fund 202-000.00-211.217	\$ 52,034.49 (Crescent Blvd.)
Drain Fund 211-000.00-211.009	\$ 23,400.20 (Bond St., Phase 2)
Water & Sewer Fund 592-000.00-211.002	<u>\$ 6,024.84 (Bond St., Phase 2)</u> \$ 81,459.53 TOTAL
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0

BACKGROUND INFORMATION:

Crescent Boulevard design plans were originally completed in 2010. In early 2019, the City's Consultant Engineer, AECOM updated the design plans to adhere to the current Michigan Department of Transportation (MDOT) and the American Association of State Highway and Transportation Officials (AASHTO) design and construction standards. The City had an active Michigan Department of Environmental Quality (MDEQ, now Michigan Department of Environment, Great Lakes, and Energy) for proposed work in the Middle Rouge River, that was about to expire. So, it became clear that the project needed to proceed as soon as possible.

The project features a 1,050-foot long, concrete, four lane boulevard extension from the intersection of Grand River Avenue to the intersection of Adell Center Drive and the construction of a 650-foot-long industrial spur road (later, officially named Lambert Drive) to service the Comau Industrial Facility along with improved access to the General Filters site. The project also featured the installation of a 26-foot wide by 97-foot long, precast concrete, open or natural bottom, culvert/bridge, as well as rehabilitation work to replace deteriorated concrete pavement just west of Novi Road along the existing portion of Crescent Boulevard.

Along the same construction timeline, another contractor, Fonson Company, was building the Flint/Bond Street – Phase 1 project. Due to the COVID pandemic, utility relocation issues, and contaminated soil remediation, construction on the Crescent Boulevard portion took much longer than anticipated. Whereby, the Fonson contract was completed and closed out. Since Toebe's contract was still open, staff executed and City Council approved a change order at the November 14, 2022, meeting to handle the construction of the Bond Street – Phase 2 work. Toebe was willing to hold the lower 2019-unit prices for most items. To finish Bond Street, out to Grand River Avenue (or Phase 2), approximately half of the new roadway was passing through private property owned by George Keros. After several negotiations with Mr. Keros, an agreement was reached to essentially "swap" a portion of his property for a remainder of the recently City-acquired "Lee BeGole" property.

The Bond Street – Phase 2 project entailed the extension of the existing two-lane, asphalt roadway from Flint Street to Grand River Avenue, which also involved the filling of an existing detention basin and an extension of an 8-inch water main along the new Bond Street frontage. Finally, staff worked with the contractor and the Road Commission for Oakland County to install and erect mast arm traffic signals at the new Grand River Avenue/Crescent Boulevard/Bond Street intersection.

The Crescent Boulevard construction contract was awarded at the April 1, 2019, City Council meeting to Toebe Construction, Inc., in the amount of \$4,747,550.01. Staff worked with the engineering consultant for this project, AECOM-Great Lakes, to review and verify the final payment amount of \$52,034.50 that is due the contractor. The City Attorney reviewed the final documentation and found it to be in an acceptable form (Beth Saarela, November 20, 2024).

There were eleven (11) approved change orders issued resulting in an overall increase of \$455,898.77 or 9.6% over the awarded amount. The approved change orders resulted in a final contract price of \$5,203,448.78.

The Bond Street – Phase 2 change order was approved at the November 14, 2022, City Council meeting in the amount of \$1,159,186.00. AECOM-Great Lakes also verified the final payment amount of \$29,425.04 for this contract. The City Attorney also reviewed this final documentation (Beth Saarela, November 20, 2024).

There were seven (7) approved change orders issued resulting in an overall increase of \$17,815.45 or 1.5% over the originally authorized amount. These seven approved change orders resulted in a final contract price of \$1,177,001.45.

RECOMMENDED ACTION: Approval of the final payment to Toebe Construction, LLC., for the Crescent Boulevard (NW Ring Road)/Industrial Spur and Bond Street – Phase 2 (SW Ring Road) Construction projects, in the amount of \$81,459.53, plus interest earned on retainage.