



CITY OF NOVI CITY COUNCIL
NOVEMBER 17, 2025

SUBJECT: Consideration of adoption of a resolution authorizing approval of a contract with the Michigan Department of Transportation (MDOT) for the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue, in the amount of \$1,118,375.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- MDOT requires the City to agree to a cost participation agreement for projects receiving federal funds.
- The City's is responsible for an estimated \$1,118,375 of the construction award, which is the estimated construction cost of \$5,561,875 minus the \$4,443,500 federal funds.
- The City is responsible 100% for the construction engineering and material testing services costs.
- Construction may begin this March, depending on the contractor's availability.

FINANCIAL IMPACT

	FY 2025/26
EXPENDITURE REQUIRED	\$ 1,118,375 Construction <u>\$ 627,197 Engineering Services</u> \$ 1,745,572 Total
BUDGET Major Street Fund 202-449.20-975.226	 \$ 3,809,718
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0

Budget includes current estimated total project costs for design and construction (engineering services, crew days, material testing, contingency, etc.), which is currently \$3.4M once federal funds are deducted; Streetlight costs are estimated at \$200K and contingency is set at \$638K (10%) due to utility relocation unknowns.

BACKGROUND INFORMATION:

In 2022, the City was awarded federal funding for the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue through a community funding request by Congresswoman Haley Stevens. MDOT is responsible for administering federal funding to local agencies.

The contract is broken down into two parts:

- Part A – Concrete reconstruction and widening from 3 to 5 lanes, storm sewer, drainage improvements, concrete curb and gutter, curb ramps, and traffic signals (receiving federal funding).
- Part B – Pre-construction audio-visual route survey along the project limits (not eligible for federal funding).

MDOT's bid letting for the project was on November 7, 2025. The as-read low bid for the project was \$4,497,779; however, the bids need to be checked by MDOT prior to awarding the construction contract. The City is responsible for the construction engineering services and material testing services related to this project, which 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. The amounts are based on estimated construction cost of \$5,561,875.

\$ 5,561,875 Construction Estimate

\$ 4,443,500 Less Federal Funds

\$ 1,118,375 City's Estimated Responsibility of the Construction Award

AECOM Advisors		
Contract Administration	5.5% of the construction award	\$ 305,903
Crew Days	\$800 daily inspection fee x 200 days	\$ 160,000
G2		
Material testing services	2.9% of construction award	\$ 161,294

Total \$ 627,197

The City Attorney reviewed the contract and resolution favorably (Beth Saarela, November 12, 2025). Depending on the contractor's availability, construction may begin this March.

RECOMMENDED ACTION: Adoption of a resolution authorizing approval of a contract with the Michigan Department of Transportation (MDOT) to agree to the rights and obligations associated with the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue, with the City of Novi's estimated responsibility for construction in the amount of \$1,118,375.