



CITY OF NOVI CITY COUNCIL
JUNE 22, 2026

SUBJECT: Consideration of approval to award the Novi Road Median Drainage Improvements, 12 Mile Road to 13 Mile Road, project contract to Merlo Construction Co., the qualified second-low bidder, in the amount of \$663,737.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- Scope includes reconfiguring the storm sewer, paving the median islands, and installing planters with trees.
- Initially, Santos Cement, Inc., the low bidder, was recommended for the construction award. However, Santos Cement, Inc. was unable to complete the required bonds and insurance documents within the 60-day time limit, so they were released from the project.
- The second low bidder, Merlo Construction Co, agreed to construct the project with a revised bid total adjusted for recent increases in fuel costs.
- Construction is expected to start in July and last approximately six weeks.

FINANCIAL IMPACT

	FY 2025/26
EXPENDITURE REQUIRED	\$ 663,737.00 Construction \$ 71,498.96 Engineering Services \$ 735,235.96 TOTAL
BUDGET	
DRAIN FUND 211-445.00-975.209	\$ 806,360
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0
Budget includes current estimated total project costs for construction (construction engineering, crew days, material testing, contingency, etc.), which is \$806K.	

BACKGROUND INFORMATION:

When Novi Road, 12 to 13 Mile Rd, was reconstructed in 2016, the center turn lane was removed in some sections and replaced with landscaped depressed median islands. The purpose of the depressed median islands was to collect and filter stormwater while also being an attractive feature. However, maintaining the landscaping has been difficult due to the harsh conditions, resulting in mostly bare, unattractive medians. Therefore, the existing medians will be paved, and tree planters will be added to include tree species known to survive harsh conditions. The storm sewer will be reconfigured to properly drain the road.

City engineering consultant, Spalding DeDecker, assisted City staff with design of a Novi Road Median Island project between 12 Mile Road and 13 Mile Road. The project was advertised for public bids on January 21, 2026. Five (5) bids were received and opened on February 11, 2026, following the solicitation period.

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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.

Spalding DeDecker	Contract Administration	6% of the construction award	\$39,824.22
	Crew Days	\$800 daily inspection fee x 23 days	\$18,400.00
G2	Material testing services	2% of the construction award	\$13,274.74
TOTAL			\$71,498.96

Construction is expected to start in July and last approximately six weeks.

RECOMMENDED ACTION: Approval to award the Novi Road Median Drainage Improvements, 12 Mile Road to 13 Mile Road, project contract to Merlo Construction Co., the qualified second low bidder in the amount of \$663,737.