



CITY OF NOVI CITY COUNCIL
AUGUST 12, 2024

SUBJECT: Consideration of approval of Change Order No. 4 to Ajax Paving Industries, Inc. for construction of an 11 Mile Road Pavement Preservation Overlay, Beck Road to Taft Road, in the amount of \$367,354.01.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

EXPENDITURE REQUIRED	\$ 367,354.01
AMOUNT BUDGETED	\$ 420,000.00
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	202-449.20-975.182 Major Street Fund

BACKGROUND INFORMATION:

Back on May 20, 2024, City Council approved Change Order No. 3 to Ajax Paving Industries, Inc. to perform a Pavement Preservation Overlay (PPO) on Beck Road between 9 and 11 Mile Roads. The pavement on Beck Road from 9 Mile Road to 11 Mile Road is in poor condition. DPW staff have been using different maintenance options to extend the pavement life until the planned Beck Road widening project comes to fruition. However, the road condition continues to deteriorate. The proposed PPO would help keep the road from deteriorating further until additional funding is obtained for the widening project. City staff recommended issuing a change order to the contractor of the 2023 Capital Preventative Maintenance (CPM) project, Ajax Paving. Ajax has agreed to hold unit prices from the 2023 CPM project for the Beck Rd PPO, which would result in a significantly lower cost than what was estimated (approx. \$1M less).

As with Beck Road, the current condition of 11 Mile Road, between Beck and Taft Roads requires a similar course of action. The City has received various complaints from Associations and individual residents along this corridor because of the road condition. Our DPW staff have also demonstrated difficulties in maintaining this segment of 11 Mile for the long term. Due to the relative location and economy of scale to Beck Road, it makes sense to move forward with Ajax on this section of road also.

Furthermore, this section of 11 Mile Road is currently budgeted in the 2026-27 FY for a ~\$3.2M reconstruction. Changing the project to a preservation overlay and completing it with Beck Road eliminates the costly reconstruction. As discussed in the Finance and Administration Committee, this allows flexibility for funding larger projects with unforeseen expanded costs (12 Mile Road Widening) in future fiscal years. There will be no impact to the capital road program fund balance this fiscal year since the costs are being covered by a combination of maintenance dollars and deferred project savings (moving Beck Road – 11 Mile to Grand River from FY 2025/26 to FY 2026/27).

City engineering consultant, AECOM, provided a proposal for the construction administration, inspection crew days, and material testing services. The contract administration and geotechnical engineering services related to this project addition will be granted to the following pre-qualified firms using the fee percentages in the Agreements for Professional Engineering Services and Geotechnical Engineering Services for Public Projects.

Now that construction on Wixom Road is complete, of which Beck Road was the posted detour, the contractor can now begin with this PPO. With Novi Schools starting back up on August 26, 2024, and Novi School's bus garage is on this segment of 11 Mile Road, preference is to move the project forward. The contractor has assured Engineering the work can be completed before or shortly after school is in session.

AECOM		
Contract Administration	5.5% of the Change Order value (\$367,354.01 x 0.055)	\$20,204.47
Crew Days	\$800 daily inspection fee X 10 days	\$8,000.00
G2 Consulting Group, Inc. (G2)		
Material testing services	2.0% of the Change Order value (\$367,354.01 X 0.02)	\$7,347.08

RECOMMENDED ACTION: Approval of Change Order No. 4 to Ajax Paving Industries, Inc. for construction of an 11 Mile Road Pavement Preservation Overlay, Beck Road to Taft Road, in the amount of \$367,354.01.