



CITY OF NOVI CITY COUNCIL
JUNE 23, 2025

SUBJECT: Consideration of a contract with the Michigan Department of Transportation (MDOT) for the rehabilitation of West Park Drive between 12 Mile Road and Pontiac Trail, in the amount of \$2,659,275.

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 will be responsible for an estimated \$2,659,275.45 of the construction award, which is the low bid \$4,434,940.45 minus the \$1,775,666 federal funds.
- The City is responsible 100% for the construction engineering and material testing services costs.
- Construction is expected to start either this summer or next spring, depending on the contractor's schedule.

FINANCIAL IMPACT

	FY 2024/25	FY 2025/26	Total
EXPENDITURE REQUIRED	\$ 439,273.00	\$2,659,275.45	\$ 3,098,548.00
BUDGET			
Major Street Fund 202-449.20-975.152	\$ 439,273.00	\$ 2,998,348.00	\$ 3,437,621.00
APPROPRIATION REQUIRED	\$ 0	\$ 0	\$ 0
FUND BALANCE IMPACT	\$ 0	\$ 0	\$ 0
Budget includes current estimated total project costs for construction (construction engineering, crew days, material testing, contingency, etc.), which is estimated at \$3.3M once federal funds are reduced.			

BACKGROUND INFORMATION:

The City was awarded \$1,775,666 in federal funds for obligation in 2025 through the Oakland County Federal Aid Committee (FAC) Transportation Improvement Program (TIP) for rehabilitation of West Park Drive between 12 Mile Rd and Pontiac Trail. MDOT is responsible for administering federal funding to local agencies.

The contract is broken into four parts:

- Part A – Hot mix asphalt cold milling and resurfacing along West Park Drive from 12 Mile Road to West Road.
- Part B – Audio-video route survey and irrigation along the project limits in Part A (not eligible for federal funding).
- Part C – Hot mix asphalt base crushing, shaping and resurfacing along West Park Drive from West Road to Pontiac Trail.
- Part D – Audio video route survey, permit fees and irrigation along the project limits in Part C (not eligible for federal funding).

MDOT's bid letting for the project was on June 6, 2025. Of the four bids received by MDOT, Cadillac Asphalt, LLC, was the lowest at \$4,434,940.45. 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 the low bid amount of \$4,434,940.45.

\$ 4,434,940.45 Construction Contract Award based on the Lowest Bidder

\$ 1,775,666.00 Less Federal Funds

\$ 2,659,275.45 City's Estimated Responsibility of the Construction Award

OHM Advisors		
Contract Administration	4.75% of the construction award	\$ 210,659.67
Crew Days	\$800 daily inspection fee x 125 days	\$ 100,000.00
G2		
Material testing services	2.9% of construction award	\$ 128,613.27

TOTAL \$ 439,273.00

The City Attorney reviewed the contract and resolution favorably (Beth Saarela, June 16, 2025). Depending on the contractor's availability, construction may begin this summer and be split between this construction season and next spring/summer, or it may all be completed next construction season.

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 rehabilitation of West Park Drive between 12 Mile Road and Pontiac Trail, with the City of Novi's estimated responsibility for construction in the amount of \$2,659,275.