



## CITY of NOVI CITY COUNCIL

**Agenda Item 3**  
**August 10, 2009**

**SUBJECT:** Approval to award a construction contract for the Twelve Mile Road Reconstruction, Paving, and Roadside Improvements project, to Cadillac Asphalt LLC, the low bidder, in the amount of \$191,453.

**SUBMITTING DEPARTMENT:** Department of Public Services, Engineering Division *BTC*

**CITY MANAGER APPROVAL:** *[Signature]* *RH*

<b>EXPENDITURE REQUIRED</b>	<b>\$167,273 (Road Improvements)</b> <b>\$24,180 (Water Main Connection)</b>
<b>AMOUNT BUDGETED</b>	<b>\$177,000 (Road Improvements)</b> <b>\$0 (Water Main Connection)</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$0 (Road Improvements)</b> <b>\$24,180 (Water Main Connection)</b>
<b>LINE ITEM NUMBER</b>	<b>204-204.00-865.022 (Road Improvements)</b> <b>TBD (WM Connection)</b>

### BACKGROUND INFORMATION:

The 2004 consent judgment entered into with Paragon Properties calls for the developer of Knightsbridge Gate, Grand/Sakwa, to pave the unpaved portion of the development's 12 Mile Road frontage, including approaches and an entrance to the development off of 12 Mile Road. At that time, 12 Mile Road was under the jurisdiction of the City of Wixom and the developer could not secure a right-of-way permit from Wixom. On January 22, 2007, the City Council adopted a Resolution to transfer the jurisdiction of the east-west segment of Twelve Mile Road between Napier Road and Grand River Avenue from the City of Wixom to the City of Novi.

Now that jurisdiction of 12 Mile Road has been transferred to Novi, the roadway improvements along the frontage of the Knightsbridge Gate development have been designed to meet Novi's standards. Grand Sakwa has provided \$130,745 for the City to construct the improvements that would have been required at that time of plan approval (see attached Release and Satisfaction agreement). The actual construction cost of the road improvements per actual construction bid is \$167,273. The cost variance is attributable to construction cost increases since 2005 and additional scope to construct the project to Novi's standards (the original estimate was based on City of Wixom standards).

The proposed Twelve Mile Road improvements include the paving of approximately 650 feet of roadway, the completion of the Twelve Mile approach to the development at Albert Street (as approved on the site plan), and the construction of a 5-foot wide sidewalk west of Albert Street along with storm sewer construction to facilitate drainage. The sidewalk east of Albert Street has been identified as Alternate 1 because it would require the removal of several large trees to facilitate construction of the sidewalk. The project also provides an opportunity to construct an emergency water main connection between the Novi and Wixom water main to provide a redundant emergency supply to this area that is served by a long dead end water main (Alternate 2). A project map has been provided for reference.

Ten bids were received and opened on July 29, 2009 following a public bid solicitation period. The lowest bidder is Cadillac Asphalt. Cadillac's bid is recommended as being in the best interest of the City as it is responsive (i.e., Cadillac has complied with all requirements of the bidding instructions) and it is the lowest price. (Spalding DeDecker's award recommendation letter including the bid tabulation dated July 30, 2009 is attached). A summary of the ten bids is as follows:

Contractor	Base Bid	Alternate #1	Alternate #2	Total Base Bid + Alternates
<b>Cadillac Asphalt</b>	<b>\$167,273.00</b> ✓	<b>\$5,445.00</b>	<b>\$24,180.00</b> ✓	<b>\$196,898.00</b>
Pro-Line Asphalt	\$172,558.89	\$5,826.50	\$20,560.38	\$198,945.77
ABC Paving	\$177,936.50	\$5,870.00	\$16,301.30	\$200,107.80
Florence Cement	\$173,512.55	\$5,195.00	\$23,056.30	\$201,763.85
Goretski Construction	\$172,768.80	\$5,929.00	\$23,449.00	\$202,146.80
T & M Asphalt	\$173,230.50	\$8,602.50	\$22,613.00	\$204,446.00
Commerce Construction	\$172,166.30	\$8,003.75	\$25,645.00	\$205,815.05
Washtenaw Inc.	\$184,128.47	\$7,535.60	\$29,564.15	\$221,228.22
Abbott Construction	\$196,223.70	\$6,842.50	\$24,314.25	\$227,380.45
San Marino Excavating	\$194,817.35	\$8,461.50	\$29,452.70	\$232,731.55

Staff is recommending that the base bid and Alternate 2 be awarded to Cadillac Asphalt in the amount of \$191,453. Alternate 1, sidewalk east of Albert Street, is not recommended because of the impacts to several large trees adjacent to the proposed sidewalk location (see attached photo). Forestry staff is concerned that the construction of the sidewalk would risk the health of the trees by cutting roots and removing soils surrounding the base of the trees. Deferring construction of this segment of sidewalk would allow for a future alternative design that may impact the trees to a lesser extent. Currently there are no pending plans to extend the sidewalk further to the east along 12 Mile Road.

Cadillac has successfully completed the Beck Road Improvement project and the 2007-2008 asphalt paving program.

The construction engineering contract award is also being considered on this August 10, 2009 agenda. Construction is scheduled to begin in September 2009 and completion is anticipated by November.

**RECOMMENDED ACTION:** Approval to award a construction contract for the Twelve Mile Road Reconstruction, Paving, and Roadside Improvements project, including base bid and alternate 2, to Cadillac Asphalt LLC, the low bidder, in the amount of \$191,453.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Burke				
Council Member Crawford				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				





SPALDING DEDECKER ASSOCIATES, INC.

905 South Boulevard East • Rochester Hills • Michigan 48307 • Tel 248 844 5400 • Fax 248 844 5404

July 30, 2009

Mr. Rob Hayes, PE, City Engineer  
City of Novi  
26300 Delwal Drive  
Novi, Michigan 48375

Re: **Recommendation for Award**  
12 Mile Road Reconstruction, Paving, and Roadside Improvements  
SDA Project No.: RB08-015

Dear Mr. Hayes:

On July 29, 2009 at 3:00 p.m. construction bids were opened and publicly read at the City of Novi Civic Center for the 12 Mile Road Reconstruction, Paving, and Roadside Improvements project.

The City Clerk's office received ten (10) sealed bids for this project. The apparent low bidder, Cadillac Asphalt, L.L.C. (Cadillac) submitted a Base Bid price of \$167,273.00, Alternate No. 1 (sidewalk east of Albert Street) bid of \$5,445.00, and Alternate No. 2 (water main interconnection with Wixom) bid price of \$24,180.00 for a total project bid price of \$196,898.00. Following the bid opening, Spalding DeDecker Associates (SDA) reviewed all of the bids received and prepared the attached bid tabulation for the project.

Although the low bid was almost 7% above the engineer's estimate, SDA believes the unit prices are within an acceptable range for this type of work and the bid appears balanced. Based on a review of references provided by Cadillac and this contractor's past performance on City projects, SDA finds that Cadillac is qualified to perform the required construction.

The City has indicated that Alternate No. 1 will not be selected at this time due to concerns with tree removal and a lack of connectivity to any sidewalk to the east. As shown on the attached bid tabulation, Cadillac is still the low bidder considering only the Base Bid and Alternate No. 2.

It is our recommendation that the project be awarded to the low bidder, Cadillac Asphalt, L.L.C. for the 12 Mile Road Reconstruction, Paving, and Roadside Improvements project for the Base Bid and Alternate No. 2 in the amount of \$191,453.00. Upon award by the City Council, our office will coordinate the completion of the Contract Agreement, Bonds and Insurance Policy with Cadillac, and issue the Notice to Proceed upon execution of the contract documents.

Very Truly Yours,  
SPALDING DEDECKER ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read 'David P. Eno'.

David P. Eno, P.E. – Project Manager

enclosure: Bid Tabulation

cc. Mr. Rod Elliot – Division Manager, Cadillac Asphalt, L.L.C.

Engineering Consultants

Infrastructure • Land Development • Surveying



SPALDING DEDECKER ASSOCIATES, INC.

905 South Boulevard East • Rochester Hills • Michigan 48307 • Tel 248 844 5400 • Fax 248 844 5404

Project: 12 Mile Paving (Knightsbridge) Bid Date: 7/29/2009  
 Location: 12 Mile Road east of Napier Project No. RB09-015  
 Work: Curb & gutter, partial mill and resurface, partial full-  
 depth HMA paving, sidewalk, water main By: DPE  
 Reviewed: \_\_\_\_\_

**BID TABULATION - 3 low bidders**

Base Bid (12 Mile Road and sidewalk to Albert)				Engineer's Estimate		Cadillac Asphalt		Pro-Line Asphalt		ABC Paving	
Item No.	Item Description	Est. Quantity	Unit	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost
1	Mobilization (5% maximum)	1	LS	7,700.00	\$ 7,700.00	2,200.00	\$ 2,200.00	2,848.31	\$ 2,848.31	13,500.00	\$ 13,500.00
2	Pre-Construction Audio-Visual	1	LS	1,000.00	\$ 1,000.00	1,125.00	\$ 1,125.00	1,237.44	\$ 1,237.44	1,000.00	\$ 1,000.00
3	Soil Erosion and Sedimentation Control	1	LS	1,500.00	\$ 1,500.00	2,000.00	\$ 2,000.00	1,374.93	\$ 1,374.93	1,500.00	\$ 1,500.00
4	Tree Protection	9	EA	250.00	\$ 2,250.00	55.00	\$ 495.00	219.99	\$ 1,979.91	100.00	\$ 900.00
5	Maintaining Traffic	1	LS	3,500.00	\$ 3,500.00	3,650.00	\$ 3,650.00	7,149.64	\$ 7,149.64	8,000.00	\$ 8,000.00
6	Fence, Rem	465	LF	1.00	\$ 465.00	1.00	\$ 465.00	3.20	\$ 1,488.00	3.50	\$ 1,627.50
7	Clearing and Grading	663	LF	5.00	\$ 3,315.00	25.00	\$ 16,575.00	13.88	\$ 9,202.44	20.50	\$ 13,591.50
8	Regrade Ditch	1040	LF	3.00	\$ 3,120.00	4.25	\$ 4,420.00	5.20	\$ 5,408.00	3.00	\$ 3,120.00
9	Pavement, Rem	95	SY	10.00	\$ 950.00	6.00	\$ 570.00	3.47	\$ 329.65	1.10	\$ 104.50
10	Cold Milling HMA Surface	600	SY	3.00	\$ 1,800.00	6.00	\$ 3,600.00	6.79	\$ 4,074.00	9.00	\$ 5,400.00
11	Tree, Rem, 8 inch to 18 inch	36	EA	250.00	\$ 9,000.00	125.00	\$ 4,500.00	192.49	\$ 6,929.64	175.00	\$ 6,300.00
12	Tree, Rem, 19 inch to 36 inch	2	EA	400.00	\$ 800.00	650.00	\$ 1,300.00	522.47	\$ 1,044.94	475.00	\$ 950.00
13	Tree, Rem, 37 inch or larger	1	EA	750.00	\$ 750.00	750.00	\$ 750.00	962.45	\$ 962.45	875.00	\$ 875.00
14	Subgrade Undercut	100	CY	25.00	\$ 2,500.00	5.00	\$ 500.00	38.86	\$ 3,886.00	30.00	\$ 3,000.00
15	Aggregate Base, 12 inch	1850	SY	11.00	\$ 20,350.00	11.25	\$ 20,812.50	10.92	\$ 20,202.00	10.25	\$ 18,962.50
16	Underdrain, 6 inch	1200	LF	5.00	\$ 6,000.00	7.80	\$ 9,360.00	11.00	\$ 13,200.00	7.60	\$ 9,120.00
17	Curb and Gutter, Conc, Det C4	1225	LF	13.00	\$ 15,925.00	12.00	\$ 14,700.00	12.10	\$ 14,822.50	11.00	\$ 13,475.00
18	Culvert, CI A, Conc, 12 inch	32	LF	25.00	\$ 800.00	50.00	\$ 1,600.00	29.70	\$ 950.40	27.75	\$ 888.00
19	Culv End Sect, Conc, 12 inch	4	EA	350.00	\$ 1,400.00	75.00	\$ 300.00	439.98	\$ 1,759.92	750.00	\$ 3,000.00
20	Dr Structure Cover, Adj, Case 1	1	EA	300.00	\$ 300.00	450.00	\$ 450.00	109.99	\$ 109.99	225.00	\$ 225.00
21	Dr Structure, 48 inch dia	4	EA	1,200.00	\$ 4,800.00	1,300.00	\$ 5,200.00	1,022.95	\$ 4,091.80	1,170.00	\$ 4,680.00
22	Sewer, CI II, 12 inch, Tr Det B	222	LF	25.00	\$ 5,550.00	40.00	\$ 8,880.00	27.50	\$ 6,105.00	35.00	\$ 7,770.00
23	Dr Structure Cover	1945	LB	1.00	\$ 1,945.00	1.00	\$ 1,945.00	1.44	\$ 2,800.80	1.00	\$ 1,945.00
24	Spillway, Conc	10	LF	60.00	\$ 600.00	20.00	\$ 200.00	22.00	\$ 220.00	22.00	\$ 220.00
25	Riprap, Plain	14	SY	15.00	\$ 210.00	85.00	\$ 1,190.00	34.08	\$ 477.12	23.00	\$ 322.00
26	HMA, 3C	270	TON	65.00	\$ 17,550.00	58.65	\$ 15,835.50	63.79	\$ 17,223.30	58.00	\$ 15,660.00
27	HMA, 4C	250	TON	75.00	\$ 18,750.00	68.70	\$ 17,175.00	66.12	\$ 16,530.00	65.50	\$ 16,375.00
28	Sidewalk, Conc, 4 inch	4670	SF	3.50	\$ 16,345.00	2.80	\$ 13,076.00	2.75	\$ 12,842.50	2.95	\$ 13,776.50



Base Bid (12 Mile Road and sidewalk to Albert)				Engineer's Estimate		Cadillac Asphalt		Pro-Line Asphalt		ABC Paving	
Item No.	Item Description	Est. Quantity	Unit	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost	Unit Price (\$)	Total Cost
29	ADA Compliant Sidewalk Ramp	143	SF	6.00	\$ 858.00	3.00	\$ 429.00	3.30	\$ 471.90	3.00	\$ 429.00
30	ADA Detectable Warning Plate	36	SF	30.00	\$ 1,080.00	25.00	\$ 900.00	27.50	\$ 990.00	25.00	\$ 900.00
31	Permanent Pavement Marking	1	LS	1,200.00	\$ 1,200.00	2,770.00	\$ 2,770.00	3,046.85	\$ 3,046.85	2,770.00	\$ 2,770.00
32	Permanent Signing	1	LS	750.00	\$ 750.00	5,000.00	\$ 5,000.00	769.96	\$ 769.96	925.00	\$ 925.00
33	Seeding and Mulching	2650	SY	3.00	\$ 7,950.00	2.00	\$ 5,300.00	3.03	\$ 8,029.50	2.50	\$ 6,625.00
<b>Total - Base Bid:</b>					<b>\$ 161,013.00</b>		<b>\$ 167,273.00</b>		<b>\$ 172,558.89</b>		<b>\$ 177,936.50</b>
<b>Alternate No. 1 (Sidewalk east of Albert)</b>											
1	Sidewalk, Conc, 4 inch	1500	SF	3.50	\$ 5,250.00	2.80	\$ 4,200.00	2.75	\$ 4,125.00	2.95	\$ 4,425.00
2	ADA Compliant Sidewalk Ramp	65	SF	6.00	\$ 390.00	3.00	\$ 195.00	3.30	\$ 214.50	3.00	\$ 195.00
3	ADA Detectable Warning Plate	10	SF	30.00	\$ 300.00	25.00	\$ 250.00	27.50	\$ 275.00	25.00	\$ 250.00
4	Seeding and Mulching	400	SY	3.00	\$ 1,200.00	2.00	\$ 800.00	3.03	\$ 1,212.00	2.50	\$ 1,000.00
<b>Total - Alternate No. 1:</b>					<b>\$ 7,140.00</b>		<b>\$ 5,445.00</b>		<b>\$ 5,826.50</b>		<b>\$ 5,870.00</b>
<b>Alternate No. 2 (Water main interconnection to Wixom)</b>											
1	12 inch x 12 inch TSV&W	1	EA	5,000.00	\$ 5,000.00	7,500.00	\$ 7,500.00	8,249.58	\$ 8,249.58	7,500.00	\$ 7,500.00
2	12 inch Gate Valve & Well	1	EA	4,500.00	\$ 4,500.00	6,200.00	\$ 6,200.00	3,959.80	\$ 3,959.80	2,500.00	\$ 2,500.00
3	12 inch Class 54 DI Water Main	85	LFT	65.00	\$ 5,525.00	98.00	\$ 8,330.00	77.00	\$ 6,545.00	57.00	\$ 4,845.00
4	Special Backfill	27	LFT	5.00	\$ 135.00	50.00	\$ 1,350.00	22.00	\$ 594.00	16.90	\$ 456.30
5	Seeding and Mulching	400	SY	3.00	\$ 1,200.00	2.00	\$ 800.00	3.03	\$ 1,212.00	2.50	\$ 1,000.00
<b>Total - Alternate No. 2:</b>					<b>\$ 16,360.00</b>		<b>\$ 24,180.00</b>		<b>\$ 20,560.38</b>		<b>\$ 16,301.30</b>
<b>Total - Base Bid and Alternates:</b>					<b>\$ 184,513.00</b>		<b>\$ 196,898.00</b>		<b>\$ 198,945.77</b>		<b>\$ 200,107.80</b>
<b>Total - Base Bid and Alt No. 2 only (intended for award):</b>					<b>\$ 177,373.00</b>		<b>\$ 191,453.00</b>		<b>\$ 193,119.27</b>		<b>\$ 194,237.80</b>

Items requiring correction shown highlighted

Corrections summary

Goretski	Total Base Bid and Alternates: -0.20 from as-read
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Other Bids Received	Base (\$)	Alt. No. 1 (\$)	Alt. No. 2 (\$)	Total (base+alts)
Florence Cement	173,512.55	5,195.00	23,056.30	\$ 196,568.85
Goretski Const	172,768.80	5,929.00	23,449.00	\$ 202,146.80
T&M Asphalt	173,230.50	8,602.50	22,613.00	\$ 204,446.00
Commerce Const	172,166.30	8,003.75	25,645.00	\$ 205,815.05
Washtenaw Inc.	184,128.47	7,535.60	29,564.15	\$ 221,228.22
Abbott Const	196,223.70	6,842.50	24,314.25	\$ 227,380.45
San Marino Exc.	194,817.35	8,461.50	29,452.70	\$ 232,731.55



June 24, 2009

30203 Northwestern Highway  
P.O. Box 3040  
Farmington Hills, MI 48333-3040  
Tel: 248-851-9500  
Fax: 248-851-2158  
www.secretwardle.com

Thomas R. Schultz  
Direct: 248-539-2847  
tschultz@secretwardle.com

Ms. Marina Neumaier, Assistant Finance Director  
City of Novi  
45175 West Ten Mile Road  
Novi, MI 48375

Re: *Knightsbridge Gate—Release and Satisfaction of Obligation to Improve 12 Mile Road*  
Our File No. 55142 NOV

Dear Ms. Neumaier:

Attached is a check in the amount of \$130,745 in satisfaction of all of Knightsbridge Gate's obligations in connection with improvements to 12 Mile Road adjacent to that development. Also attached is a release and satisfaction that has been signed by the City and Grand Sakwa on behalf of Knightsbridge Gate.

As you know, the original development approval for Knightsbridge Gate called for certain improvements to 12 Mile Road, which Knightsbridge was unable to complete because the City of Wixom had jurisdiction over 12 Mile Road at the time. Jurisdiction is now in the City of Novi, and Novi has plans to do substantial improvements to 12 Mile Road in the near future. The \$130,745 represents the amount of improvements that *would have been done* as part of the original development approval.

The release and satisfaction, as its title suggests, indicates that Grand Sakwa and Knightsbridge have no further obligation for 12 Mile Road improvements in connection with the development.

If you have any questions regarding the above, please do not hesitate to call.

Very truly yours,

Thomas R. Schultz

TRS/jes  
Enclosure

cc: Clay Pearson, City Manager  
Maryanne Cornelius, City Clerk  
Kathy Smith-Roy, Finance Director  
Rob Hayes, Engineer

1257962

## RELEASE AND SATISFACTION

This Release and Satisfaction agreement is between Grand/Sakwa/Jacobson Novi LLC, all parents, subsidiaries, affiliates and related entities, and their respective officers, directors, shareholders, members, partners, principals, agents, employees, successors and assigns (collectively, "Grand/Sakwa"), whose address is 28470 13 Mile Road, Suite 220, Farmington Hills, MI 48334, and the City of Novi, whose address is 45175 W. Ten Mile Road, Novi, MI 48375.

### RECITALS:

In connection with the settlement of a lawsuit styled *Paragon Properties Company v City of Novi*, Case No. 03-046468-AZ, located near the intersection of 12 Mile and Napier Roads in the City of Novi, the City and Grand/Sakwa entered into a consent judgment authorizing the development of a single-family site condominium development known as Knightsbridge Gate.

1. The site plan approval for Knightsbridge Gate called for a vehicular access drive onto 12 Mile Road and related improvements to 12 Mile Road;
2. The 12 Mile Road improvements could not be made because the City and/or Grand/Sakwa were unable to secure the approval of the City of Wixom, which then had jurisdiction over 12 Mile Road, for such improvements;
3. Grand/Sakwa agreed to pay to the City the cost of making the 12 Mile Road improvements, should the City secure jurisdiction over 12 Mile Road or otherwise secure approval for such improvements; a copy of the agreement, confirmed by letter dated December 27, 2004 signed by Richard Helwig, the Novi City Manager, is attached as Exhibit A hereto;
4. By virtue of a subsequent agreement with the City of Wixom, the City of Novi has taken over jurisdiction of 12 Mile Road, and intends to make significant improvements to the road; and
5. The City of Novi and Grand/Sakwa have agreed that the amount of \$130,745 reflects the value or cost of the improvements that Grand/Sakwa would have been required to make to 12 Mile Road under the Knightsbridge Gate site plan.

By execution of this document the City of Novi and Grand/Sakwa agree that:


- A. Grand Sakwa has delivered to the City of Novi \$130,745 in accordance with the terms and conditions of the December 27, 2004 letter of agreement; and
- B. That such payment is in full satisfaction of Grand/Sakwa's obligations with regard to any improvements to 12 Mile Road in connection with the development of Knightsbridge



Gate, and that Grand/Sakwa and the Knightsbridge Gate Homeowners' Association is/are hereby released and discharged from making any improvements to 12 Mile Road or within the 12 Mile Road right-of-way, and from any further payments to the City of Novi in connection with the 12 Mile Road improvements described in the December 27, 2004 letter agreement, the Consent Judgment and/or the final plans and specifications approved by the City.

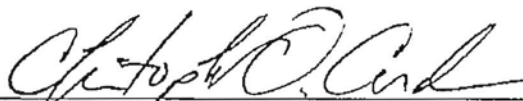
- C. The City covenants and agrees that the City shall, in connection with making any improvements to the section of 12 Mile Road north of, and adjacent to, the development, make all improvements and installations necessary to connect 12 Mile Road to the north entrance drive of the development (shown as Albert Street on the approved final site plan for Knightsbridge Gate), together with all the appurtenant, incidental and/or related structures and improvements.

CITY OF NOVI

By:   
Clay J. Pearson  
Its: City Manager

Dated: 6/24, 2009

GRAND/SAKWA

By:   
Its: Auth. Rep.

Dated: 6/24, 2009

1253282



**MAP INTERPRETATION NOTICE**

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.

# City Of Novi



## 12 Mile Road Reconstruction, Paving, and Roadside Improvements

