



**CITY OF NOVI CITY COUNCIL
JULY 31, 2023**

SUBJECT: Consideration of approval to award the construction contract to Ajax Paving, the low bidder, for the 2023 Capital Preventative Maintenance of local roads project, in the amount of \$866,078.70.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

EXPENDITURE REQUIRED	\$ 866,078.70
AMOUNT BUDGETED	\$ 1,040,284.00
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	203-449.30-973.024

BACKGROUND INFORMATION:

Engineering consultant, AECOM, assisted City staff with developing a list of local asphalt road candidates for a Capital Preventative Maintenance (CPM) program. CPM consists of surface treatments to roads rated as fair condition (5 or 6 using the PASER rating system) and is a cost-effective way to treat roads with surface deterioration that are still structurally sound. The CPM program was identified in the Road Report and Transportation Asset Management Plan (TAMP) as a key component in extending the service life of asphalt roads. These treatments help to correct surface deficiencies, slow the rate of deterioration, and protect the underlying structure of the road.

A Fixed Price Variable Scope (FPVS) method of bidding was used to allow more flexibility in the scope of the project. Bidders were provided with a fixed cost of \$870,000 and a list of items based on priority road quantities. The winning bid proposed the maximum amount of work within the fixed cost.

AECOM assisted the Engineering Division with developing a bid manual for the project. The project was advertised for public bids on June 22, 2023. Two (2) bids were received and opened on July 12, 2023, following the solicitation period. Ajax Paving, the low

bidder, is recommended in the best interest of the City as it is responsive and complies with all requirements of the bidding instructions. The award recommendation letter including the bid tabulation is attached. A summary of the bids is as follows:

Contractor	Total Program Bid
Ajax Paving	\$ 866,078.70
Cadillac Asphalt, LLC	\$ 1,027,868.28

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. Construction is expected to begin following award.

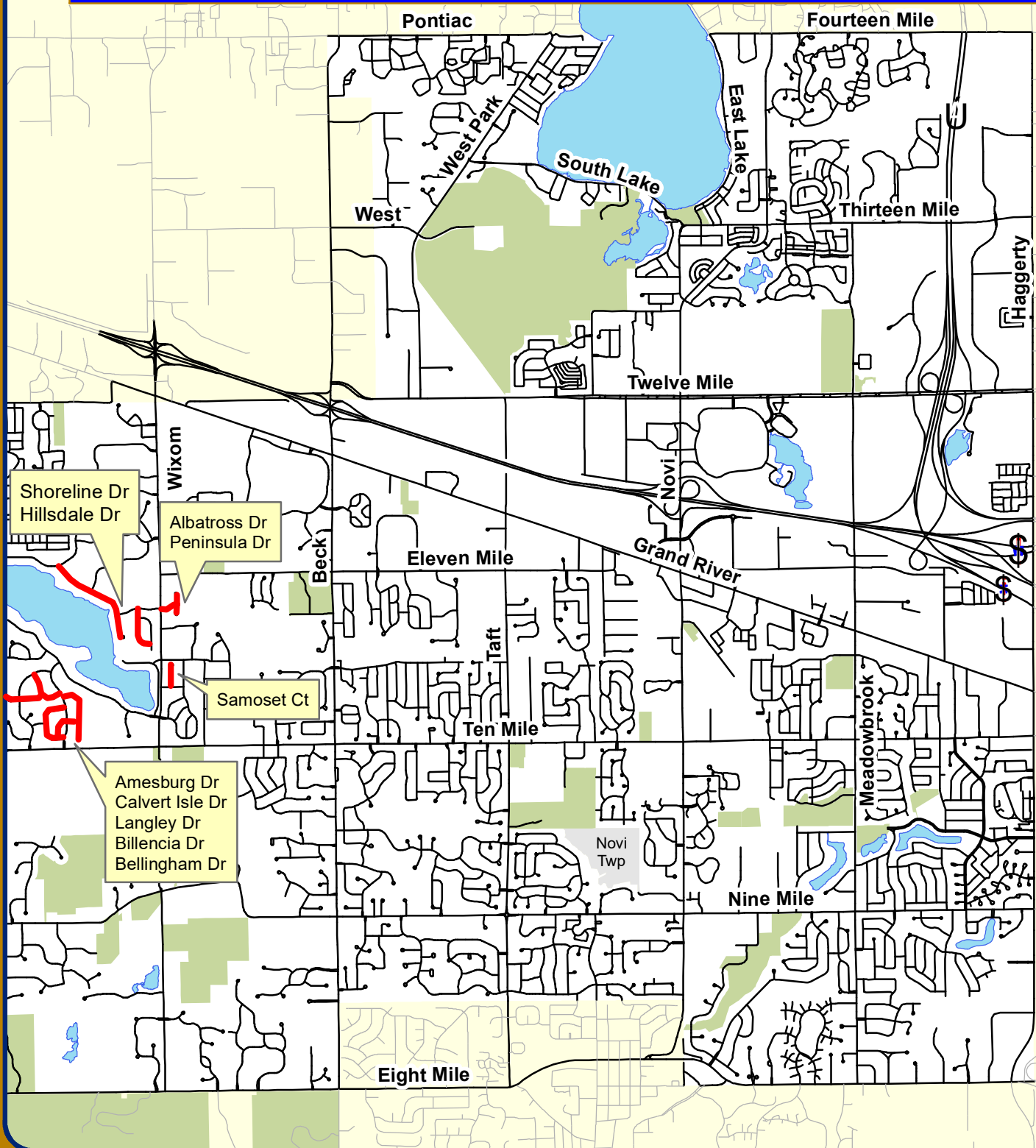
AECOM		
Contract Administration	3.5% of the construction award (\$866,078.70 X 0.035)	\$ 30,312.75
Crew Days	\$800 daily inspection fee x 40 days	\$ 32,000.00

G2 Consulting Group, Inc. (G2)		
Material testing services	2% of the construction award (\$866,078.70 X 0.02)	\$ 17,321.57

Construction is expected to start later this summer and to be completed by early fall.

RECOMMENDED ACTION: Approval to award the construction contract to Ajax Paving, the low bidder, for the 2023 Capital Preventative Maintenance of local roads project, in the amount of \$866,078.70.

2023 Capital Preventative Maintenance



Map Author: Runkel
 Date: May 31, 2023
 Project: 2023 CPM
 Version #: 1.0

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.

Project Performed By:

City of Novi



City of Novi

Engineering Division
 Department of Public Works
 26300 Lee BeGole Drive
 Novi, MI 48375
cityofnovi.org



1 inch = 4,328 feet





July 12, 2023
Mr. Ben Croy, PE
City of Novi
Engineering Department
26300 Lee BeGole Drive
Novi, MI 48375

Reference: Bid Analysis and Contract Award Recommendation
2023 Capital Preventative Maintenance Project
AECOM Project Number 60710791

Dear Mr. Croy:

Attached is the Bid Tabulation for the above referenced project. Two bids were received and opened on July 12, 2023. Competition appears to have been good as we were only anticipating two Contractors to bid on this project. A typographical error was noted in the second highest bidders. The error did not impact the order of the bidders.

The low bid is higher than the Engineer's Estimate for the Project, but it is within the City's allotted budget for this work and bid unit prices are within an expected range given the scale of the project.

Ajax Paving Industries, Inc., the low bidder for the project, is well versed in all manner of HMA work and is a high performing Contractor. The bonding company listed in the Statement of Qualifications has an AM Best rating that exceeds the minimum requirements.

With the Fixed Price-Variable Scope nature of the project, the plan was to increase the scope of the project, if possible, given Contractor's bids. Since the total bid amount is very close to the current allotted budget set forth by the City, we do not recommend expanding the scope at this point. We recommend award of contract for the contract work to Ajax Paving Industries, Inc. for \$866,078.70. The amount bid for Inspection (Crew Days) is not included in the award amount.

Please feel free to contact me if you need anything else or wish to discuss the project.

Sincerely,

A handwritten signature in blue ink that reads "Sean Kelsch".

Sean Kelsch, P.E.
Project Manager

cc: Mark Koskinen, AECOM

City of Novi
2023 Capital Preventative Maintenance
Rehabilitation
Tabulation of Bids
Bid Opening: 7/12/2023

Item No.	Item Description	Unit	Total Bid Quantity	Engineers Estimate		Ajax Paving		Cadillac Asphalt, LLC	
				Unit Price	Total Bid Cost	Unit Price	Total Bid Cost	Unit Price	Total Bid Cost
1	Mobilization (10%)	LSUM	1	\$87,000.00	\$87,000.00	\$ 85,000.00	\$ 85,000.00	\$ 87,000.00	\$ 87,000.00
2	Pre-Construction Audio Visual	LSUM	1	\$ 4,000.00	\$4,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
3	Maintaining Traffic	LSUM	1	\$ 17,400.00	\$17,400.00	\$ 65,006.00	\$ 65,006.00	\$ 114,385.13	\$ 114,385.13
4	Ultra-Thin Overlay, Medium Volume, Warranty	Syd	39,453	\$ 8.00	\$315,624.00	\$ 7.90	\$ 311,678.70	\$ 9.03	\$ 356,260.59
5	Overband Crak Fill, Road	Road Mile	2.7	\$ 4,500.00	\$12,150.00	\$ 5,980.00	\$ 16,146.00	\$ 11,500.00	\$ 31,050.00
6	Cold Milling HMA Surface	Syd	19,674	\$ 4.00	\$78,696.00	\$ 4.10	\$ 80,663.40	\$ 3.54	\$ 69,645.96
7	HMA, Base Repair	Syd	1,668	\$ 75.00	\$125,100.00	\$ 89.00	\$ 148,452.00	\$ 99.70	\$ 166,299.60
8	Curb and Gutter, Rem	Ft	212	\$ 15.00	\$3,180.00	\$ 20.00	\$ 4,240.00	\$ 118.00	\$ 25,016.00
9	Curb and Gutter, Conc	Ft	212	\$ 40.00	\$8,480.00	\$ 120.00	\$ 25,440.00	\$ 60.00	\$ 12,720.00
10	Sidewalk, Rem	Syd	338	\$ 15.00	\$5,070.00	\$ 9.00	\$ 3,042.00	\$ 120.00	\$ 40,560.00
11	Curb Ramp, Conc, 6 inch	Sft	2,857	\$ 10.00	\$28,570.00	\$ 25.80	\$ 73,710.60	\$ 15.00	\$ 42,855.00
12	Aggregate Base, 4 inch	Syd	372	\$ 20.00	\$7,440.00	\$ 15.00	\$ 5,580.00	\$ 93.00	\$ 34,596.00
13	Detectable Warning Surface	Ft	196	\$ 60.00	\$11,760.00	\$ 80.00	\$ 15,680.00	\$ 90.00	\$ 17,640.00
14	Erosion Control, Inlet Protection, Fabric Drop	Ea	83	\$ 150.00	\$12,450.00	\$ 300.00	\$ 24,900.00	\$ 280.00	\$ 23,240.00
15	Pavt Mrkg, Waterborne, 24" White, Stop Bar	Ft	12	\$ 200.00	\$2,400.00	\$ 45.00	\$ 540.00	\$ 50.00	\$ 600.00
16	DPS / Dr Structure Adj, Case 1	Ea	-	\$ 50.00	\$0.00	\$ 4,000.00	\$ -	\$ -	\$ -
	Construction Subtotal				\$719,320.00		\$866,078.70		\$1,027,868.28
	Total Construction Cost				\$719,320.00		\$866,078.70		\$1,027,868.28
						Award Amount (Excludes Crew Days)	\$866,078.70		

indicates corrected entry

BID
For
2023 Capital Preventative Maintenance (CPM) Project

Bid of ATAX PAVING hereinafter called Bidder,
 organized and existing under the laws of or a resident of the State of Michigan, doing business as
A CORPORATION *

*Insert as applicable: "a corporation", "a partnership" or "an individual".

TO THE CITY OF NOVI, MICHIGAN, hereinafter called OWNER:

The undersigned as Bidder hereby declares: that this Bid is made in good faith without fraud or collusion with any person or persons bidding on the same Contract; that the Bidder has read and examined the Advertisement for Bids, Instructions to Bidders, Bid, General Conditions, Supplementary Conditions, Agreement, Forms of Bond, Specifications and Drawings, as prepared by the ENGINEER, and understands all of the same; that the Bidder of its representative has made personal investigation at the sites of the work and has become fully familiar with regard to the conditions to be met in the execution of this Contract, and the undersigned proposes to furnish all labor, materials, tools, power, transportation, and construction equipment necessary for the construction of the Project and performing related work in full accordance with the aforesaid Contract Documents, including any and all Addenda officially issued, their receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
_____	6/23/23
_____	_____
_____	_____

The Contract will be awarded to the lowest responsive, responsible Bidder based on the unit prices for all work specified. The total available construction budget for this project is \$870,000.00. Should the sum of bid prices of work to be performed total less than \$870,000.00, the City may alter the scope of work to include additional roadways.

The Bidder agrees to complete the following work for set construction budget:

Priority 1 Quantities					
Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
1	Mobilization (10% Max.)	LSUM	1	\$ 85,000 -	\$ 85,000 -
2	Pre-Construction Audio Visual	LSUM	1	\$ 6,000 -	\$ 6,000 -
3	Maintaining Traffic	LSUM	1	\$ 65,006 -	\$ 65,006 -
4	Ultra-Thin Overlay, Medium Volume, Warranty	Syd	39,453	\$ 7.90	\$ 311,678.70



CITY OF NOVI

Priority 1 Quantities					
Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
5	Overband Crack Fill, Road	Road Mile	2.70	\$5,980 -	\$16,146-
6	Cold Milling HMA Surface	Syd	19,674	\$4.10	\$80,663.40
7	HMA, Base Repair	Syd	1,668	\$89 -	\$148,452 -
8	Curb and Gutter, Rem	Ft	212	\$20 -	\$4,240-
9	Curb and Gutter, Conc	Ft	212	\$120-	\$25,440 -
10	Sidewalk, Rem	Syd	338	\$9 -	\$3,042 -
11	Curb Ramp, Conc, 6 inch	Sft	2,857	\$25.80	\$73,710.60
12	Aggregate Base, 4 inch	Syd	372	\$15 -	\$5,580 -
13	Detectable Warning Surface	Ft	196	\$80-	\$15,680 -
14	Erosion Control, Inlet Protection, Fabric Drop	Ea	83	\$300 -	\$24,900 -
15	Pavt Mrkg, Waterborne, 24" White, Stop Bar	Ft	12	\$45 -	\$540 -
16	DPS / Dr Structure Adj, Case 1	Ea	0	\$4,000 -	\$ -
TOTAL PRIORITY 1 BID PRICE:				\$ 866,078.70	

If the foregoing Bid shall be accepted by the OWNER, the undersigned agrees to enter into the attached form of Agreement within ten (10) days after receiving notice of such acceptance, will furnish the OWNER satisfactory bonds and certificates of insurance coverage, and will complete the Project, at the price and within the time stated in this Bid.

The undersigned further agrees that if the foregoing Bid shall be accepted, work will commence immediately after the Contract has been awarded, the Agreement executed, and a Notice to Proceed received.

Substantial Completion shall be by November 1, 2023.

Final Completion shall be by November 15, 2023.

Substantial completion shall include all work, excepting final surface restoration.

The undersigned attaches hereto its Bid security, as required by the Advertisement for Bids and Instructions to Bidders. The undersigned agrees that in case it shall fail to fulfill its obligations under the foregoing Bid, and/or shall fail to furnish bonds, as specified, the OWNER may, at its option determine that the undersigned has abandoned its rights and interests in such Contract and that its Bid security accompanying its Bid; has been forfeited to the said OWNER, but otherwise the Bid security shall be returned to the undersigned upon the execution of the Contract and the acceptance of the bonds.

The undersigned also agrees that for each and every calendar day that he may be in default of any of the completion times listed above, the OWNER will suffer a damage of One Thousand Dollars (\$1,000.00) per calendar day, and said OWNER shall be compensated therefore at the rate as liquidated damages in accordance with the Agreement.



CITY OF NOVI

In submitting this Bid, it is understood that the right is reserved by the OWNER to accept any bid, to reject any or all Bids, and to waive irregularities in bidding in the interest of the OWNER.

SUBMITTED on 07/12/2023
Date*

1957 Crooks Road, Suite A
Street*

Troy, MI 48084
City, State, ZIP*

248 244-3300
Telephone Number*

248-244-0800
Facsimile Number*

BY: Ajax Paving Industries, Inc.
Name of Bidder*


Signature

Benjamin J. Kohler, Project Estimator
Name and Title of Signatory*

*Typed or printed in ink.



CITY OF NOVI