



cityofnovi.org

CITY of NOVI CITY COUNCIL

**Agenda Item 6
July 23, 2018**

SUBJECT: Approval to award the construction contract for 2018 Chip Seal program to Highway Maintenance and Construction Company, the low-bidder, in the amount of \$130,660.03.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 130,660.03
AMOUNT BUDGETED	\$ 220,965 FY 2017-18 Rollover
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	203-203.00-870.018

BACKGROUND INFORMATION:

The 2018 Chip Seal program is an ongoing effort to rehabilitate Novi's chip seal roads. Chip sealing provides an application of a special protective wearing surface to an existing pavement. There are only a handful of chip seal streets in Novi which typically carry lower traffic volumes. The chip seal program will focus on the following local roads:

- Brenda Lane
- Joseph Drive
- Burton Drive
- Delmont Drive
- Dinser Drive

The low bidder Highway Maintenance and Construction Company included a letter with the bid indicating their schedule was booked and they are not able to complete the work by the seasonal limitation date of September 15. Highway Maintenance agreed to do the patching preparation in 2018 and complete the chip seal application in the spring of 2019.

AECOM, the City's Engineering Consultant, assisted the Engineering Division with developing the plans for this project. Staff advertised the plans for public bids on June 13, 2018. Following the solicitation period, one (1) bid was received and opened on June 28, 2018. Highway Maintenance and Construction Company's bid is recommended as being in the best interest of the City as it is responsive and complies with all of the requirements of the bidding instructions. Attached in the packet are the award recommendation letter and bid tabulation. The summary of the bid tabulation is as follows:

Contractor	Base Bid (including Crew Days)*
Highway Maintenance and Construction Company	\$ 137,660.03

***Crew Days are included to compare bids, but are not included in the award.**

The construction engineering services award associated with this project is proposed elsewhere on this agenda. It is anticipated the project will be substantially complete in the spring of 2019.

RECOMMENDED ACTION: Approval to award the construction contract for 2018 Chip Seal program to Highway Maintenance and Construction Company, the low-bidder, in the amount of \$130,660.03.

2018 Chip Seal Program

Location Map



Map Author: Joseph Akers
 Date: April 23, 2018
 Project: 2018 Chip Seal Program
 Version #: 1

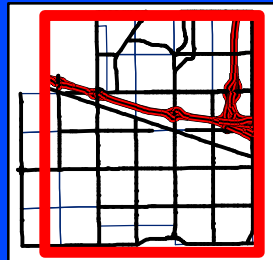
Amended By:
 Date:
 Department:

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.



Chip Seal
 Candidate Streets



City of Novi

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



1 inch = 3,764 feet





July 06, 2018

Mr. Joseph Akers
City of Novi
Engineering Department
26300 Lee BeGole Drive
Novi, MI 48375

Reference: Bid Analysis and Contract Award Recommendation
2018 Chip Seal Program Project
AECOM Project Number 60577083

Dear Mr. Akers:

Attached is the Bid Tabulation for the above referenced project. One bid was received and opened from Highway Maintenance and Construction Company on June 28, 2018. Highway Maintenance and Construction has been the only bidder on chip seal projects for the City in the past. The work requires specialized equipment and although there are other contractors that do this work, Highway Maintenance is the closest one and other contractors have been unwilling to travel outside of their specific areas to bid on the work.

No irregularities were noted in the bid and the bid of \$137,660.03 is 8.8% under the Engineer's Estimate. Highway Maintenance and Construction and performed well on past chip seal projects for the City and their bonding company rating exceeds the minimum A.M. best rating.

Highway Maintenance included a letter with their bid stating that they are not able to complete the work this year as the work must be completed by September 15 due to seasonal limitations. Their crew is scheduled for other projects until then. They agreed to do the chip seal work in the spring with the patching preparation work completed this year.

We recommend award of contract to Highway Maintenance and Construction Company for the bid amount, excluding crew day costs, of \$130,660.03.

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 2018 Chip Seal Program
Tabulation of Bids
6/28/2018**

Item	Item Description	Unit	Quantity	Engineers Estimate		Highway Maintenance and Construction Co.	
				Unit Price	Cost	Unit Price	Cost
1	Mobilization, Max 10%	LSUM	1	\$13,631.91	\$ 13,631.91	\$ 5,000.00	\$ 5,000.00
2	Preconstruction Audio-Visual	LSAM	1	\$2,500.00	\$ 2,500.00	\$ 2,525.00	\$ 2,525.00
3	Maintaining Traffic	LSUM	1	\$14,112.00	\$ 14,112.00	\$ 4,500.00	\$ 4,500.00
4	Erosion Control, Silt Fence	Ft	200	\$5.51	\$ 1,102.00	\$ 8.00	\$ 1,600.00
5	Shoulder, CI II	Ton	25	\$66.15	\$ 1,653.75	\$ 80.00	\$ 2,000.00
6	Dr. Structure Cover, Adj, Case 2	Ea	3	\$1,598.63	\$ 4,795.89	\$ 1,750.00	\$ 5,250.00
7	Point-Up Drainage Structure	Ea	3	\$165.38	\$ 496.14	\$ 185.00	\$ 555.00
8	Seal, Single Chip	Syd	17,031	\$2.48	\$ 42,236.88	\$ 2.25	\$ 38,319.75
9	Seal, Single Chip, Patching	Syd	11,811	\$2.48	\$ 29,291.28	\$ 2.25	\$ 26,574.75
10	Seal, Fog	Syd	17,031	\$0.61	\$ 10,388.91	\$ 0.63	\$ 10,729.53
11	Spray Patch	Ton	29	\$425.25	\$ 12,332.25	\$ 420.00	\$ 12,180.00
12	HMA Surface, Rem	Syd	174	\$10.00	\$ 1,740.00	\$ 25.00	\$ 4,350.00
13	Hand Patch	Ton	37	\$341.25	\$ 12,626.25	\$ 380.00	\$ 14,060.00
14	Ditching	Ft	40	\$44.10	\$ 1,764.00	\$ 55.00	\$ 2,200.00
15	Pvt Mrkg, Waterborne, 12 inch, White	Ft	48	\$27.56	\$ 1,322.88	\$ 17.00	\$ 816.00
16	Crew Days	Day	10	\$ 700.00	\$ 7,000.00	\$ 700.00	\$ 7,000.00
TOTAL					\$ 156,994.14		\$ 137,660.03
				Award AMT (Excludes Crew Days)			\$ 130,660.03

June 28, 2018

To: City of Novi Purchasing Officer

From: Jeffrey S Demek, P.E. at Highway Maintenance & Construction

Subject: Request for Extension

Thank you for the opportunity of quoting on Chipseal and Fogseal work in your community. Our current workload does not have room for the Chipseal portion of this bid to be completed by September 15, the MDOT seasonal limitation date for completing all Chipseal work.

We would be able to complete this work in the spring of 2019. We have submitted a bid so you can evaluate our cost for this Chipseal work.

We can complete the repair portion of this work this year.

We are sorry our schedule filled up so fast but would like you to consider allowing us to work for you next year.

Sincerely,



Jeffrey S Demek P.E.
President

BID
2018 Chip Seal Program Project

Bid of Highway Maintenance + Construction Co. hereinafter called Bidder, organized and existing under the laws of or a resident of the State of Michigan, doing business as Highway Maintenance + Construction Co. *
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 site 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
_____	_____
_____	_____

The Contract will be awarded to the lowest responsive, responsible Bidder based on the unit prices for all Work specified. The Bidder agrees to complete the Project for the following unit prices:

Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
1	Mobilization (10%)	LSUM	1	5000 ⁻	5000 ⁻
2	Pre-Construction Audio-Visual	LSUM	1	2525 ⁻	2525 ⁻
3	Maintaining Traffic	LSUM	1	4500 ⁻	4500 ⁻
4	Erosion Control, Silt Fence	Ft	200	8.00	1600 ⁻
5	Shoulder, CI II	Ton	25	80.00	2000 ⁻
6	Dr. Structure Cover, Adj, Case 2	Ea	3	1750.00	5250 ⁻
7	Point-Up Drainage Structure	Ea	3	185.00	555 ⁻
8	Seal, Single Chip	Syd	17,031	2.25	38319 ⁷⁵
9	Seal, Single Chip, Patching	Syd	11,811	2.25	26574 ⁷⁵
10	Seal, Fog	Syd	17,031	0.63	10729 ⁵³



Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
11	Spray Patch	Ton	29	420 ⁻	12180 ⁻
12	HMA Surface, Rem	Syd	174	25 ⁻	4350 ⁻
13	Hand Patch	Ton	37	380 ⁻	14060 ⁻
14	Ditching	Ft	40	55 ⁻	2200 ⁻
15	Pvt Mrkg, Waterborne, 12 inch, White	Ft	48	17 ⁻	816 ⁻
16	Crew Days	Day	10	\$700.00	7,000 ⁻
TOTAL BID:				\$	137,660.03

Bidders must provide unit prices for all items and a quantity for the Crew Day Item.

The City's intent is to award to the lowest responsible bidder. Funding for the project is limited and the City may elect to eliminate roadways from the contract, reduce the length of roadways included in the project, or potentially add roadways with similar work to the project in order to match the available budget.

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 no later than September 14, 2018.

Final Completion shall be no later than September 21, 2018.

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 dates listed above, the OWNER will suffer a damage of Six Hundred Dollars (\$600.00) per day, and said OWNER shall be compensated therefore at the rate as liquidated damages in accordance with the Agreement.



CITY OF NOVI
Rev 4/27/18

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 June 27, 2018
Date*

12101 Waheman St
Street*

Romulus, Mi 48174
City, State, ZIP*

734.941.8885
Telephone Number*

734.941.8960
Facsimile Number*

BY: HIGHWAY MAINTENANCE
Name of Bidder*

[Signature]
Signature

Jeffrey S Demek, President
Name and Title of Signatory*

*Typed or printed in ink.



CITY OF NOVI
Rev 4/27/18