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#### CITY of NOVI CITY COUNCIL

Agenda Item K August 9, 2010

**SUBJECT:** Approval to purchase crack sealing material from National Highway Maintenance Systems Ltd. in an amount not to exceed \$30,000.

SUBMITTING DEPARTMENT: Department of Public Services – Field Operations Division (M.W.



CITY MANAGER APPROVAL

EXPENDITURE REQUIRED	\$15,000 (Major Streets)
	\$15,000 (Local Streets)
AMOUNT BUDGETED	\$550,000 (Major Streets)
	\$450,000 (Local Streets)
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	202-202.00-866.000 (Major Street Fund – Routine Maintenance)
	203-203.00-866.000 (Local Street Fund – Routine Maintenance)

**BACKGROUND INFORMATION:** A key component of DPS's asset management program is to preserve the City's local and major roadways. Throughout the summer, DPS has been crack sealing asphalt pavement with a crack sealing machine that uses proprietary sealing material manufactured by Crafco, Inc. The sole vendor for Crafco products in Michigan is National Highway Maintenance Systems, Ltd. of Akron, Ohio. (The basis for using proprietary material is described in the attached motion sheet from the October 8, 2007 City Council meeting).

In the FY2009-2010 DPS applied approximately 37,000 pounds of sealant to community local and major roads. Because the purchase of this material would exceed Administration's procurement threshold, we are asking Council to approve this expenditure for approximately 34,400 pounds of sealant at National Highway Maintenance's unit price of \$0.87 per pound. This procurement will allow DPS's road maintenance crews to continue this critical preventive maintenance activity through June 2011.

**RECOMMENDED ACTION:** Approval to purchase crack sealing material from National Highway Maintenance Systems Ltd. in an amount not to exceed \$30,000.

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Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Crawford				
Council Member Fischer				

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Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

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## CITY of NOVI CITY COUNCIL

Agenda Item E October 8, 2007

SUBJECT

Approval to purchase Joint Crack Sealant Material from National Highway Maintenance System Ltd, in the amount of \$25,000.00.

SUBMITTING DEPARTMENT: Public Works

CITY MANAGER APPROVAL

EXPENDITURE REQUIRED	\$ 25,000	
AMOUNT BUDGETED	Funds available in both Major and Local Streets Routine Maintenance Accounts	
LINE ITEM NUMBER	202-202-00-866,000 (Major Streets - Routine Maintenance)	
	203-203-00-866.000 (Local Streets - Routine Maintenance)	

#### **BACKGROUND INFORMATION:**

The department's crack sealing machine was purchased in December 1990 for \$16,395. The life expectancy of this equipment is 10 - 15 years. On July 20, 2007, the fluid pump containing the sealant exploded inside the fire box and caused the machine to catch on fire. As a result, the machine is no longer operable.

In the interim, we are utilizing a program offered by National Highway Maintenance System (NHMS). NHMS provides the use of a new crack sealing machine, with no daily rental fee and a one-time machine delivery (\$475) and pick-up cost (\$475), to its customers when sealant material is purchased from them.

Company	Sealant Cost per pound	Machine Delivery/Pick-up Cost
NHMS	\$0.78	\$950
DJL Material & Supply	\$0.98	\$945

NHMS has a limited number of machines and customers must reserve a machine well in advance or risk waiting for a machine to be returned before the end of the season. We have utilized the crack sealant material we previously purchased, and while we have the machine and the weather is still conducive, we would like to purchase more material and continue joint repairs on Novi Road, Taft Road, Wixom Road, and West Park Drive.

The Department will likely propose a new crack sealing machine (approximately \$40,000) in the 2008-2009 budget.

2007 Completed Joint Sealed Roads				
Road	Between			
Meadowbrook Road Grand River Avenue and 12 Mile Road				
Meadowbrook Road 12 Mile Road and 13 Mile Road				
13 Mile Road Novi Road and Old Novi Road				
Novi Road 12 Mile Road and 13 Mile Road				
Recently paved subdivis	ion streets			
	ncluded in the 2007 concrete road rehab program			

RECOMMENDED ACTION: Approval to purchase Joint Grack Sealant Material from National Highway Maintenance System Ltd, in the amount of \$25,000.00.

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Mayor Landry			
Mayor Pro Tem Capello			
Council Member Gatt			
Council Member Margolis			

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Council Wember Mutch				
Council Member Nagy				
Council Member Paul				

#### PAVEMENT CRACK SEALING EXTENDS PAVEMENT LIFE

In recent years, pavement preservation has become the main goal of preventive maintenance work for this Department of Transportation. By using asphalt-rubber repair techniques this DOT has been able to add life to existing pavement and expects to save money on repairs and labor.

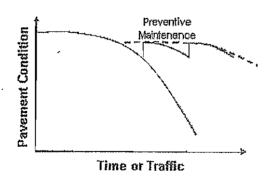
"Rather than having major 'surgery' later on, we're doing this minor preservation work," says a managing engineer for research, technology and development. "Preservation activities usually take place on roads that are five to 10 years old", he explains.

This DOT regularly examines roads to determine if they are cracking or showing signs of other minor deterioration. When treatment is deemed necessary, one of the first options is to put in a crack seal. Workers dry the area and remove particles, then apply a soft rubber sealant.

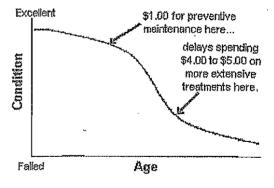
Treatments that do not involve a lot of time or effort, such as crack seals, are encouraged by the Federal Highway Administration (FHWA), Washington, D.C. A spokesman says, "We have got to start doing more preventive maintenance. Preservation techniques help to extend the life of roads. States, cities and counties spend \$120 billion on highway work each year. If we dedicate more funds to preservation, we could double the money [for other projects]. In addition to saving money for materials, asphalt-rubber treatments save labor costs because they do not take long to apply."

FHWA has been working with state DOTs for the past five years to educate them about preventive maintenance techniques. Those methods can extend pavement life by five to six years and make highway funding stretch further.





#### The Benefits of Preventive Maintenance



P.O. Box 5315 • Akron, Ohio 44334 Office: 1-888-922-3630 (Outside Ohio) • 1-330-922-3649 (In Ohio) • Fax: 1-330-922-8070

March 5, 2010

City of Novi Field Service Complex 26300 Delwal Drive Novi, MI 48375

Attn.: Gerald Tremblay

Roadway Asset Manger Field Operations Division

RE.: Sole Source for 2010 Crack Sealant Program

Dear Mr. Tremblay:

Thank you for the opportunity to meet with you on March 4, 2010 to discuss the 2010 crack sealant program for the City of Novi. National Highway Maintenance Systems is the ONLY authorized Crafco Distributor in you region of Michigan. We are the ONLY Crafco Distributor in the United States that offers a crack sealant program that includes the SuperShot 125 Diesel Melter with no daily rental, and all equipment maintenance is taken care of by NHMS employees. The Crafco Supershot melter has several patented features that include an internal, submersible pump and an inter-lock system that no other company can duplicate.

The sealants we offer to the City of Novi include the Roadsaver 34515, which was tested under the Federal SHRP H-106 Projects, and was found to have one of the best performing results after a three year field evaluation. NHMS is the only Distributor of the Roadsaver 34515 and 34540/544 in your region.

We have enclosed a proposal for the 2010 crack sealant program that offers the opportunity for the city to use two melters-one for flexible asphalt crack sealing and the other for concrete sealing. The sealants we provide can be used on both pavement surfaces.

Please call with any questions and we appreciate your consideration.

Sincerely

Michael Leahy



### P.O. Box 5315 Akron, OH 44334

Toll Free: 888-922-3630

In Ohio 330-922-3649

FAX: 330-922-8070

PROPOSAL:

City of Novi

Attn.: Gerald Tremblay

Roadway Asset Manager

26300 Delwal Drive Novi, MI 48375

2010 NHMS Program Remarks:

1. 34515 & 34544 Fiber Crack Sealant

Price includes use of a Double Drum Melter

w/Air Compressor and training

Yield coverage extended approximately 23% more than standard rubber sealants YIELD: 6'/LB vs. 4'/# with contractor disk. Reduces cost for government agency with a sealant equal or exceeds MDOT Metro Specification performance.

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1: 34515 & 34544 Fiber Crack Sealant

\$0.87/#

Price includes use of a SuperShot 125 Disel Melter w/Compressor,

And Hot Air Lance. Training Provided.

No Daily Rental

NO MINIMUM ORDER

Delivery of Melter & Sealant

\$595.00

PRODUCT DATA SHEET WITH TESTING PARAMETERS AVAILABLE UPON REQUEST. NHMS OFFERS OTHER SEALANT PROGRAMS BASED on SEALANT QUALITY and TYPE of ROAD CONDITIONS

(Payment terms: Net 30)

Dollars (\$

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. Customer is to carry fire, theft, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. Customer to list NHMS as "Additional Insurer" and "Lost Payee" on their insurance policy prior to equipment delivery.

Authorized NHMS Representative: Michael Leahy

DATE: February 19, 2010

Note: This proposal may be withdrawn by NHMS at any time.

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Acceptance of Proposal - The above prices, specificat	tions and conditions are satisfactory and are hereby accepted. You are
authorized to do the work as specified. Payment will be made	
(Printed Name &Title)	(Signature)
(T-1-1-1	(D) 1 (C) 1
(Telephone and Fax Number)	(Date of Acceptance)