



## CITY COUNCIL ACTION REPORT

March 23, 2012

TO: John Szerlag, City Manager

FROM: Mark Miller, Director of Economic and Community Development  
Steven J. Vandette, City Engineer

SUBJECT: Approval of Cost Participation Agreement for the Resurfacing of Livernois Road, from Big Beaver to Wattles – Project No. 12.103.6

### **Recommendation:**

Staff recommends that City Council approve the attached Cost Participation Agreement between the City of Troy and the Board of Road Commissioners for Oakland County (Board) for the resurfacing of Livernois Road, from Big Beaver to Wattles at an estimated cost to the City of Troy of \$106,000. Furthermore, staff recommends that the Mayor and City Clerk be authorized to execute the agreements.

### **Background:**

The project will provide for a resurfacing of Livernois Road, from Big Beaver to Wattles. The project also includes pedestrian crosswalk upgrades to comply with the Americans with Disabilities Act (ADA).

The project will be bid through the Michigan Department of Transportation (MDOT) in June. Construction is anticipated to start in mid-July and be open to traffic in September.

### **Financial Considerations:**

The estimated project cost is \$1,059,000. Federal funds in the amount of \$847,000 are available for the project. The local share of \$212,000 is split between Troy and the Board in accordance with Exhibit A of the agreement. The City of Troy share of the project is estimated at \$106,000.

The total actual local match will be determined from the records of the Board upon completion of the State financial audits of the project and a final determination of the total federal funds used on the project. Final adjustments in the financial obligations of the parties will be made upon completion of the required audits.

Funds for this work are available in the 2011-12 Major Road Fund and also in the proposed 2012-13 Major Road Fund.

### **Legal Considerations:**

The format and content of the agreement is consistent with previously approved Cost Participation Agreements between the city and Board as approved by the Legal Department and City Council.

**William J Huotari**

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**From:** Julie Enders [jenders@rcoc.org]  
**Sent:** Tuesday, March 13, 2012 1:17 PM  
**To:** William J Huotari  
**Subject:** Cost Participation Agreement for Livernois Road  
**Attachments:** Project No. 50701 - Livernois Road.pdf

Hi Bill,

Attached is the cost participation agreement for the above referenced project.

Please print two copies and arrange for signatures on both sets but do not date. The signed agreements should be returned to my attention as soon as possible. Our Board will return a fully executed original to you after their action.

Please reply to this email to confirm your receipt of the agreements.

If you have any questions, please feel free to call me.

Thanks,

Julie Enders - Engineering Aide  
Road Commission for Oakland County  
Programming Division/  
Engineering Department  
31001 Lahser Road  
Beverly Hills, MI 48025  
Office: 248.645.2000 ext. 2213 ~~ Fax: 248.645.0618

**COST PARTICIPATION AGREEMENT**

**CONSTRUCTION**

Livernois Road

Big Beaver Road to Wattles Road

City of Troy

Board Project No. 50701

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2012, by and between the Board of Road Commissioners for the County of Oakland, Michigan, hereinafter referred to as the BOARD, and the City of Troy, hereinafter referred to as the COMMUNITY, provides as follows:

WHEREAS, the BOARD and the COMMUNITY, in cooperation with the Michigan Department of Transportation, hereinafter referred to as MDOT, have programmed the resurfacing of Livernois Road from Big Beaver Road to Wattles Road, as described in Exhibit "A", attached hereto, and made a part hereof, which improvements involve roads under the jurisdiction of the BOARD and within the COMMUNITY, which improvements are hereinafter referred to as the PROJECT; and

WHEREAS, the estimated total cost of the PROJECT is \$1,059,000; and

WHEREAS, the BOARD will enter into a contract with MDOT for partial funding of the PROJECT with federal program dollars under the Federal Surface Transportation Program Fund in the amount of \$847,000; and

WHEREAS, the BOARD, as the requesting party therein, will be the party financially responsible to MDOT to bear all costs of the PROJECT in excess of federal funds, hereinafter referred to as the LOCAL MATCH; and

WHEREAS, all the parties hereto have reached a mutual understanding regarding the cost sharing for the LOCAL MATCH and wish to commit that understanding to writing in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and in conformity with applicable law, it is hereby agreed between the COMMUNITY and the BOARD that:

1. The COMMUNITY approves of the PROJECT, declares its public necessity, and authorizes the BOARD and MDOT to perform or cause to be performed, and complete the PROJECT along with all administration in reference thereto.
2. The PROJECT shall include total payments to the contractor.
3. The cost of the PROJECT shall be funded in accordance with the following:
  - a. The BOARD shall contribute \$106,000 toward the cost of the PROJECT.
  - b. The COMMUNITY shall contribute \$106,000 toward the cost of the PROJECT.
4. Any costs above the estimated total LOCAL MATCH of \$212,000 will be split equally between the BOARD and the COMMUNITY.
5. Upon execution of this agreement, the BOARD shall submit an invoice to the COMMUNITY in the amount of \$53,000 (being 50% of the COMMUNITY'S Tri-Party contribution).
6. As costs of the PROJECT are incurred, the BOARD shall invoice the COMMUNITY for the remaining 50% of the COMMUNITY'S total contribution.
7. The total actual LOCAL MATCH will be determined from the records of the BOARD upon completion of State financial audits of the PROJECT and a final determination of the total federal funds used on the PROJECT. Final adjustments in the financial obligations of the parties hereto will be made upon completion of the required audits.
8. Upon receipt of said invoice(s), the COMMUNITY shall pay to the BOARD the full amount thereof, within thirty (30) days of such receipt.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and date first written above.

BOARD OF ROAD COMMISSIONERS FOR THE  
COUNTY OF OAKLAND  
A Public Body Corporate

By \_\_\_\_\_

Its \_\_\_\_\_

CITY OF TROY

By \_\_\_\_\_

Its \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

# EXHIBIT A

## CONSTRUCTION

Livernois Road

Big Beaver Road to Wattles Road

City of Troy

Board Project No. 50701

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Resurfacing of Livernois Road from Big Beaver Road to Wattles Road.

ESTIMATED PROJECT COST
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Contractor Payments	\$1,059,000
Less Federal Funds	<u>\$847,000</u>
Total Estimated Project Cost	<u><u>\$212,000</u></u>

COST PARTICIPATION BREAKDOWN
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	COMMUNITY	BOARD	TOTAL
Contribution	\$106,000	\$106,000	\$212,000
TOTAL SHARES	\$106,000	\$106,000	\$212,000