

February 16, 2006

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services  
Timothy L. Richnak, Public Works Director

SUBJECT: Agenda Item - Summer Maintenance Agreement – R.C.O.C.

In February of 1998 the City of Troy and the Road Commission for Oakland County entered into a Summer Maintenance Contract to have the City sweep Big Beaver Road. The following year after a satisfactory performance evaluation, both parties agreed to enter into a summer maintenance contract to have the City take over street sweeping operations of all county roads in the City of Troy.

This process has continued to result in uniformity in the street sweeping citywide. The Road Commission will pay us the same amount as they would have paid their contractor for the calendar year 2006, which represents an increase of 2% over 2005, from \$119.34 to \$121.73 per curb mile, for a grand total increase from \$34,389.01 to \$35,077.72. This figure will cover our costs in providing the service as delineated in the agreement.

It is my recommendation that we approve this contract.

cc: Tonni Bartholomew, City Clerk  
(Original Contract and copy)

Reviewed as to Form and Legality: \_\_\_\_\_  
Lori G. Bluhm, City Attorney      Date

January 26, 2006

Mr. Tim Richnak  
Director of Public Works  
City of Troy  
500 West Big Beaver Road  
Troy, MI 48084

RE: 2006 Summer Maintenance Agreement

Dear Mr. Richnak:

Attached are two copies of a Summer Maintenance Agreement between the Road Commission for Oakland County and the City of Troy for sweeping on certain roads in the City of Troy (see Exhibit A).

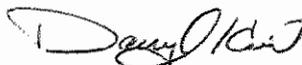
Please note: We are requesting that the City invoice the Road Commission for 65% of the total contract amount on September 15, 2006, and invoice for the remaining 35% upon completion of the last maintenance activity.

If the agreement is satisfactory, please attach certified copies of the resolution of approval by your City Council, and return the two signed copies to this office for approval by the Board of Road Commissioners. One fully signed copy will be returned to you.

Please submit your proof of liability insurance that covers this agreement and particularly covers your personnel and equipment working on county roads under the jurisdiction of the Board of Road Commissioners. As your current Certificate of Membership in the Michigan Municipal Workers Compensation Fund expires in June, I would appreciate it if you would forward a new certificate at that time. If there are any changes in the coverage during the term of this agreement, we must be notified of these changes.

The Board of Road Commissioners and I want to extend our appreciation to you, the City Council and your road employees, for the fine work that has been done in connection with past contracts, and we want to continue to cooperate with you in any way we can.

Sincerely,



Darryl M. Heid, P.E.  
Director of Highway Maintenance

DMH/sll  
Attachment



Board of Road Commissioners

Rudy D. Lozano  
Chairman

Larry P. Crake  
Vice-Chairman

Richard G. Skarritt  
Commissioner

Brent O. Bair  
Managing Director

Gerald M. Holmberg  
Deputy Managing Director  
County Highway Engineer

Highway Maintenance  
Department

2420 Pontiac Lk. Rd.  
Waterford, MI  
48328

248-858-4881

FAX  
248-858-7607

TDD  
248-858-8005

[www.rcocweb.org](http://www.rcocweb.org)

# SUMMER MAINTENANCE AGREEMENT

## CITY OF TROY

This Agreement made and entered this \_\_\_\_\_ day of \_\_\_\_\_, 2006, between the Board of County Road Commissioners of the County of Oakland, hereinafter referred to as the "Board," and the City of Troy, hereinafter referred to as the "City."

WHEREAS, certain county primary roads, being a part of the Oakland County primary road system, in accordance with the provisions of 1951 PA 51, as amended, are located within or adjacent to the City; and

WHEREAS, the parties hereto wish to enter into a written contract providing for certain maintenance by the City of certain county primary roads within the City, as more fully described in Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the City hereby agrees to be responsible for certain maintenance of said roads under the terms of this Agreement and the Board agrees to participate in the cost thereof as provided in Section II of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual undertaking of the parties hereto, it is mutually understood and agreed as follows:

### I

As used herein, the terms "Maintenance" and "Maintain" shall be construed to include only those items of work and service specifically itemized in exhibit B, as attached hereto and made a part thereof. All Maintenance work performed by the City shall be in accordance with the Board's minimum maintenance standards.

### II

In consideration of the assumption of Maintenance by the City, the Board agrees to pay to the City, the sum of \$35,077.72, as set forth in Exhibit A, attached hereto. Payment shall be made as follows and upon invoice by the City:

65% on September 15, 2006  
35% upon completion of the last Maintenance activity.

### III

The City shall keep accurate and uniform records of all Maintenance work performed pursuant to this Agreement. The Board shall have the right to audit City accounts and records insofar as such documents concern this Agreement.

### IV

The Board has determined and specified the equipment and personnel necessary to provide the Maintenance and the City has acquired the necessary equipment and personnel so specified. The City shall sweep the roads a minimum of four (4) times under this Agreement.

## V

It is specifically understood and agreed by the City and the Board that by undertaking to perform Maintenance of certain county primary roads, the City does not assume the Board's legal duty to keep said roads in such condition as to be in accordance with MCLA 224.21, reasonably safe and convenient for public travel, other than as may relate to the work/service performed as listed in Exhibit B, and the City hereby further agrees to hold harmless, represent, defend and indemnify the Board, its officials and employees from any and all claims and suits that may be made, filed, or instituted against the Board and its employees arising out of the City's performance or non-performance of the activities listed in Exhibit B, which are the subject matter of this Agreement.

The Board agrees that it will do nothing to prejudice the City in this regard. The City shall not be responsible hereunder for the maintenance of items not included in the work/services set forth in Exhibits A & B.

## VI

The City acknowledges that it has provided, and will provide during the term of this Agreement, automobile and general liability insurance coverage, in the amount of \$2,000,000 single limit, Bodily Injury and Property Damage, covering the Board's liability for any and all claims arising out of the City's performance or non-performance of the activities which are the subject matter of this Agreement, as well as statutory Workers' Compensation Insurance. Coverage shall be in accordance with the requirements set forth in Exhibit C, attached hereto and made a part of hereof.

The City shall not cancel, reduce, or non-renew the coverage of any insurance required by this section without 30 days prior written notice to the Board. All insurance provided in accordance with this section shall include an endorsement whereby the insurer shall agree to notify the Board immediately of non-renewal or any reduction or cancellation of any coverage.

A copy of the Certificate of Insurance is attached hereto, made a part hereof, and marked Exhibit D.

## VII

The City further agrees to comply with all relevant laws of the State of Michigan for safeguarding the air and waters of the State. The City will be responsible for the proper disposal of the solid waste and other debris related to the Maintenance and the costs associated therewith.

## VIII

In accordance with 1976 PA 453, as amended, and 1976 PA 220, as amended, the City covenants not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status or because of a handicap that is unrelated to the individual's ability to perform the duties of the particular job or position and to require a similar covenant on the part of any subcontractor employed in the performance of the Agreement.

IX

It is the intention of the parties hereto that this Agreement is not made for the benefit of any third party.

It is anticipated that subsequent agreements regarding Maintenance activities will be executed annually by the parties hereto.

The terms and conditions of this Agreement shall become effective on April 1, 2006 and shall continue in full force and effect until a subsequent summer maintenance agreement has been executed by the parties hereto or until this Agreement is terminated, as set forth below.

In the event that a subsequent summer maintenance agreement has not been executed by the parties hereto, on or before April 1, 2007, either party may terminate this Agreement by providing the other party hereto with written notice of intent to terminate, at least thirty (30) days prior to the date of termination.

This Agreement is executed by the Board at its regular meeting of \_\_\_\_\_, and by the City by authority of a resolution of its governing body, adopted \_\_\_\_\_, (Copy attached as Exhibit E).

Witnesses:

CITY OF TROY  
A Municipal Corporation

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Witnesses:

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

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF TROY

EXHIBIT A

PRIMARY ROADS TO BE MAINTAINED

1.	Maple Road from Coolidge to Dequindre	9.97 Miles	\$1,213.65
2.	Big Beaver from Adams to Dequindre	21.96 Miles	\$2,673.19
3.	Long Lake from Adams to Dequindre	7.2 Miles	\$ 876.46
4.	South Boulevard from Adams to Dequindre	.48 Miles	\$ 58.43
5.	Crooks Road from Elmwood to South Boulevard	13.65 Miles	\$1,661.61
6.	Livernois from Maple to South Boulevard	4.35 Miles	\$ 529.52
7.	John R from 14 Mile to South Boulevard	5.05 Miles	\$ 614.74
8.	Dequindre from South Boulevard to 14 Mile	7.75 Miles	\$ 943.41
9.	Adams from South Boulevard to South of Big Beaver	<u>1.63</u> Miles	\$ 198.42

Total 72.04 Miles

72.04 Miles X Frequency (4) X \$121.73/curb mile = \$35,077.72

**CITY OF TROY**

**EXHIBIT B**

**WORK/SERVICE TO BE PERFORMED:**

1. Sweep all roads listed in Exhibit A, both directions of travel and around islands, where applicable.

## EXHIBIT C

### LIABILITY AND INSURANCE REQUIREMENTS

The Consultant, prior to beginning work, shall file with the Road Commission for Oakland County copies of completed certificates of insurance, as evidence that he carries adequate insurance, satisfactory to the ROAD COMMISSION. Insurance coverage shall be provided in accordance with the following:

- a. Worker's Compensation Insurance – To provide protection for the Consultant's employees, to the statutory limits of the State of Michigan, and \$100,000 employer's liability. The indemnification obligation under this section, shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the consultant under worker's disability compensation coverage established by law.
- b. Bodily Injury and Property Damage – To afford protection against all claims for damages to public or private property, and injuries to persons arising out of and during the progress and to the completion of the work, and with respect to product and completed operation for one year, after completion of the work.
  1. Bodily Injury and Property Damage Other Than Automobile (Comprehensive General Liability including contractual liability coverage) – The minimum limits of property damage and bodily injury liability covering each contract shall be:

Single Limit: Bodily Injury and Property Damage Liability:

Each Occurrence:	\$2,000,000
Aggregate:	\$2,000,000

2. Bodily Injury Liability and Property Damage Automobiles (Comprehensive Auto Liability) – The minimum limits of bodily injury liability and property damage liability shall be:

Single Limit; Bodily Injury and Property Damage Liability:

Each Occurrence	\$2,000,000
-----------------	-------------

Such insurance shall include coverage for all owned, hired, and non-owned vehicles.

- c. Professional Liability (Errors and Omissions) – To afford professional liability protection against all claims arising out of the work. The minimum limits of professional liability shall be \$2,000,000. However, policies are subject to review by the Road Commission prior to beginning work.
    - d. Excess and Umbrella Insurance – The consultant may substitute corresponding excess and/or umbrella liability insurance for a portion of the above listed requirements in order to meet the specified minimum limits of liability.

- e. Notice – The Consultant shall not cancel, reduce, or non-renew the coverage of any insurance required by this Section without providing 30 day prior written notice to the Road Commission for Oakland County. All such insurance must include an endorsement whereby the insurer shall agree to notify the Road Commission for Oakland County immediately of any reduction by the Consultant. The Consultant shall cease operations on the occurrence of any such cancellation or reduction, and shall not resume operations until new insurance is in force. If the Consultant cannot secure the required insurance within 30 days, the Board reserves its right to terminate the contract.
- f. Reports – The Consultant or his insurance carrier shall report all claims received, claims investigations made and disposition of claims to the County Highway Engineer.



Michigan Municipal  
**MANAGEMENT**  
**AUTHORITY**

**CERTIFICATE OF COVERAGE**

This certificate is issued as a matter of information only and confers no rights upon the certificate holder except to the extent shown below. This certificate does not amend, extend or alter the coverage contained in the Authority's Joint Powers Agreement and coverage attachments thereto.

This is to certify that a Self-Insured Program has been undertaken by the member listed below through the Authority pursuant to Act 138 P.A. 1982.

The coverage provided by the Authority is as follows:

1. Liability coverage for general liability, automobile (including Michigan no-fault) law enforcement and public officials liability; in the sum of \$15,000,000 each occurrence inclusive of loss adjustment and defense costs.
2. Property Coverage including loss to real & personal property, to amounts stipulated in coverage documents and overview for this member.
3. Motor Vehicle Physical Damage Coverage for the vehicles stipulated in the Coverage Document.
4.  Information only
5.  The entity named below is included in the scope of protection as additional insured and loss payee, only as respects claims arising from the purchase or lease of vehicles or other property. Losses, if any, will be adjusted with the member and payable to the member and the following, as their interest may appear:
6.  Other (as described here): *The scope of protection includes Road Commission for Oakland County as additional insured, only as respects claims which may arise from work done by the City of Troy in conjunction with the Summer Road Maintenance Agreement.*

Authority membership and coverage are continuous in nature, and bear no expiration or termination date, however, should the member identified below withdraw from the Authority, or its Authority Membership be otherwise terminated, the Authority will endeavor to notify the certificate holder in writing thirty (30) days in advance thereof, but failure to furnish such notice will impose no obligation or liability of any kind upon the Authority, or its representatives.

**Certificate Holder:**

Road Commission for Oakland County  
 2420 Pontiac Lake Road  
 Waterford, MI 48328

**Member:**

City of Troy - Member #137  
 500 West Big Beaver Road  
 Troy, MI 48084-5285

**Distribution:**

MMRMA Underwriting  
 Stephen Cooperrider, City of Troy

**Effective Date of Membership:** 11/8/90

**Date Issued:** August 4, 2005

  
 \_\_\_\_\_  
 Authorized Representative



Michigan Municipal League  
Workers' Compensation Fund

**CERTIFICATE OF MEMBERSHIP**

The Michigan Municipal League Workers' Compensation Fund, approved by the Director  
of the Workers' Compensation Agency as a group self-insured,  
certifies that

**Troy, City Of**

Is a member in good standing of the Fund,  
For the year expiring

**June 30, 2006**

and as such is approved by the Agency as a self-insurer.  
Employer's liability coverage of

**\$500,000**

Is included.

*Michael J. Forster*

**July 1, 2005**

Effective Date

**NOTE:** This certificate is proof that your entity has complied with The Workers'  
Compensation Agency by becoming a Member of the Michigan Municipal League  
Workers' Compensation Fund. Copies of this certificate may be provided to third parties  
as evidence that the required workers' compensation coverage is in place.