



CITY COUNCIL ACTION REPORT

Date: April 7, 2014

To: Brian Kischnick, City Manager

From: Mark Miller, Director of Economic and Community Development
Steve Vandette, City Engineer

Subject: 2014 NHPP/Tri-Party Program – Concrete Slab Replacement
Big Beaver, Adams to Civic Center

History:

City Council approved a Tri-Party agreement for concrete slab replacement on Big Beaver, Coolidge Highway to Civic Center Drive, by Resolution #2014-03-033 on March 17, 2014. Subsequent to this approval, the City, in partnership with the RCOC, secured an additional \$1,600,000 in FY 2015 National Highway Prevention Program (NHPP) federal funds for more work on Big Beaver. This allows previously planned City Funds to be reallocated to do more work on Long Lake, John R, Dequindre and Big Beaver, Rochester to Dequindre.

The attached agreement has been revised to incorporate the additional \$1,600,000 in federal funds and the RCOC match of \$400,000 with the previously approved Tri-Party Program and 2014 NHPP funds.

Due to the inclusion of federal funds, the project must be bid through MDOT.

Financial:

The agreement includes: \$300,163 in 2014 Tri-Party program funds; \$291,000 in 2014 NHPP funds with a \$72,750 local match by the RCOC; \$1,600,000 in 2015 NHPP funds with a \$400,000 local match by the RCOC; \$550,000 for design and construction engineering services by the RCOC; for a total agreement amount of \$3,213,913.

The City of Troy's final share of the project will only be based on our share of the Tri-Party program which is one-third (1/3) or \$100,054 of the total Tri-Party allocation.

The City will advance \$2,000,000 to the project so that road work can begin this summer, well before October 1, 2014 when 2015 NHPP funds become available. The City will request full reimbursement from federal funds and RCOC funds after October 1, 2014.

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 2014 NHPP/Tri-Party Concrete Replacement Program to be used for concrete slab replacements on Big Beaver, from Adams to Civic Center at an estimated cost to the City of Troy of \$100,054. The City will advance \$2,000,000 to the project with full reimbursement from federal funds and RCOC funds after October 1, 2014.

Furthermore, staff recommends that the Mayor and City Clerk be authorized to execute the agreements.

WJH/wjhG:\Funding Issues\TRIPARTY\2014\Additional NHPP\To CC re 2014 Tri Party & NHPP for Big Beaver_Adams to Civic Center.docx

COST PARTICIPATION AGREEMENT

CONSTRUCTION

2014 NHPP/Tri-Party Concrete Replacement

Big Beaver Road

Adams Road to Civic Center Drive

City of Troy

Board Project No. 52201

This Agreement, made and entered into this _____ day of _____, 2014, 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 various concrete slab replacement on Big Beaver Road from Adams Road to Civic Center Drive, 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 \$3,213,913; and

WHEREAS, the BOARD will enter into a contract with MDOT for partial funding of the PROJECT with federal program dollars under the National Highway Performance Program in the amount of \$291,000; 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, the COMMUNITY'S share of said LOCAL MATCH involves certain designated and approved Tri-Party Program funding in the amount of \$300,163, which shall be paid through equal contributions by the BOARD, the COMMUNITY, and the Oakland County Board of Commissioners, hereinafter referred to as the COUNTY; 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 preliminary engineering, construction engineering, and total payments to the contractor.
3. The estimated total LOCAL MATCH is \$2,922,913 and shall be funded in the following order:
 - a. Tri Party Program funding in the amount of \$300,163.
 - b. The BOARD shall contribute \$622,750 toward the LOCAL MATCH.
 - c. The COMMUNITY shall advance \$2,000,000 toward the LOCAL MATCH.
 - d. Any PROJECT costs above the Tri-Party Program funding of \$300,163, the BOARD contribution of \$622,750, and the COMMUNITY NHPP advance construct of \$2,000,000 will be funded 100% by the BOARD.
4. Upon execution of this agreement, the BOARD shall submit an invoice to the COMMUNITY in the amount of \$1,050,027 (being 50% of the COMMUNITY'S Tri-Party contribution and 50% of the COMMUNITY'S NHPP advance).
5. After execution of this agreement and approval by the COUNTY, the BOARD shall submit an invoice to the COUNTY in the amount of \$100,054 (being 100% of the COUNTY'S Tri-Party contribution).

- a. The invoice shall be sent to:

Lynn Sonkiss, Manager of Fiscal Services
Executive Office Building
2100 Pontiac Lake Road, Building 41 West
Waterford, MI 48328

6. As costs of the PROJECT are incurred, the BOARD shall invoice the COMMUNITY for the remaining 50% of the COMMUNITY'S total contribution, not exceed \$1,050,027.
7. The BOARD shall reimburse the COMMUNITY a total of \$2,000,000 in FY2015 for advance constructing \$1,600,000 in National Highway Performance Program funds and \$400,000 in required local match. The BOARD reimbursement to the COMMUNITY will take place after the conversion of federal funds in FY2015.
8. 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.
9. Upon receipt of said invoice(s), the COMMUNITY and the COUNTY 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 _____

EXHIBIT A
TRI-PARTY PROGRAM
2014 NHPP/Tri-Party Concrete Replacement
Big Beaver Road
Adams Road to Civic Center Drive
City of Troy
Board Project No. 52201

Concrete slab replacement on Big Beaver Road from Adams Road to Civic Center Drive.
 Construction schedule is July/August 2014.

ESTIMATED PROJECT COST

Contractor Payments	\$2,663,913
Preliminary Engineering	\$175,000
Construction Engineering	\$375,000
Less Federal Funds	<u>\$291,000</u>
Total Estimated Local Share	<u><u>\$2,922,913</u></u>

COST PARTICIPATION BREAKDOWN

	COMMUNITY	COUNTY	BOARD	TOTAL
FY14 Tri-Party Program	\$100,054	\$100,054	\$100,055	\$300,163
Contribution	\$0	\$0	\$622,750	\$622,750
NHPP Advance Construct	\$2,000,000	\$0	\$0	\$2,000,000
TOTAL SHARES	\$2,100,054	\$100,054	\$722,805	\$2,922,913