



CITY COUNCIL ACTION REPORT

February 19, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian Murphy, Assistant City Manager/Economic Development Services
Steve Vandette, City Engineer *SV*

SUBJECT: Allocation of 2007 Tri-Party Program Funds and Cost Participation Agreement
Livernois, Maple to Big Beaver – Project No. 07.101.5

Background:

- Tri-Party Program funds can only be used to improve County roads within the City of Troy.
- Livernois, Maple to Big Beaver is in extremely poor condition and generates numerous complaints to the city, even though it is a County road.
- The city proposes to reconstruct this section of Livernois using a method called "Crack & Seal" with a three (3) inch asphalt overlay during the summer of 2007.
- A future Clawson project on Livernois (Main St.) from Lincoln (in Clawson) to Maple Road (in Troy) has been approved for federal funding and Clawson is moving ahead to advance construct the project in the spring of 2008.

Financial Considerations:

- The City of Troy allotment for the 2007 Tri-Party Program is \$544,993 with one-third (1/3) or \$181,665 of the allotment being the City's share.
- The Board of Road Commissioners for the County of Oakland (Board) and the Oakland County Board of Commissioners (County) accounts for the remaining two-thirds (2/3) or \$363,328.
- Additional Tri-Party Program funds for FY 2008 are also to be used in the amount of \$188,707 to be divided one-third (1/3) by the City or \$62,901 with the remaining two-thirds (2/3) or \$125,806 to be split by the Board and County.
- The Board has offered to donate the construction engineering services to the project at no cost to the city at an estimated cost of \$100,500.
- Funds for the City of Troy's share of the project are included in the 2006-07 and proposed 2007-08 Major Road fund, account number 401479.7989.071015.

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.

Policy Considerations:

- Rehabilitation of Livernois Road will provide a safer, more aesthetically pleasing section of road (Goal I).
- The use of Tri-Party Program Funds reduces the cost to each agency for the project (Goal II).
- Good roads are a vital part of maintaining and attracting businesses and residents to the city (Goal III & V).

Options:

- The Council can approve the suggested resolution.
- The Council can amend the suggested resolution.
- The Council can postpone action pending additional information.
- The Council can reject the suggested resolution and direct staff to solicit proposals for these services.



QUALITY LIFE THROUGH GOOD ROADS:
ROAD COMMISSION FOR OAKLAND COUNTY
"WE CARE"

Board of Road Commissioners

Rudy D. Lozano
Chairman

Larry P. Crake
Vice-Chairman

Richard G. Skarritt
Commissioner

Brent O. Bair
Managing Director

Dennis G. Kolar
Deputy Managing Director
County Highway Engineer

Engineering Department

31001 Lahser Road
Beverly Hills, MI
48025

248-645-2000

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248-645-0618

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248-645-9923

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February 21, 2007

Mr. William J. Huotari, P.E.
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084-5285

RE: Livernois Road Resurfacing
Local Cost Participation Agreement
RCOC Project No. 49021

Dear Mr. Huotari:

Enclosed for your review and approval are two original sets of the local cost participation agreement for the above referenced project with the language revisions per your request.

Please arrange for signatures but do not date all original sets and forward signed agreements to me. Our Board will return a fully executed original to you after action.

Please call me at 248 645-2000, extension 2213, if you should have any questions.

Respectfully,

Sina Escoe

Sina Escoe, Engineering Aide
Programming Division
sescoc@rcoc.org

Enclosures (2)

RECEIVED
FEB 22 2007
ENGINEERING

COST PARTICIPATION AGREEMENT

LIVERNOIS ROAD
Maple Road to Big Beaver Road
City of Troy

BOARD Project Number 49021

This Agreement, made and entered into this _____ day of _____, 2007, 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 have programmed the resurfacing of Livernois Road from Maple Road to Big Beaver Road, 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 \$833,750; and

WHEREAS, portions of said PROJECT costs involve certain designated and approved funding in accordance with the Tri-Party Program in the amount of \$733,700, which amount 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, the BOARD and the COMMUNITY have reached a mutual understanding regarding the cost sharing of the PROJECT 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 shall forthwith undertake and complete the PROJECT, as above described, under Road Commission for Oakland County permit; and shall perform or cause to be performed all preliminary engineering services and administration in reference thereto. The BOARD shall perform the inspection for the PROJECT.

2. The actual total cost of the PROJECT may include total payments to the contractor, preliminary engineering costs, construction and permanent traffic controls, permit fee(s), and right of way acquisition costs, if applicable. In accordance with the guidelines of the Tri-Party Program, the maximum reimbursable amount to be charged for the cost of preliminary engineering services shall not exceed 10% of the total payments to the contractor.
3. The COMMUNITY shall comply with the provisions as setforth in Exhibit B attached hereto.
4. The estimated total PROJECT cost of \$833,750 shall be funded as detailed below:
 - a. The estimated total amount from the Tri-Party Program is \$733,700. Of this amount, \$188,707 is proposed from the 2008 Tri-Party Program.
 - b. The BOARD shall donate the construction engineering services to the PROJECT at no expense to the COMMUNITY, estimated to cost \$100,050.
 - c. The BOARD shall administer the payments toward the PROJECT cost for the COUNTY'S Tri-Party contribution, along with the BOARD'S Tri-Party contribution in an amount equal thereto.
 - d. The COMMUNITY shall invoice the BOARD for any cost overages associated with the PROJECT in excess of the amount programmed herein based on the actual Tri-Party Program allocation to the COMMUNITY in the 2007 and the 2008 Tri-Party Program. These overages, if any, shall be eligible for reimbursement using 2008 Tri-Party Program funds when available up to the amount of the COMMUNITY'S actual 2008 Tri-Party Program allocation. The COMMUNITY agrees that any cost overages exceeding the actual 2008 Tri-Party Program allocation will be funded 100% by the COMMUNITY.
5. Upon execution of this Agreement, the COMMUNITY shall submit an invoice to the BOARD for \$244,567 as initial payment to the PROJECT, described as follows:

50% of the BOARD'S total Tri-Party contribution to the PROJECT	\$122,283.50
50% of the COUNTY'S total Tri-Party contribution to the PROJECT	122,283.50
Total Initial Payment	\$244,567.00

6. The COMMUNITY shall determine the final total PROJECT cost and submit to the BOARD for reimbursement following the implementation of the 2008 Tri-Party Program along with following required documents:
 - a. A cover letter originated by the COMMUNITY certifying that the PROJECT is now complete.
 - b. A copy of the FINAL payment estimate paid to the contractor.
 - c. A summary of the total preliminary engineering costs charged to the PROJECT.
 - d. An invoice reflecting the total remaining balance due for the BOARD'S share and the COUNTY'S share of the final PROJECT costs.
 - e. One copy of the complete set of the as-built construction plans containing the adjusted quantities of the PROJECT.

7. The BOARD shall submit payment in the full amount thereof of said invoice(s) 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

TRI-PARTY PROGRAM

2007

County Supported Road Improvements

In The

City of Troy

<u>Project No.</u>	<u>Location</u>	<u>Type of Work</u>
49021	Livernois Road Maple Rd. to Big Beaver Rd	Crack & seating of the existing 5-lane concrete pavement and resurfacing With 3"HMA overlay

TOTAL ESTIMATED PROJECT COST

Preliminary Engineering (10% of contractor payments)	\$ 66,700
Contractor Payments	667,000
Construction Engineering (15% of contractor payments)	100,050
Total Estimated Project Cost	\$833,750

COST PARTICIPATION BREAKDOWN

	COMMUNITY	BOARD	COUNTY	TOTAL
2007 Tri-Party Program	\$181,665	181,664	181,664	\$544,993
Partial 2008 Tri-Party Program	62,901	62,903	62,903	188,707
Construction Engineering (Donated by the BOARD)	0	100,050	0	100,050
TOTAL SHARE(S)	\$244,566	\$344,617	\$244,567	\$833,750

Exhibit B PROVISIONS

Bidding: The COMMUNITY shall select the contractor for its share of the work, on a competitive basis by advertising for sealed bids in accordance with its established practices.

Bonds – Insurance: The COMMUNITY shall require the contractor provide payment and performance bonds for the PROJECT; said bonds to be in compliance with the provisions of 1963 PA 213 as amended, compiled at MCL 129.201, et seq.

Further the COMMUNITY shall require the contractor to provide insurance naming the BOARD and the Road Commission for Oakland County as additional named insureds. Coverages shall be substantial

Records: The parties shall keep records of their expenses regarding the PROJECT in accordance with generally accepted accounting procedures, and shall make said records available to the other during business hours upon request giving reasonable notice. Such records shall be kept for three (3) years from final payment.

Final costs shall be allocated after audit of the records and adjustments in payments shall be invoiced and paid within thirty (30) days thereafter.

EEO: The COMMUNITY shall require its contractor to specifically agree that it will comply with any and all applicable State, Federal, and Local statutes ordinances, and regulations, and with RCOC regulations during performance of the SERVICES and will require compliance of all subcontractors and subconsultants.

In accordance with Michigan 1976 PA 453, the COMMUNITY hereto agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, because of race, color, religion, national origin, age, sex, height, weight or marital status. Further, in accordance with Michigan 1976 PA No. 220, as amended, the parties hereby agree not to discriminate against an 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 a disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

The COMMUNITY further agrees that it will require all subconsultants and subcontractors for this PROJECT comply with this provision.

Governmental Function, Scope: It is declared that the work performed under this AGREEMENT is a governmental function. It is the intention of the parties hereto that this AGREEMENT shall not be construed to waive the defense of governmental immunity held by the RCOC, and the COMMUNITY.

Third Parties: **This AGREEMENT is not for the benefit of any third party.**