

CITY COUNCIL ACTION REPORT

Date: July 16, 2014

To: Brian Kischnick, City Manager

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

Subject: Cost Participation Agreement - Concrete Slab Replacements on Northbound Dequindre, Approximately 600 feet North & South of the Maple/Dequindre Intersection

History:

Dequindre Road, from Big Beaver to 14 Mile, is included in the \$10.5M Troy Roads Rock (TR2) program. The work on the Troy side of Dequindre is in the southbound and center turn lanes. Dequindre is the last road that will receive work under the City's portion of the program using Dilisio Contracting.

The pavement on northbound Dequindre in Sterling Heights, north and south of Maple Road (excluding the intersection), is in very poor condition. The Road Commission for Oakland County (RCOC) requested that the concrete work shown on the attached aerial be included in the City's work at RCOC cost. This is the best time to do this work since a contractor will only need to be out there one time to finish all the needed work on Dequindre.

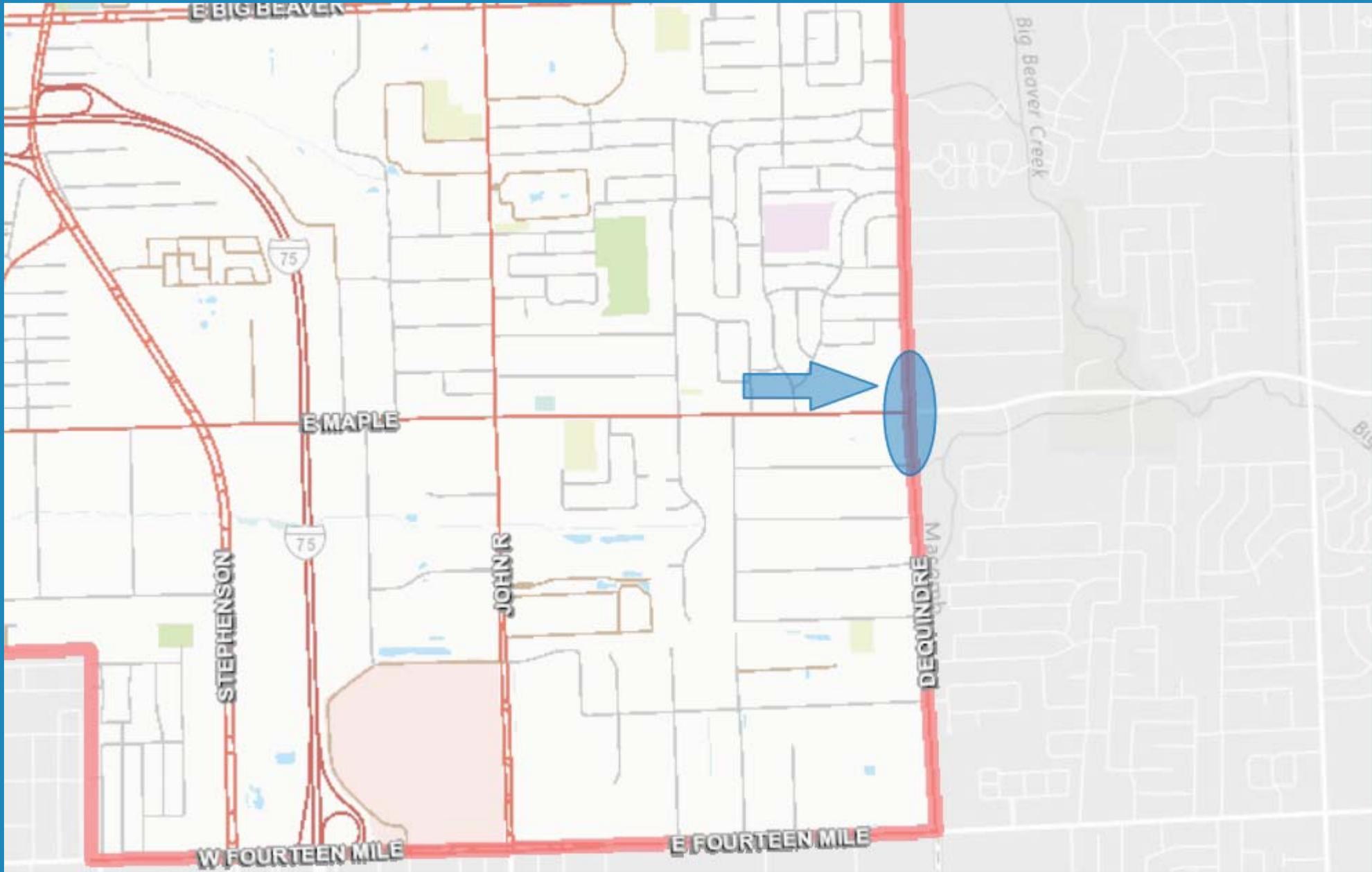
The RCOC is performing construction inspection for all of the concrete pavement replacement work under the TR2 program and will be providing the inspection on this work as well.

Financial:

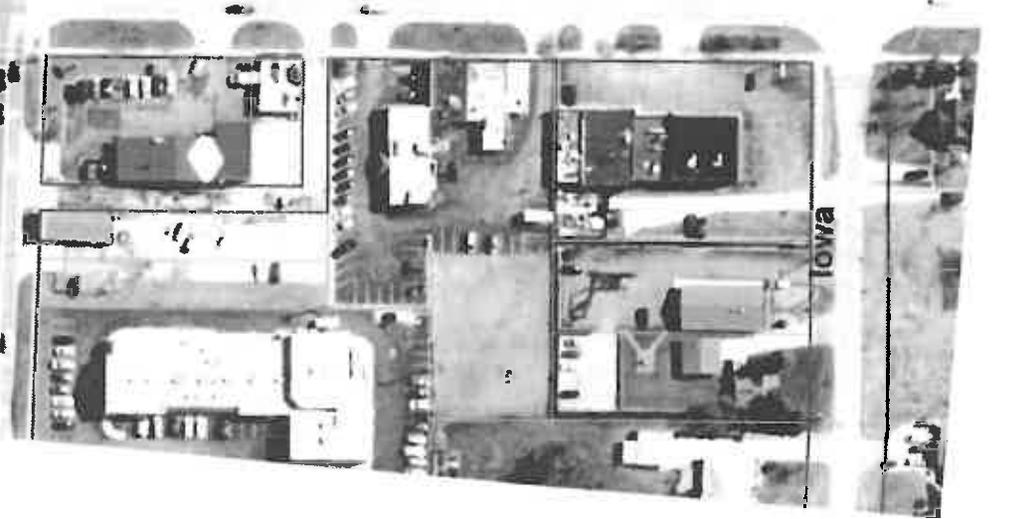
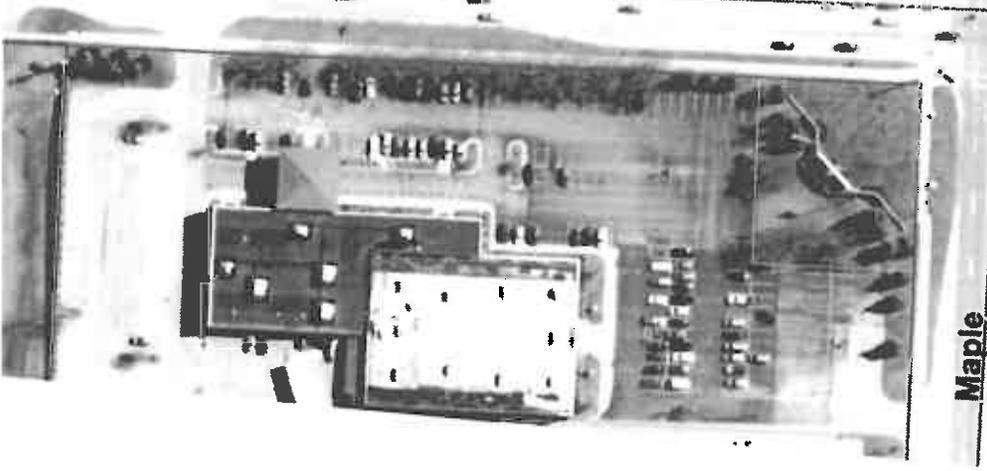
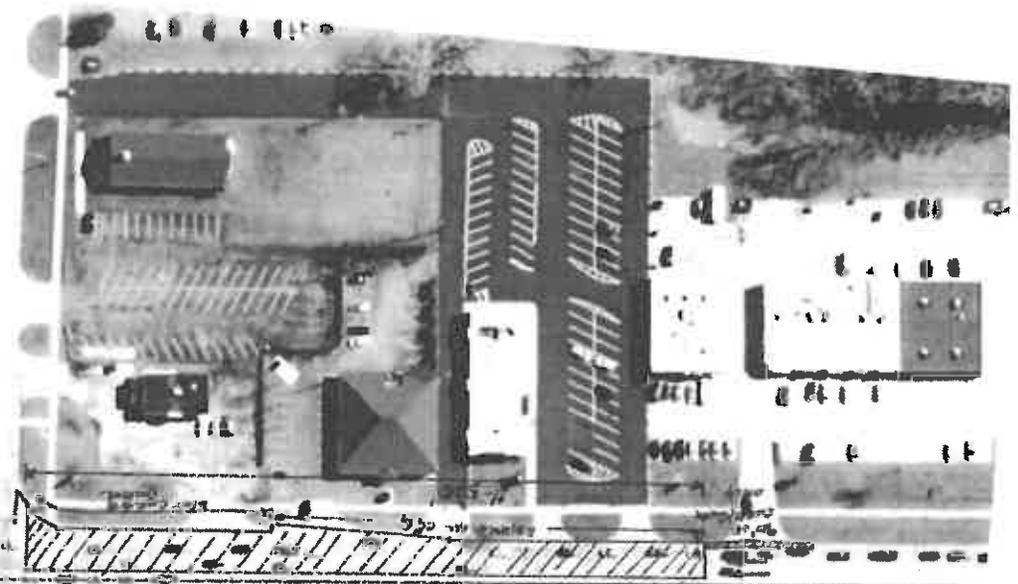
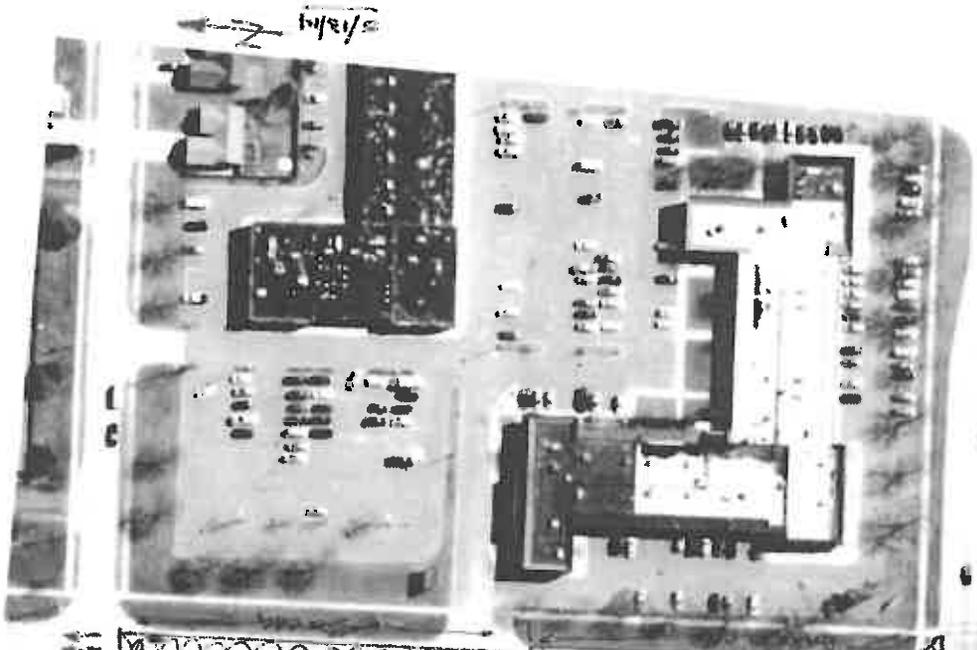
The Cost Participation Agreement makes \$200,000 available to the City for this work. The funds will be available to Troy prior to the work starting so that the City will not be financing the work and then requesting reimbursement. Upon execution of the agreement, Troy will invoice the RCOC for 100% of the cost and the RCOC will submit payment in the amount of \$200,000 to Troy.

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 Dequindre Road, South of Maple Road to North of Maple Road work at no cost to the City of Troy. Furthermore, staff recommends that the Mayor and City Clerk be authorized to execute the agreements.



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.



COST PARTICIPATION AGREEMENT
CONSTRUCTION
Dequindre Road
South of Maple Road to North of Maple Road
City of Troy
Board Project No. 52471

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 have programmed the concrete replacement on Dequindre Road from south of Maple Road to north of Maple 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 \$200,000; 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.
2. The actual total cost of the PROJECT shall include total payments to the contractor.

3. The COMMUNITY shall comply with the provisions as set forth in Exhibit "B" attached hereto.
4. The COMMUNITY shall comply with the liability and insurance requirements as set forth in Exhibit "C" attached hereto.
5. The estimated total PROJECT cost of \$200,000 shall be funded entirely by the BOARD.
6. Upon execution of this agreement, the COMMUNITY shall submit an invoice to the BOARD for \$200,000 (being 100% of the BOARD'S contribution). The invoice shall be sent to:

Ms. Julie Enders, Engineering Aide
Road Commission for Oakland County
31001 Lahser Road
Beverly Hills, MI 48025

7. Within 90 days of completion of the PROJECT, the COMMUNITY shall submit to the BOARD the following:
 - a. A cover letter originated by the COMMUNITY certifying that the PROJECT is now complete.

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
Dequindre Road
South of Maple Road to North of Maple Road
City of Troy
Board Project No. 52471

Concrete replacement on Dequindre Road south of Maple Road to north of Maple Road.

ESTIMATED PROJECT COST

Contractor Payments	<u>\$200,000</u>
Total Estimated Project Cost	<u><u>\$200,000</u></u>

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 Road Commission for Oakland County as additional named insured's. Coverage's shall be substantial as set forth in Exhibit "C", attached hereto.

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.

**EXHIBIT C
LIABILITY AND INSURANCE REQUIREMENTS**

Hold Harmless Agreement: The Contractor shall hold harmless, represent, defend and indemnify the Board of County Road Commissioners of Oakland County, the Road Commission for Oakland County, its officers and employees; the County of Oakland; the Water Resources Drain Commissioner and relevant drainage district(s), if applicable; the Michigan State Transportation Commission; the Michigan Department of Transportation; and the local unit(s) of government, within which the Project is located against all claims for damages to public or private property, for injuries to persons, or for other claims arising out of the performance or non-performance of the contracted work, whether during the progress or after the completion thereof.

Insurance Coverage: The Contractor, prior to execution of the contract, shall file with the Road Commission for Oakland County, copies of complete certificates of insurance as evidence that he carries adequate insurance satisfactory to the Board. Insurance coverage shall be provided in accordance with the following:

- a. **Workmen's Compensation Insurance:** To provide protection for the Contractor's employees, to the statutory limits of the State of Michigan and \$500,000 employer's liability. The indemnification obligation under this section shall not be limited in any ways by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor under worker's disability compensation coverage established by law.
- b. **Bodily Injury and Property Damage Other than Automobile:** 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 operations for one year after completion of the work.

1.	Bodily Injury Liability	or:	Single Limit: Bodily Injury and Property Damage
	Each Person: \$1,000,000		Each Occurrence: \$1,000,000
	Each Occurrence \$1,000,000		Aggregate: \$2,000,000
	Aggregate \$2,000,000		

Property Damage Liability:
Each Occurrence: \$250,000
Aggregate: \$250,000

Such insurance shall include: 1) explosion, collapse, and underground damage hazards (x,c,u), which shall include, but not be limited to coverage for (a) underground damage to facilities due to drilling and excavating with mechanical equipment; and (b) collapse or structural injury to structures due to blasting or explosion,

excavation, tunneling, pile driving, cofferdam work, or building moving or demolition; (2) products and completed operations; (3) contractual liability; and (4) independent contractors coverage.

2. Bodily Injury Liability and Property Damage Liability - Automobiles (Comprehensive Auto Liability).

The minimum limits of bodily injury liability and property damage liability shall be:

Bodily Injury Liability	or	Single Limit: Bodily Injury and Property Damage Liability
Each Person	\$500,000	Each Occurrence: \$2,000,000
Each Occurrence	\$1,000,000	

Property Damage Liability:
Each Occurrence: \$1,000,000

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

- c. Excess and Umbrellas Insurance – The Contractor 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.
- d. The Contractor shall provide for and on behalf of the Road Commission for Oakland County and all agencies specified by the Road Commission, as their interest may appear, Owner's Protective Public Liability Insurance. Such insurance shall provide coverage and limits the same as the Contractor's Public Liability Insurance.
- e. Notice – The Contractor shall not cancel, renew, 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 shall include an endorsement whereby the insurer shall agree to notify the Road Commission for Oakland County immediately of any reduction by the Contractor. The Contractor 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 Contractor cannot secure the required insurance within 30 days, the Board reserves the right to terminate the Contract.
- f. Reports – The Contractor or his insurance carrier shall immediately report all claims received which relate to the Contract, and shall also report claims investigations made, and disposition of claims to the County Highway Engineer.