



## CITY COUNCIL ACTION REPORT

Date: September 4, 2014

To: Brian Kischnick, City Manager

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

Subject: Cost Participation Agreement – Additional Work  
Concrete Slab Replacement on Crooks Road, Wattles to Square Lake

### **History:**

Crooks Road from Wattles to Square Lake is included in the \$10.5M Troy Roads Rock (TR2) program. The work on Crooks Road is financed primarily by \$1,000,000 in State Roads and Risk Reserve (RRR) funds that were allocated to the Road Commission for Oakland County (RCOC). The State funds are capped at this amount.

The bid for the Crooks Road work was prepared and let by the RCOC. The low bid of \$1,297,131 submitted by Major Cement exceeded all available state funding. The RCOC is absorbing \$297,131 to cover the additional cost above the programmed \$1,000,000. They are currently amending their Road Improvement Program budget to include this cost.

The contractor began sawcutting pavement on August 28, shortly after the RCOC had marked out pavement replacement areas along Crooks Road. City staff identified much needed additional work areas ahead of the contractor's sawcutting operation, which were not marked. The additional work areas are primarily at the intersections of Crooks at Square Lake and Crooks at Long Lake. The City contacted the RCOC about adding the work in real time, as the sawcutting was quickly moving through the project. Additional pavement areas were marked, as approved by City Administration, and the contractor proceed uninterrupted with the sawcutting. The City and the RCOC informally agreed to proceed with the added work, while a Cost Participation Agreement was being drafted. This Agreement was completed last week and is ready for ratification.

The RCOC agreed to add additional work, as identified by the City, if we agreed to contribute the estimated \$100,000 needed to include this work in the project. The RCOC agreed they would finance the contract overage of \$297,131 beyond the available State funds. Since the RCOC has not formally amended their budget, the attached agreement identifies only the \$1,000,000 in RRR funds available plus the \$100,000 in City funds for the additional work.

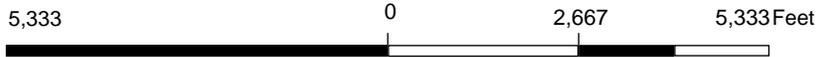
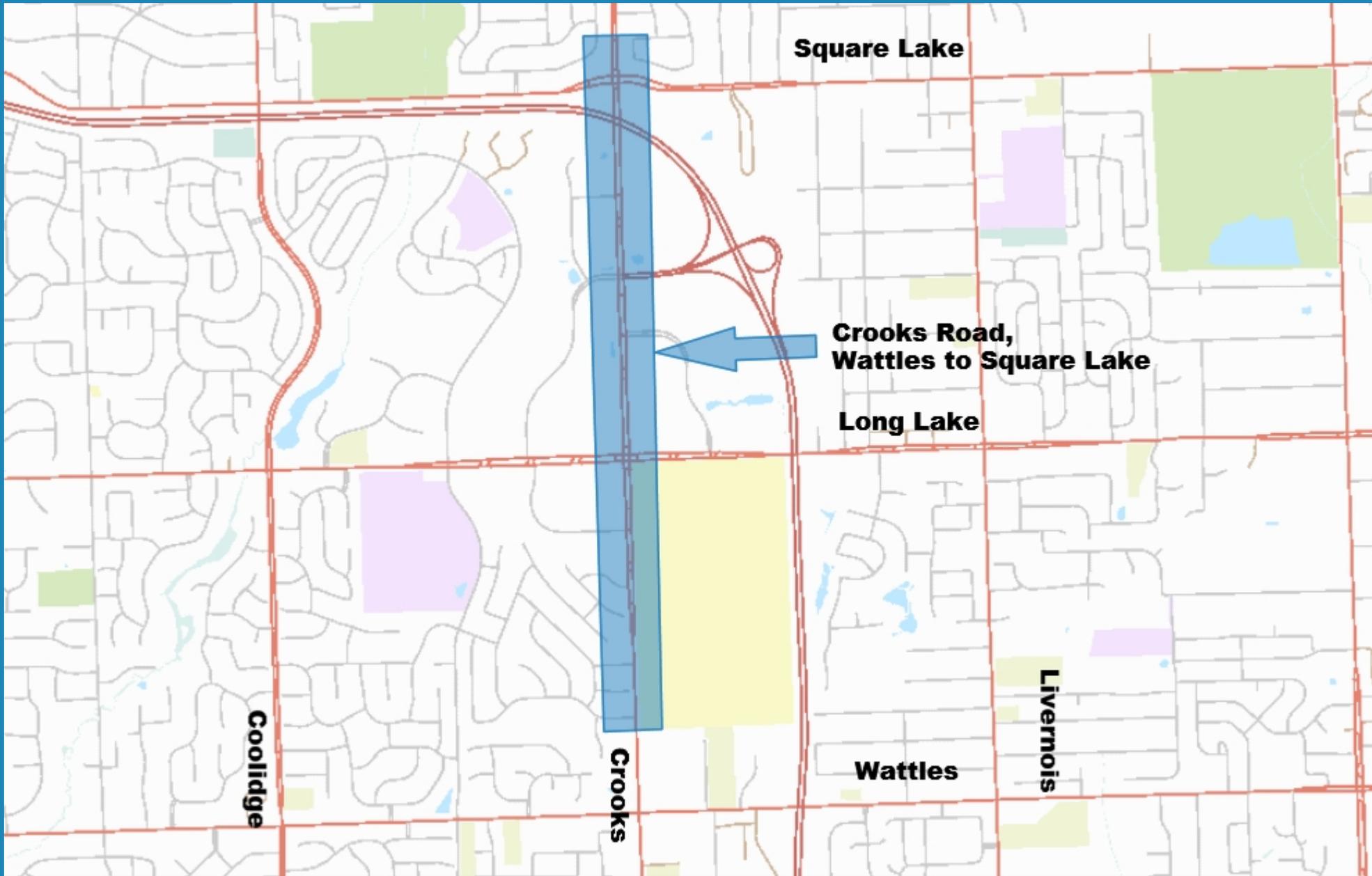
The RCOC is performing construction inspection for all of the concrete pavement replacement work under the TR2 program and will be providing the inspection for the additional work identified on Crooks Road as well.

**Financial:**

The Cost Participation Agreement makes \$100,000 available to the RCOC for additional work on Crooks Road. Upon execution of the agreement, the RCOC will invoice the City for 100% of the cost of the additional work.

**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 additional work on Crooks Road, from Wattles Road to Square Lake Road in the amount of \$100,000. 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**

**ADDITIONAL WORK**

**Crooks Road**

**Wattles Road to Square Lake Road**

**City of Troy**

**Board Project No. 52271**

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 Michigan Department of Transportation, hereinafter referred to as MDOT, have programmed various concrete slab replacement on Crooks Road from Wattles Road to Square Lake Road, 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 \$1,100,000; and

WHEREAS, the BOARD entered into a contract with MDOT for partial funding of the PROJECT with state program dollars under the Road and Risk Reserve Program in the amount of \$1,000,000; and

WHEREAS, the BOARD, as the requesting party therein, is the party financially responsible to MDOT to bear all costs of the PROJECT in excess of federal funds; and

WHEREAS, the COMMUNITY desires ADDITIONAL WORK to be completed as part of the PROJECT in the amount of \$100,000; and

WHEREAS, all the parties hereto have reached a mutual understanding regarding the cost sharing for the ADDITIONAL WORK 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 ADDITIONAL WORK requested shall be funded entirely by the COMMUNITY.
2. Upon execution of this agreement, the BOARD shall submit an invoice to the COMMUNITY in the amount of \$100,000 (being 100% of the ADDITIONAL WORK).

a. The invoice shall be sent to:

Lisa Burnham, Accounting Manager  
Finance Department  
City of Troy  
500 West Big Beaver  
Troy, MI 48084

3. The total actual ADDITIONAL WORK 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 COMMUNITY funds used on the PROJECT. Final adjustments in the financial obligations of the parties hereto will be made upon completion of the required audits.
4. 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 \_\_\_\_\_