



## CITY COUNCIL ACTION REPORT

Date: February 29, 2016

To: Brian Kischnick, City Manager

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

Subject: Cost Participation Agreement for Road Work on  
South Boulevard, Livernois to Rochester Road  
Project No. 15.116.5

### **History:**

The Cost Participation agreement between the Board of County Road Commissioners (Board) and the City of Troy fixes the rights and obligations of each agency for a joint road construction project on South Boulevard, from east of Livernois to east of Rochester Road.

Rochester Hills will execute a separate Cost Participation Agreement with the Board for their share of the estimated project cost.

This project will reconstruct the intersection of South Boulevard and Rochester Road with concrete, upgrade the traffic signal, mill (grind off) a portion of the South Boulevard pavement and overlay it with asphalt, between Livernois and Rochester and remove and replace concrete pavement north of South Boulevard.

The agreement has been divided into four segments, as follows:

**Part A:** Resurfacing on South Boulevard from east of Livernois Road to east of Rochester Road including the reconstruction of the Rochester Road at South Boulevard intersection.

**Part B:** Right-turn lane on eastbound South Boulevard.

**Part C:** Traffic signal on South Boulevard at Rochester Road.

**Part D:** Concrete repair on Rochester Road north of South Boulevard.

To facilitate and expedite replacement of the intersection, South Boulevard will be closed to through traffic at Rochester Road. The detour routes for eastbound and westbound South Boulevard through traffic will be Livernois and John R Roads to Square Lake Road.

One lane of northbound and southbound through traffic will be maintained on Rochester Road during the intersection reconstruction. There will be no turns from Rochester Road to South Boulevard throughout the intersection work.

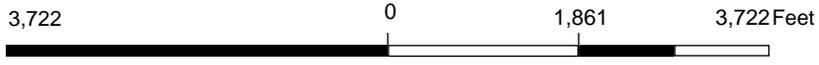
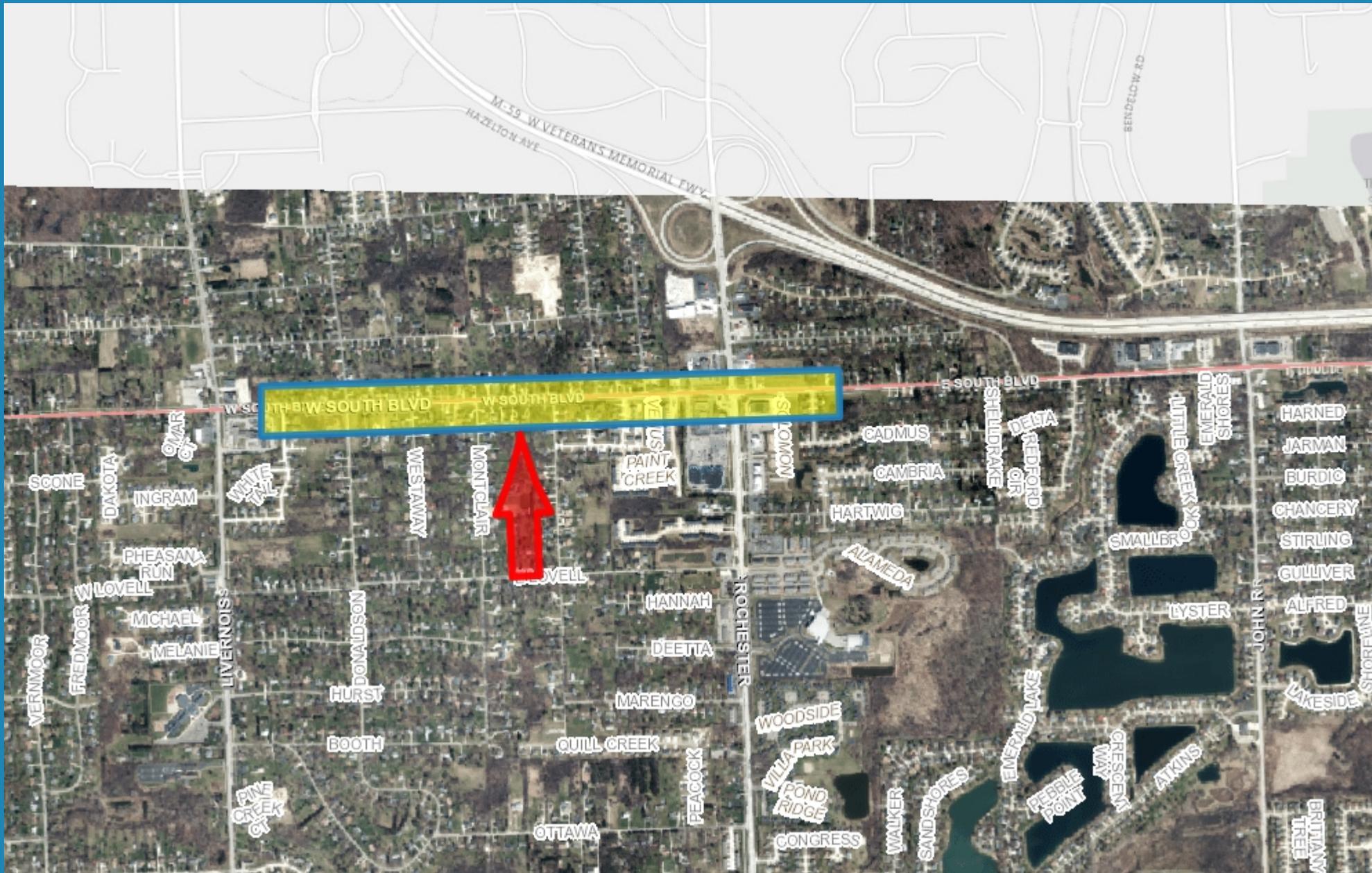
South Boulevard is anticipated to close at Rochester Road after Memorial Day and be open to traffic prior to July 4<sup>th</sup>. The entire project is anticipated to be complete by the end of July.

**Financial:**

The estimated total project cost is \$3,475,000. Exhibit A provides details as to each agencies distribution of project costs. Troy's share of the project is estimated at \$1,009,000 and is comprised of our contribution towards work included in Part A, B and C. Part D is paid for entirely by the Board. Funds for the City of Troy's share are included in the budget for 2016 and 2017 in the Major Road fund.

**Recommendation:**

Staff recommends that City Council approve the attached Cost Participation Agreement between the City of Troy and the Board of County Road Commissioners for Oakland County for the reconstruction of South Boulevard, from east of Livernois to east of Rochester Road in the amount of \$3,475,000 with the City of Troy share estimated at \$1,009,000. 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**

### **CONSTRUCTION**

South Boulevard

East of Livernois Road to East of Rochester Road

City of Troy

Board Project No. 53171

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the Board of County Road Commissioners of the County of Oakland, Michigan, hereinafter referred to as the BOARD, and the City of Troy, hereinafter referred to as TROY, provides as follows:

WHEREAS, the BOARD, TROY, and the City of Rochester Hills, hereinafter referred to as ROCHESTER HILLS, have programmed the resurfacing and intersection improvements on South Boulevard from east of Livernois Road to east of Rochester 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 ROCHESTER HILLS and TROY, which improvements are hereinafter referred to as the PROJECT; and

WHEREAS, for purposes of identification and funding, the PROJECT has been divided into four segments, as follows:

Part A: Resurfacing on South Boulevard from east of Livernois Road to east of Rochester Road including the reconstruction of the Rochester Road at South Boulevard intersection.

Part B: Right-turn lane on eastbound South Boulevard.

Part C: Traffic signal on South Boulevard at Rochester Road.

Part D: Concrete repair on Rochester Road north of South Boulevard.

WHEREAS, the estimated total cost of the PROJECT is \$3,475,000; and

WHEREAS, all the parties hereto have reached a mutual understanding regarding the cost sharing for 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 TROY and the BOARD that:

1. ROCHESTER HILLS and TROY approve of the PROJECT, declare its public necessity, and authorizes the BOARD 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, right-of-way acquisition, construction engineering, and total payments to the contractor.
3. The estimated total PROJECT cost is \$3,475,000 and shall be funded as follows:

PART A – Resurfacing on South Boulevard/Reconstruction of Rochester Road at South Boulevard intersection: All preliminary engineering costs and any overages associated with PART A of the PROJECT, estimated in the amount of \$200,100, shall be funded entirely by TROY. All construction engineering costs and any overages associated with PART A of the PROJECT, estimated in the amount of \$300,150, shall be funded entirely by the BOARD. All construction costs and any overages associated with PART A of the PROJECT, estimated in the amount of \$2,001,000, shall be shared equally between the BOARD, ROCHESTER HILLS, and TROY.

PART B – Right-turn lane on eastbound South Boulevard: All preliminary engineering costs and any overages associated with PART B of the PROJECT, estimated in the amount of \$9,900, shall be funded entirely by TROY. All right-of-way acquisition costs and any overages associated with PART B of the PROJECT, estimated in the amount of \$100,000, shall be shared equally between the BOARD and TROY. All construction engineering costs and any overages associated with PART B of the PROJECT, estimated in the amount of \$14,850, shall be funded entirely by the BOARD. All construction costs and any overages associated with PART B of the PROJECT,

estimated in the amount of \$99,000, shall be shared equally between the BOARD, ROCHESTER HILLS, and TROY.

PART C – Traffic signal at South Boulevard at Rochester Road: All preliminary engineering costs and any overages associated with PART C of the PROJECT, estimated in the amount of \$14,000, shall be funded entirely by TROY. All construction engineering costs and any overages associated with PART C of the PROJECT, estimated in the amount of \$21,000, shall be funded entirely by the BOARD. All construction costs and any overages associated with PART C of the PROJECT, estimated in the amount of \$140,000, shall be shared on a 75%/25% ratio between the BOARD and TROY, respectively.

PART D – Concrete repair on Rochester Road north of South Boulevard: All preliminary engineering, constructing engineering (estimated in the amount of \$75,000), and contractor payments associated (estimated in the amount of \$500,000) with PART D of the PROJECT shall be funded entirely by the BOARD including any overages.

4. Upon execution of this agreement, the BOARD shall submit an invoice to TROY in the amount of \$392,500 (being 50% of TROY'S estimated contribution for right-of-way acquisition and construction).
5. As costs of the PROJECT are incurred, the BOARD shall invoice TROY for the remaining 50% of their total contribution.
6. Upon receipt of said invoice(s), TROY shall pay to the BOARD the full amount thereof, within thirty (30) days of such receipt.
7. The BOARD shall execute a separate Cost Participation Agreement with ROCHESTER HILLS, for their share of the estimated PROJECT cost.

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**

South Boulevard  
East of Livernois Road to East of Rochester Road  
City of Troy  
Project No. 53171

Resurfacing of South Boulevard from east of Livernois Road to east of Rochester Road including the reconstruction of the Rochester Road at South Boulevard intersection, the addition of a right-turn lane on eastbound South Boulevard at Rochester Road, new traffic signal at South Boulevard at Rochester Road, and concrete pavement repair on Rochester Road north of South Boulevard.

| <b>ESTIMATED PROJECT COST</b> |                    |                  |                  |                  |                    |
|-------------------------------|--------------------|------------------|------------------|------------------|--------------------|
|                               | Part A             | Part B           | Part C           | Part D           | Total              |
| Preliminary Engineering*      | \$200,100          | \$9,900          | \$14,000         | RCOC             | \$224,000          |
| Right-of-Way Acquisition      | \$0                | \$100,000        | \$0              | \$0              | \$100,000          |
| Construction Engineering**    | \$300,150          | \$14,850         | \$21,000         | \$75,000         | \$411,000          |
| Construction                  | \$2,001,000        | \$99,000         | \$140,000        | \$500,000        | \$2,740,000        |
| <b>TOTAL ESTIMATED COST</b>   | <b>\$2,501,250</b> | <b>\$223,750</b> | <b>\$175,000</b> | <b>\$575,000</b> | <b>\$3,475,000</b> |

\* PE for Part A, Part B, and Part C funded and administered by TROY (not to be invoiced as part of project).

\*\*CE for Part A, Part B, Part C, and Part D funded and administered by the BOARD (not to be invoiced as part of project).

| <b>DISTRIBUTION OF PROJECT COSTS</b> |                    |                  |                  |                  |                    |
|--------------------------------------|--------------------|------------------|------------------|------------------|--------------------|
|                                      | Part A             | Part B           | Part C           | Part D           | Total              |
| <u>Board</u>                         |                    |                  |                  |                  |                    |
| - Right of Way                       | \$0                | \$50,000         | \$0              | \$0              | \$50,000           |
| - Construction Engineering           | \$300,150          | \$14,850         | \$21,000         | \$75,000         | \$411,000          |
| - Construction                       | \$667,000          | \$33,000         | \$105,000        | \$500,000        | \$1,305,000        |
| <b>BOARD TOTAL</b>                   | <b>\$967,150</b>   | <b>\$97,850</b>  | <b>\$126,000</b> | <b>\$575,000</b> | <b>\$1,766,000</b> |
| <u>Rochester Hills</u>               |                    |                  |                  |                  |                    |
| - Construction                       | \$667,000          | \$33,000         | \$0              | \$0              | \$700,000          |
| <b>ROCHESTER HILLS TOTAL</b>         | <b>\$667,000</b>   | <b>\$33,000</b>  | <b>\$0</b>       | <b>\$0</b>       | <b>\$700,000</b>   |
| <u>Troy</u>                          |                    |                  |                  |                  |                    |
| - Preliminary Engineering            | \$200,100          | \$9,900          | \$14,000         | RCOC             | \$224,000          |
| - Right of Way                       | \$0                | \$50,000         | \$0              | \$0              | \$50,000           |
| - Construction                       | \$667,000          | \$33,000         | \$35,000         | \$0              | \$735,000          |
| <b>TROY TOTAL</b>                    | <b>\$867,100</b>   | <b>\$92,900</b>  | <b>\$49,000</b>  | <b>\$0</b>       | <b>\$1,009,000</b> |
| <b>TOTAL ESTIMATED COST</b>          | <b>\$2,501,250</b> | <b>\$223,750</b> | <b>\$175,000</b> | <b>\$575,000</b> | <b>\$3,475,000</b> |

| <b>COST PARTICIPATION BREAKDOWN</b> |                  |                    |                    |                  |                    |
|-------------------------------------|------------------|--------------------|--------------------|------------------|--------------------|
|                                     | Rochester Hills  | Troy               | Board              | County           | Total              |
| FY2011 Tri-Party Program            | \$2,708          | \$0                | \$2,709            | \$2,708          | \$8,125            |
| FY2016 Tri-Party Program            | \$159,360        | \$0                | \$159,359          | \$159,360        | \$478,079          |
| Contribution                        | \$213,796        | \$1,009,000        | \$1,766,000        | \$0              | \$2,988,796        |
| <b>TOTAL SHARES</b>                 | <b>\$375,864</b> | <b>\$1,009,000</b> | <b>\$1,928,068</b> | <b>\$162,068</b> | <b>\$3,475,000</b> |