



**CITY OF NOVI CITY COUNCIL
AUGUST 22, 2022**

SUBJECT: Consideration of approval of a cost participation agreement with the Road Commission for Oakland County (RCOC) for the construction associated with the rehabilitation and widening of 10 Mile Road from Meadowbrook Road to Haggerty Road, with the estimated City-share in the amount of \$1,331,676 and a reimbursable advance of fiscal year 2024 federal funds to the RCOC, in the amount of \$1,323,044.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

EXPENDITURE REQUIRED	<p>\$ 455,601.00 Road \$ 199,189.00 Sidewalk <u>\$ 676,886.00 Water Main</u> \$ 1,331,676.00 City Share Total</p> <p>\$ 1,323,044.00 Advance to RCOC of federal funds (reimbursed FY 2024)</p>
AMOUNT BUDGETED	<p>\$ 495,000.00 Road FY 2021-22 BA Rollover \$ 1,210,000.00 Sidewalk FY 2021-22 BA Rollover <u>\$ 680,630.00 Water Main FY 2021-22 BA Rollover</u> \$ 2,385,630.00 Total</p> <p>\$ 4,805,000.00 Advance to RCOC of FY 2024 federal funds</p>
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBER	<p>204-204.00-865.187 Road 204-204.00-974.475 Sidewalk 592-592.00-976.111 Water Main</p> <p>204-204.00-865.187 Road- Advance to RCOC of FY 2024 federal funds</p>

BACKGROUND INFORMATION:

The 10 Mile Road corridor between Meadowbrook Road and Haggerty Road is in need of significant traffic operation improvements. The Road Commission for Oakland County (RCOC) and the City worked together with engineering consultant, OHM Advisors, on a road improvement project, which will include the addition of a continuous center left turn lane, road rehabilitation, drainage, and traffic signal improvements. A mile of sidewalk on the south side and a short segment on the north side of 10 Mile Road will be completed. These segments (80b, 81a, and 81b) have been ranked as a top 3 priority by the Walkable Novi Committee. The project scope also includes the replacement of water main at two culvert crossings and the replacement of all existing asbestos cement (AC) water main within the project limits.

Prior to the design of the project the City worked with the RCOC to reach an agreement on project funding. The RCOC agreed to reserve Federal Aid dollars in their FY2024, with the City choosing to front the costs of the project for advance construction in 2022. Additionally, Tri-Party Funding dollars will be utilized on the project, lowering the overall cost of the project for the City.

The cost participation agreement enclosed is for the construction phase of the 10 Mile Road project and has been favorably reviewed by the City Attorney (Saarela, August 11, 2022). The cost participation agreement consists of two parts:

- Part A – Road Construction (includes water main replacement at culvert crossings)
 - Eligible for federal participation under the Surface Transportation Program.
 - The local share of \$1,366,803 will be shared equally by the Board of County Road Commissioners of Oakland County (Board) and the City.
 - In accordance with the Tri-Party Program, the local share shall be paid through equal contributions by the Board, the City and the Oakland County Board of Commissioners (County).
- Part B – Water Main, Sidewalk and Irrigation
 - Not eligible for federal participation.
 - The Board will contribute 100% of non-participating costs for sprinkler system repair within the project limits.
 - The City will contribute 100% of non-participating costs for water main and sidewalk gap infill within the project limit.

Cost Participation Breakdown

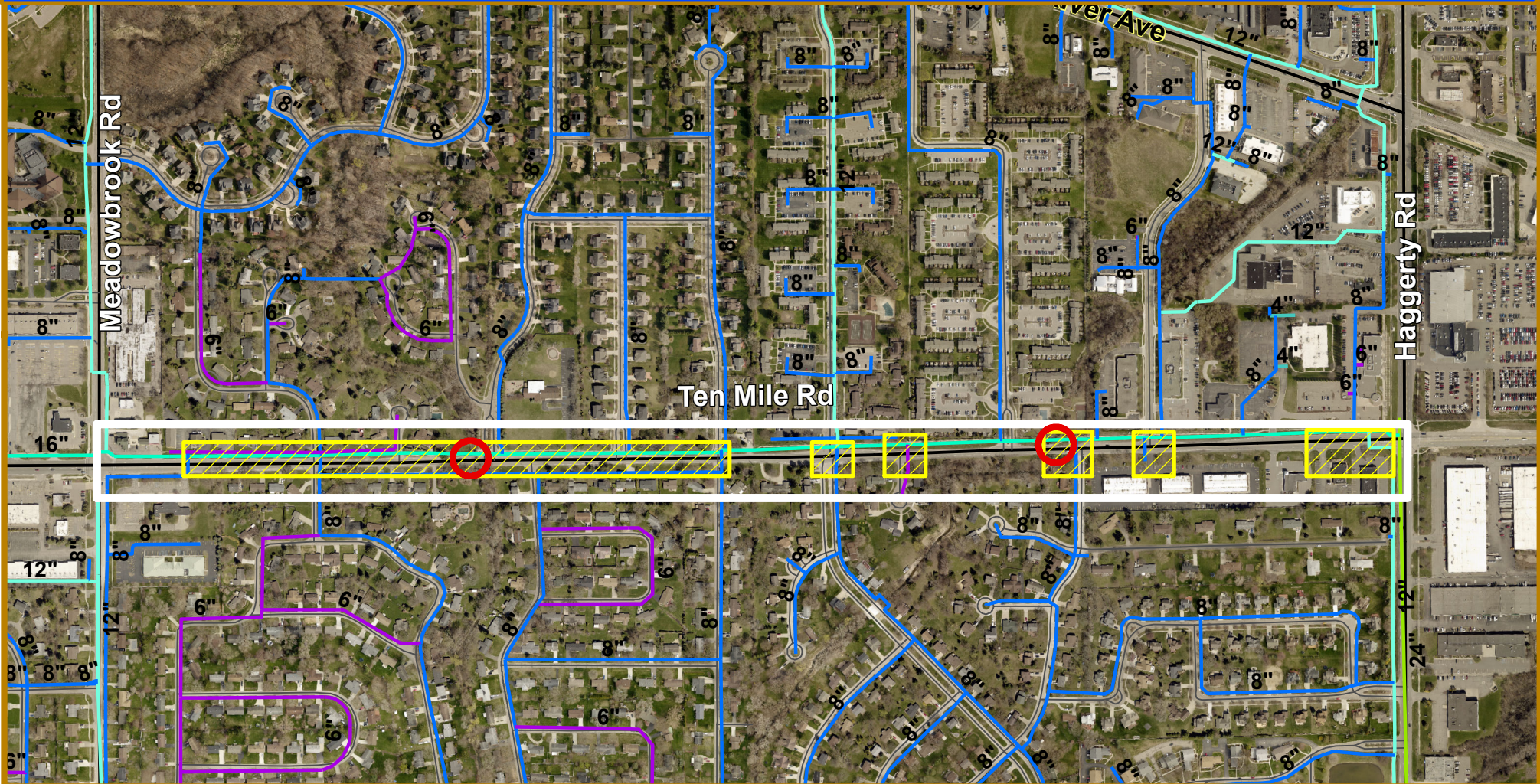
	City of Novi	Oakland County Board of Commissioners	RCOC Board	Total
Tri-Party Program	\$455,601	\$455,601	\$455,601	\$1,336,803
100% Non-Participating Water Main	\$597,403	\$0	\$0	\$597,403
Participating Water Main	\$79,483	\$0	\$0	\$79,483
100% Non-Participating Sidewalk	\$199,189	\$0	\$0	\$199,189

100% Non-Participating Sprinkler System	\$0	\$0	\$72,000	\$72,000
Contribution	\$0	\$0	\$1,366,803	\$1,366,803
Total Shares	\$1,331,676	\$455,601	\$1,894,404	\$3,681,681

Construction is expected to begin the end of August and has an expected completion of November 2023.

RECOMMENDED ACTION: Approval of a cost participation agreement with the Road Commission for Oakland County (RCOC) for the construction associated with the rehabilitation and widening of 10 Mile Road from Meadowbrook Road to Haggerty Road, with the estimated City-share in the amount of \$1,331,676 and a reimbursable advance of fiscal year 2024 federal funds to the RCOC, in the amount of \$1,323,044.

10 Mile Road Improvements (Meadowbrook Road to Haggerty Road)



Map Author: Rebecca Runkel
 Date: 8/11/22
 Project: 10 Mile Road Improvements
 Version #: 1.0

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



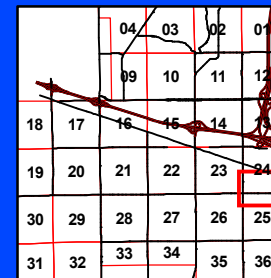
Water Main Replacement
 Project Limits



Culvert Replacement



Project Limits



City of Novi

Engineering Division
 Department of Public Works
 26300 Lee BeGole Drive
 Novi, MI 48375
cityofnovi.org



ELIZABETH KUDLA SAARELA
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27555 Executive Drive, Suite 250
Farmington Hills, Michigan 48331
P 248.489.4100 | F 248.489.1726
rsjalaw.com



ROSATI | SCHULTZ
JOPPICH | AMTSBUECHLER

August 11, 2022

Rebecca Runkel, Project Engineer
City of Novi
Field Services Complex
26300 Lee BeGole Drive
Novi, MI 48375

Re: RCOC Cost Sharing Agreement- 10 Mile Road Meadowbrook Road to Haggerty Road - Board Project No. 55601

Dear Ms. Runkel:

We have received and reviewed the Cost Sharing Agreement prepared by the Board of County Road Commissioners (Board) for the Road rehabilitation and widening along 10 Mile Road from Meadowbrook Road to Haggerty Road in the City, including tree removal and clearing. 10 Mile is under the jurisdiction of the Board. The City will be responsible for 100% of the cost of the water main and sidewalk being installed along the project route. The cost of the road rehabilitation will be funded, in large part, by federal funding and Tri-Party funds. The City will be required to pay its portion of the Tri-party funds toward the project but will be reimbursed when those funds become available for reimbursement.

The Agreement is provided for the limited purpose of setting forth how the project costs will be paid by the named parties. RCOC will contract separately for completion of the project.

Subject to Engineering review and approval of the cost breakdown of the project, we see no legal impediment to entering into the Cost Sharing Agreement.

Please feel free to contact me with any questions or concerns in regard to this matter.

Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC

A handwritten signature in blue ink, appearing to read 'Elizabeth Kudla Saarela', is written over a horizontal line.

Elizabeth Kudla Saarela

Rebecca Runkel, Project Engineer
City of Novi
August 11, 2022
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EKS

Enclosure

C: Cortney Hanson, Clerk (w/Enclosure)
Megan Mikus, Deputy DPW Director (w/Enclosure)
Ben Croy, City Engineer (w/Enclosure)
Thomas R. Schultz, Esquire (w/Enclosure)

COST PARTICIPATION AGREEMENT

CONSTRUCTION

10 Mile Road

Meadowbrook Road to Haggerty Road

City of Novi

Board Project No. 55601

This Agreement, made and entered into this _____ day of _____, 2022, 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 Novi, hereinafter referred to as 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 the road rehabilitation and widening along 10 Mile Road from Meadowbrook Road to Haggerty 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 \$9,583,475; 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 COMMUNITY and the BOARD that:

PART A – ROAD CONSTRUCTION

Road rehabilitation and widening along 10 Mile Road from Meadowbrook Road to Haggerty Road, city of Novi, Oakland County, including tree removal and clearing, cold milling, pavement removal, earthwork, aggregate base, hot mix asphalt and concrete paving, aggregate shoulders, storm sewer, culverts, traffic signal work, street lighting, concrete curb and gutter, sidewalk and

curb ramps, permanent signing, and pavement markings; and all together with necessary related work.

1. The actual cost of PART A shall include total payments to the contractor estimated in the amount of \$8,714,882.
2. The BOARD has entered into an agreement with MDOT in Contract No. 22-5283 with federal dollars under the Surface Transportation Program, estimated in the amount of \$5,901,794.
3. The PART A LOCAL SHARE, estimated in the amount of \$2,733,606, shall be shared equally by the BOARD and the COMMUNITY. Each share is estimated to be \$1,366,803; respectively.
4. The PROJECT involves certain designated and approved funding in accordance with the Tri-Party Program in the amount of \$1,366,803, 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.

- a. Tri-Party Program funding in the amount of \$1,366,803.

\$1,254,248 is allocated through fiscal year 2022, and \$112,555 is from the projected fiscal year 2023 Tri-Party Program which has not yet been announced. If these funds are not available, the COMMUNITY shall be responsible for the \$112,555 share.

5. The COMMUNITY shall advance \$1,323,044 toward the PROJECT and is subject to refund after October 1, 2023, of the beginning of fiscal year 2024.
6. The COMMUNITY shall contribute \$79,483 towards the water main and associated sidewalk along the limits.
7. Any participating LOCAL SHARE cost overages, excluding the COMMUNITY'S share for water main and associated sidewalk, will be funded 100% by the BOARD.

8. Upon execution of this agreement, the BOARD shall submit an invoice to the COMMUNITY in the amount of \$1,590,586 (being 100% of the advance subject to refund and 50% of the COMMUNITY'S Local Share).
9. As costs of PART A of the PROJECT are incurred, the BOARD shall invoice the COMMUNITY for the remaining 50% of the COMMUNITY'S Local Share estimated in the amount of \$267,542.
10. Upon execution of this agreement and approval by the COUNTY, the BOARD shall submit an invoice to the COUNTY in the amount of \$418,083 (being 100% of the COUNTY'S Tri-Party contribution through fiscal year 2022).

After February 1, 2023, the BOARD shall submit an invoice to the COUNTY in the amount of \$37,518 (being 100% of the remaining COUNTY'S Tri-Party contribution).

- a. The invoice shall be sent to:

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

PART B - WATER MAIN, SIDEWALK, AND IRRIGATION

The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

1. The actual cost of PART B shall include total payments to the contractor estimated in the amount of \$868,592.
2. The BOARD shall contribute 100% of non-participating costs for sprinkler system along the limits estimated in the amount of \$72,000. Any sprinkler system costs above \$72,000 shall be funded 100% by the BOARD.

3. The COMMUNITY shall contribute 100% of non-participating cost for water main and associated sidewalk along the limits estimated in the amount of \$796,592. Any water main and sidewalk costs above \$796,592 shall be funded 100% by the COMMUNITY.
4. Upon execution of this agreement, the BOARD shall submit an invoice to the COMMUNITY in the amount of \$398,296 (being 50% of the COMMUNITY'S share of PART B water main and sidewalk).
5. As costs of the PART B water main and sidewalk are incurred, the BOARD shall invoice the COMMUNITY for the remaining 50% share estimated in the amount of \$398,296.
6. The total actual LOCAL SHARE 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.
7. 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 OF THE
COUNTY OF OAKLAND
A Public Body Corporate

By _____

Its _____

CITY OF NOVI

By _____

Its _____

EXHIBIT A

TRI-PARTY PROGRAM

10 Mile Road

Meadowbrook Road to Haggerty Road

City of Novi

Board Project No. 55601

Road rehabilitation, widening, water main, associated concrete sidewalk, and sprinkler repair along 10 Mile Road from Meadowbrook Road to Haggerty Road.

ESTIMATED PROJECT COST

PART A: \$8,714,882
Less FY22 Federal Funds: (\$4,578,750)
**Less FY24 Federal Funds: (\$1,323,044)
Total PART A: \$2,813,088

PART B: \$868,593
Total PART B: \$868,593
Total LOCAL SHARE: **\$3,681,681**

COST PARTICIPATION BREAKDOWN

	COMMUNITY	COUNTY	BOARD	TOTAL
TRI-PARTY PROGRAM	\$455,601	\$455,601	\$455,601	\$1,366,803
100% Non-Participating Water Main	\$597,403	\$0	\$0	\$597,403
Participating Water Main	\$79,483	\$0	\$0	\$79,483
100% Non-Participating Sidewalk	\$199,189	\$0	\$0	\$199,189
100% Non-Participating Sprinkler System	\$0	\$0	\$72,000	\$72,000
CONTRIBUTION	\$0	\$0	\$1,366,803	\$1,366,803
TOTAL LOCAL SHARES	\$1,331,676	\$455,601	\$1,894,404	\$3,681,681

**Community shall advance \$1,323,044 subject to refund.