



CITY OF NOVI CITY COUNCIL
JANUARY 26, 2026

SUBJECT: Adoption of a resolution amending a contract with the Michigan Department of Transportation (MDOT) for the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- MDOT requires the City to agree to a cost participation agreement for projects receiving federal funds.
- The previously approved contract was based on the construction estimate, while the amended contract is based on the awarded bid and corrected for non-participating items.
- Net change between the previously approved estimate and awarded bid is an increase of \$796.
- This sets the maximum amount of federal funds to receive for the project at \$3,597,427.48

FINANCIAL IMPACT

	FY 2025/26
EXPENDITURE REQUIRED	\$ 899,555.87 Previously Approved <u>\$ 796.00 Increase based on bid</u> \$ 900,351.87 New Cost Share Amount
BUDGET Major Street Fund 202-449.20-975.226	 \$ 3,809,718
APPROPRIATION REQUIRED	\$ 0

FUND BALANCE IMPACT	\$ 0
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BACKGROUND INFORMATION:

The City is receiving federal funding for the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue, with the project being administered by the Michigan Department of Transportation (MDOT). Due to a discrepancy in the federal share related to \$995 of non-participating items, MDOT amended the contract to state the accurate federal and local share based on the awarded low bid. MDOT's bid letting for the project was on November 7, 2025. The as-read low bid for the project was \$4,497,779, with the funds broken down as follows:

\$ 4,497,779.35 Construction Bid

\$ 3,597,427.48 Less Federal Funds

\$ 900,351.87 City's Estimated Responsibility of the Construction Award

The City Attorney reviewed the amended contract and resolution favorably (Beth Saarela, January 19, 2026). Construction will begin this March.

RECOMMENDED ACTION: Adoption of a resolution amending a contract with the Michigan Department of Transportation (MDOT) for the reconstruction and widening of Beck Road between 11 Mile Road and Grand River Avenue.

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

RESOLUTION
MDOT CONTRACT 25-5693 (AMENDMENT TO CONTRACT 25-5496)
MDOT COST PARTICIPATION AGREEMENT
BECK ROAD, 11 MILE ROAD TO GRAND RIVER AVENUE

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on _____, _____, at ____ o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS; the City of Novi was awarded federal funding through the Michigan Department of Transportation (MDOT) under the Surface Transportation Program (STP) in the amount of \$3,597,427.48 for reconstruction and widening of Beck Road from 11 Mile Road to Grand River Avenue; and

WHEREAS; the City of Novi's cost participation amount is estimated to be \$900,351.87 of the total estimated project cost of \$4,497,779.35; and

WHEREAS; MDOT administers all projects that receive federal funds on behalf of the local agency; and

WHEREAS; the Mayor and the City Clerk are authorized to execute the approved Cost Participation Contracts, on behalf of the City, as expressly authorized, directed and instructed by the Council.

NOW THEREFORE, IT IS THEREFORE RESOLVED that Mayor and Council of the City of Novi hereby support and authorize participation in MDOT Contract No. 25-5693 (amendment to contract 25-5496) by and between the Michigan Department of Transportation and the City of Novi.

And approve MDOT Contract Number 25-5693 (amendment to contract 25-5496)

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this ____ day of _____, 2026, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi

ELIZABETH KUDLA SAARELA
esaarela@rsjalaw.com

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



ROSATI | SCHULTZ
JOPPICH | AMTSBUECHLER

January 19, 2026

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

**Re: MDOT Cost Participation Agreement and Resolution- Amendment
to Contract No. 25-5496**

Dear Ms. Runkel:

We have received and reviewed Contract No. 25-5693, which is an Amendment to Contract 25-5496, and corresponding Resolution adopting Contract Amendment No. 25-5693 for the Beck Road, 11 Mile Road to Grand River Avenue Reconstruction Project prepared by the Michigan Department of Transportation (MDOT) for the purpose of reallocating the cost of \$995 worth of non-participating costs to the City. The remaining terms of the Agreement remain unchanged.

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

The Resolution provided is for the purpose of City Council approving the Contract and authorizing City signatures.

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

Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC

Elizabeth Kudla Saarela

EKS

Enclosure

C: Cortney Hanson, Clerk (w/Enclosure)

Rebecca Runkel, Project Engineer
City of Novi
January 19, 2026
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Megan Mikus, Deputy DPW Director (w/Enclosure)
Ben Croy, City Engineer (w/Enclosure)
Thomas R. Schultz, Esquire (w/Enclosure)

AMENDMENT TO CONTRACT 25-5496

	DA
Control Section	EAR 63000
Job Number	219309CON
Project	25A1093
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	25-5693

THIS AMENDATORY CONTRACT is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF NOVI, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to this Amendment to CONTRACT #25-5496.

WITNESSETH:

WHEREAS, the parties to the Amendment have heretofore, by a Contract dated December 5, 2025, hereinafter referred to as "CONTRACT 25-5496" provided for the construction and financing of that which is hereinafter referred to as the "PROJECT" and is described as follows:

PART A – FEDERAL PARTICIPATION

Concrete reconstruction and widening from 3 to 5 lanes, storm sewer, drainage improvements, concrete curb and gutter, curb ramps and traffic signals along Beck Road from 11 Mile Road to Grand River Avenue, including earthwork, aggregate base, riprap, countdown pedestrian signals, pedestrian pushbuttons, video traffic detection system, permanent signing and pavement markings; and all together with necessary related work.

PART B – NO FEDERAL PARTICIPATION

Pre-construction audio-visual recording along the limits as described in PART A; and all together with necessary related work.

WHEREAS, the DEPARTMENT and the REQUESTING PARTY having appropriate authority desire to amend CONTRACT 25-5496 to provide for the change in available Federal funds in the estimated PROJECT COST.

2/4/87 amend.for 12/19/25

NOW, THEREFORE, it is hereby agreed by and between the parties hereto that:

1. Section 5. of CONTRACT 25-5496 is revised to read as follows:

5. The PROJECT COST shall be met in accordance with the following:

PART A

Federal EARMARK Funds shall be applied to the eligible items of the PART A portion of the PROJECT COST up to the lesser of: (1) \$3,597,587.48 or (2) an amount such that 80 percent, the normal Federal participation ratio for such funds, for the PART A portion of the PROJECT is not exceeded at the time of the award of the construction contract. The balance of the PART A portion of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART B

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.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

2. EXHIBIT I of CONTRACT 25-5496 is superseded by EXHIBIT I REVISED, dated December 19, 2025, attached hereto and made a part hereof. Any references to EXHIBIT I in CONTRACT 25-5496 shall be construed to mean EXHIBIT I REVISED.

3. Except as amended by the provisions herein, all of the provisions, covenants, and obligations of the parties contained in CONTRACT 25-5496 shall remain in full force and effect.

4. The REQUESTING PARTY waives any and all claims it has or may have against the DEPARTMENT which arise out of the need to amend CONTRACT 25-5496.

5. This Amendatory contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto; upon the adoption of the necessary resolution approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF NOVI

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
for Department Director MDOT

By _____
Title:



December 19, 2025

EXHIBIT I REVISED

CONTROL SECTION	EAR 63000
JOB NUMBER	219309CON
PROJECT	25A1093

ESTIMATED COST

CONTRACTED WORK

	<u>PART A</u>	<u>PART B</u>	<u>TOTAL</u>
Estimated Cost	\$4,496,784.35	\$ 995.00	\$4,497,779.35

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$4,496,784.35	\$ 995.00	\$4,497,779.35
Less Federal Funds*	<u>\$3,597,427.48</u>	<u>\$ 0.00</u>	<u>\$3,597,427.48</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 899,356.87	\$ 995.00	\$ 900,351.87

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

2/4/87 amend.for 12/19/25

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

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RESOLUTION DECLARED ADOPTED.

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Cortney Hanson, City Clerk
City of Novi

AMENDMENT TO CONTRACT 25-5496

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Job Number	219309CON
Project	25A1093
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MICHIGAN DEPARTMENT
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By _____
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