



## CITY of NOVI CITY COUNCIL

Agenda Item F  
April 13, 2015

**SUBJECT:** Approval of cost participation agreement with Oakland County and the Road Commission for Oakland County for the Eastbound Grand River Dual Left Turn at Beck Road project to provide \$107,358 of outside funding toward the project costs.

**SUBMITTING DEPARTMENT:** Department of Public Services, Engineering Division *BTC RJA*

**CITY MANAGER APPROVAL:** *[Signature]*

**BACKGROUND INFORMATION:**

On March 9, 2015, City Council approved a resolution authorizing participation in the Road Commission for Oakland County's 2015 Tri-Party Program for road improvements and dedicated Novi's 2015 allotment of \$159,089 to the Eastbound Grand River Dual Left Turn at Beck Road project. Novi's share of the Tri-Party contribution is \$53,680. The construction of a dual left turn at this intersection was identified as a crash mitigation improvement in the 2012 report that evaluated the high crash intersections in the City of Novi (excerpt attached), and was also recommended as an operational improvement in the 2011 I-96 Area Transportation Improvement Plan report.

This project received safety grant funding for 80% of the construction cost, which is currently estimated to be \$637,000. The total project cost, including construction and engineering is approximately \$713,000, of which \$452,000 is covered by the grant. The Tri-Party Program funding would reduce the contribution by the City of Novi from \$261,000 to \$153,641, which would be funded by the Municipal Street Fund.

The attached agreement between the Road Commission for Oakland County (RCOC), Oakland County, and the City of Novi is being presented for consideration to formalize the allocation of costs for the project between the three parties. Typically, RCOC would administer the engineering and construction contracts for Tri-Party projects and the City would make contributions to RCOC for the City's share. However, since the City has received the Federal safety grant to cover the majority of the project costs, the City will administer the project. The agreement reflects this arrangement and allows the City to invoice RCOC and Oakland County for total contribution for each upon execution of this agreement.

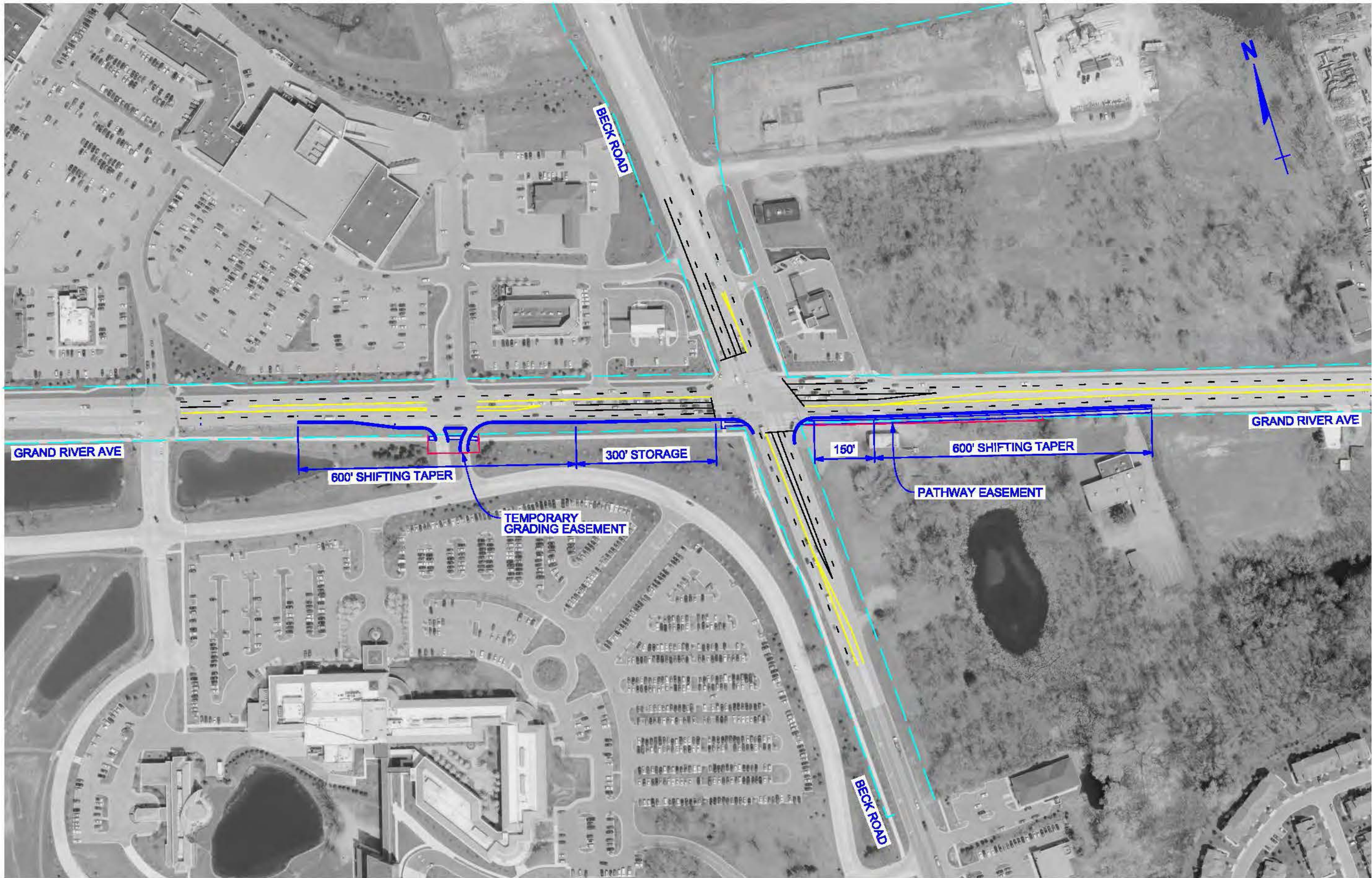
This project will be ready for construction this summer, and will be complete by this fall.

**RECOMMENDED ACTION:** Approval of cost participation agreement with Oakland County and the Road Commission for Oakland County for the Eastbound Grand River Dual Left Turn at Beck Road project to provide \$107,358 of outside funding toward the project costs.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Markham				

	1	2	Y	N
Council Member Mutch				
Council Member Poupard				
Council Member Wrobel				





FILE:	AUTH:	DATE:	REVISION:

**URS**  
 Surface Transportation  
 Grand Rapids - Southeast  
 Michigan City



**GRAND RIVER AVENUE/BECK ROAD INTERSECTION**  
**EAST BOUND GRAND RIVER DUAL LEFT TURN CONCEPT**

JOB 12944164
DATE 09/27/13
SHEET 1





JOHNSON ROSATI SCHULTZ JOPPICH PC

27555 Executive Drive Suite 250 ~ Farmington Hills, Michigan 48331  
Phone: 248.489.4100 | Fax: 248.489.1726

Elizabeth Kudla Saarela  
esaarela@jrslaw.com

www.johnsonrosati.com

March 27, 2015

Brian Coburn, Engineering Manager  
CITY OF NOVI  
Department of Public Services  
Field Services Complex  
26300 Lee BeGole Drive  
Novi, MI 48375

Re: **Cost Participation Agreement – Grand Rive Avenue at Beck Road**

Dear Mr. Coburn:

We have received and reviewed the Cost Participation Agreement prepared by the Board of County Road Commissioners (Board) for the improvements to be installed at the Grand River and Beck Road intersection, including widening of the road for dual left turn lanes, modifying the existing mast arm signals, sidewalk ramps and the installation of street lights.

As set forth in Exhibit A, the expected tri-party funds to be contributed to the project is expected to be \$161,038. The Tri-Party Program funding is to be equally shared by the City of Novi, Oakland County, and the Board in the amount of \$53,679 each. Any excess amounts will be paid by the City if no additional Tri-Party Program funds are available.

The Agreement is provided for the limited purpose of setting forth how the project costs will be divided between the named parties. The City is required to contract separately for completion of the project and will be reimbursed by the Board and Oakland County for their proportionate shares of the costs upon completion.

Specifics relating to the award and contracting of the project are set forth in Exhibits B and C to the Contract. The City is required to incorporate the provisions listed in Exhibit B into the Contract. Typically, this would be done through the City's Supplementary General Conditions. It should be noted that although the insurance requirements set forth by the Board are substantially similar to what the City's standard contract requires, the "Hold Harmless" language in Exhibit C to this Agreement will be required to be added to the City's Supplementary General Conditions.

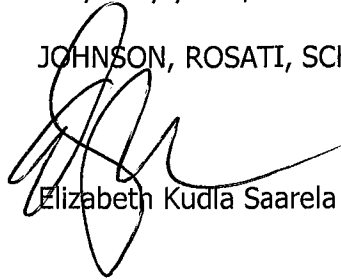
Brian Coburn, Engineering Manager  
March 27, 2015  
Page 2

Based on the limited purpose and scope of the contract, we see no legal impediment to entering into the Agreement with the Board.

If you have any questions regarding the above, please do not hesitate to contact me.

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.

A handwritten signature in black ink, appearing to read 'Elizabeth Kudla Saarela', written over the printed name.

Elizabeth Kudla Saarela

EKS

C: Maryanne Cornelius, Clerk (w/Enclosure)  
Rob Hayes, DPS Director (w/Enclosure)  
Thomas R. Schultz, Esquire (w/Enclosure)

**COST PARTICIPATION AGREEMENT**

**CONSTRUCTION**

Grand River Avenue

At Beck Road

City of Novi

Board Project No. 52951

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the Board of Road Commissioners for the County of Oakland, Michigan, hereinafter referred to as the BOARD, and the CITY OF NOVI, hereinafter referred to as the COMMUNITY, provides as follows:

WHEREAS, the BOARD and the COMMUNITY have programmed the following for Grand River Avenue at Beck Road, widening for dual left turns, modifying the existing mast arm signals, sidewalk ramps, and the installation of street lights, 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 \$161,038; and

WHEREAS, said PROJECT involves certain designated and approved Tri-Party Program funding in the amount of \$161,038, 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; 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; and shall perform or cause to be performed all CONSTRUCTION engineering services and administration in reference thereto.
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 \$161,038 shall be funded in the following order:
  - a. Tri-Party Program in the amount of \$161,038.
  - b. The COMMUNITY agrees that any PROJECT costs above the Tri-Party Program funding of \$161,038 will be funded first with any available Tri-Party Program funds. If no Tri-Party Program funds are available, any PROJECT costs above \$161,038 will be funded 100% by the COMMUNITY.
6. Upon execution of this agreement, the COMMUNITY shall submit two invoices to the BOARD:
  - a. The first invoice shall be payable by the BOARD in the amount of \$53,679 (being 100% of the BOARD's Tri-Party contribution).
  - b. The second invoice shall be payable by the COUNTY in the amount of \$53,679 (being 100% of the COUNTY'S Tri-Party contribution).

- c. The invoices 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.
  - b. A copy of the FINAL payment estimate paid to the contractor.
  - c. One copy of the complete set of the as-built construction plans containing the adjusted quantities of the PROJECT.



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 NOVI

By \_\_\_\_\_

Its \_\_\_\_\_

## EXHIBIT A

### TRI - PARTY PROGRAM

Grand River Avenue

At Beck Road

City of Novi

Board Project No. 52951

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Widening for dual left turns, modifying the existing mast arm signals, sidewalk ramps, and installation of street lights.

ESTIMATED PROJECT COST
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Contractor Payments	<u>\$161,038</u>
Total Estimated Project Cost	<u><u>\$161,038</u></u>

COST PARTICIPATION BREAKDOWN
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	COMMUNITY	COUNTY	BOARD	TOTAL
FY2015 Tri-Party Program	\$53,680	\$53,679	\$53,679	\$161,038
TOTAL SHARES	\$53,680	\$53,679	\$53,679	\$161,038

## **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).

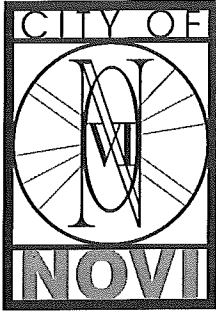
The minimum limits of bodily injury liability and property damage liability shall be:

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.



cityofnovi.org

CITY OF NOVI TREASURER'S OFFICE  
45175 W TEN MILE RD  
NOVI, MI 48375

(248) 347-0440

Fax: (248)735-5681

# INVOICE

CUST #:002639  
INVOICE #:1500006813  
SERVICE DATE:03/27/2015

INVOICE DATE:03/27/2015  
DUE DATE:05/14/2015

OAKLAND COUNTY  
1200 N TELEGRAPH RD  
PONTIAC MI 48341

PROPERTY ADDRESS

QTY	DESCRIPTION	UNIT PRICE	AMOUNT
1.000	TRI-PARTY PROJECT	53,679.000	53,679.00
TOTAL INVOICE			53,679.00
TRI-PARTY FOR NOVI GRAND RIVER DUAL LEFT PROJECTRCOC PROJECT 52951			

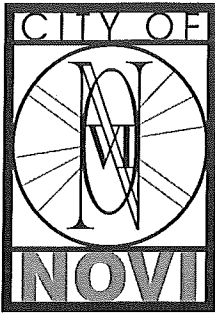
CITY OF NOVI TREASURER'S OFF  
45175 W TEN MILE RD  
NOVI, MI 48375

(248) 347-0440

CUST #:002639  
INVOICE #:1500006813  
SERVICE DATE:03/27/2015  
INVOICE DATE:03/27/2015  
DUE DATE:05/14/2015

OAKLAND COUNTY  
1200 N TELEGRAPH RD  
PONTIAC MI 48341

PROPERTY ADDRESS



cityofnovi.org

CITY OF NOVI TREASURER'S OFFICE  
45175 W TEN MILE RD  
NOVI, MI 48375

(248) 347-0440

Fax: (248)735-5681

# INVOICE

CUST #:000106  
INVOICE #:1500006814  
SERVICE DATE:04/14/2015

INVOICE DATE:03/27/2015  
DUE DATE:05/14/2015

ROAD COMMISSION FOR OAKLAND COUNTY  
31001 LAHSER RD  
BEVERLY HILLS MI 48025

PROPERTY ADDRESS

QTY	DESCRIPTION	UNIT PRICE	AMOUNT
1.000	TRI-PARTY PROJECT	53,679.000	53,679.00
TOTAL INVOICE			53,679.00
TRI-PARTY FOR NOVI GRAND RIVER DUAL LEFT PROJECT RCOC PROJECT 52951			

CITY OF NOVI TREASURER'S OFF  
45175 W TEN MILE RD  
NOVI, MI 48375

(248) 347-0440

CUST #:000106  
INVOICE #:1500006814  
SERVICE DATE:04/14/2015  
INVOICE DATE:03/27/2015  
DUE DATE:05/14/2015

ROAD COMMISSION FOR OAKLAND COUNTY  
31001 LAHSER RD  
BEVERLY HILLS MI 48025

PROPERTY ADDRESS