



CITY of NOVI CITY COUNCIL

Agenda Item 4 September 24, 2018

SUBJECT: Approval of the FY 2018-19 Winter Maintenance Agreement between the City of Novi and the Road Commission for Oakland County for snow and ice control on selected County roads in Novi; and adoption of resolution authorizing Novi to provide winter maintenance of selected County roads.

SUBMITTING DEPARTMENT: Department of Public Works, Field Operations Division

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	Estimated \$250,000 (to be offset by \$112,762.68 in revenue reimbursement from RCOC)
AMOUNT BUDGETED	\$250,000
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	204-204.07-866.055 (\$60,000 Equipment Usage Allocation) 204-204.07-866.060 (\$45,000 Labor Allocation) 204-204.07-868.100 (\$55,000 Winter Maintenance-Contractual Snow Removal) 204-204.07-868.500 (\$90,000 Winter Maintenance-Materials) 204-000.00-665.030 (\$110,00 Trunkline Maintenance Revenue)

BACKGROUND INFORMATION:

Over the past several winter seasons, the Department of Public Works has demonstrated the ability to provide motorists with a high level of winter maintenance services. Each season DPW crews clear ice and snow from major roads and neighborhood streets within the City's jurisdiction; as well as from selected County roads inside City limits. Accordingly, the City must enter into an annual agreement with the Road Commission for Oakland County (RCOC) to provide enhanced winter maintenance services on selected County roads.

Similar to years past, Novi DPW will maintain the following five County roads this winter. These following roads are part of the 2017-2018 Winter Maintenance Agreement as depicted on the attached map:

Road	From	To	Total Centerline Miles	County Reimbursement to Novi
Beck Road	Grand River Avenue	Twelve Mile Road	0.44	\$2,923.75
Grand River Avenue	Haggerty Road	Twelve Mile Road	5.27	\$35,018.52
Novi Road	Eight Mile Road	Twelve Mile Road	3.96	\$24,388.88
Ten Mile Road	Haggerty Road	Napier Road	6.06	\$28,983.52
Twelve Mile Road	Beck Road	Haggerty Road	4.06	\$23,703.23
		Total	19.79	\$115,017.90

The City would be responsible for snow and ice control as agreed upon by the RCOC and the City of Novi, effective upon execution of the agreement for the 2017-2018 winter season. Performing winter maintenance on County roads at the City limits (Haggerty, Napier, Eight Mile, Fourteen Mile, and Pontiac Trail) would remain RCOC's responsibility.

In 2017-2018, City expenditures totaled \$185,595 to clear 19.79 centerline miles of Oakland County roadways, offset by \$112,762.68 in Act 51 revenue from Oakland County. Recently, RCOC increased the annual reimbursement amount by \$2,254.51, raising the 2018-2019 revenue total to \$115,017.90. The packet includes a letter from RCOC confirming this increase and the revised invoicing schedule.

The below table shows the revenue and expenditures for clearing County roads over the past three winters:

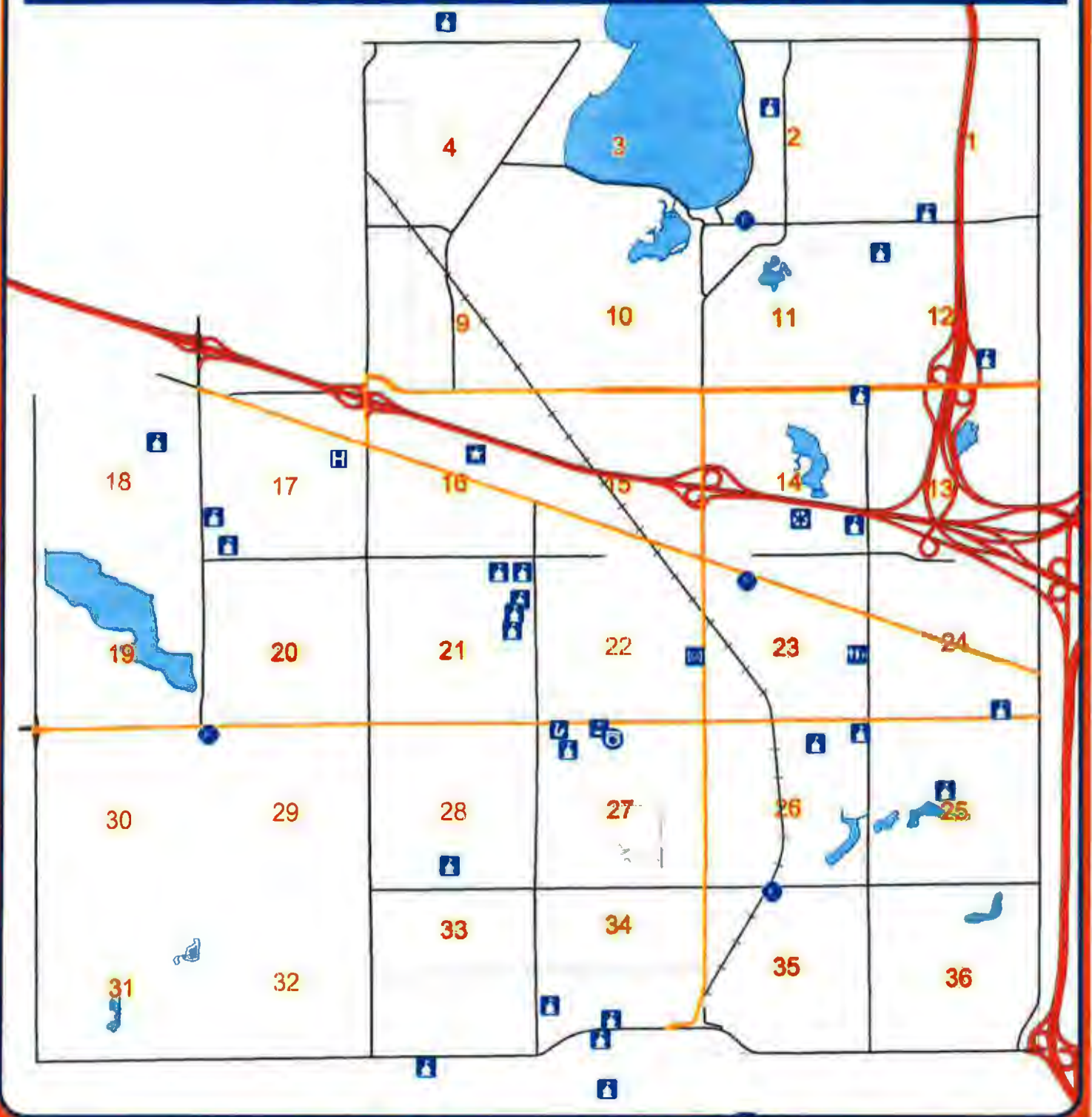
	FY 15/16	FY 16/17	FY 17/18
Revenue from RCOC	\$108,383	\$ 110,550	\$112,763
Expenditures	\$163,206	\$ 128,579	\$185,595
Variance	\$ (54,823)	\$ (18,029)	\$(72,832)

Funding variances attributed to the fluctuation of winter weather conditions, affect labor, material, and equipment expenditures required to provide this service. Because of the ability to enter into the agreement, motorists experience safer roadways throughout winter storm events and are provided a high standard of customer care.

To offset costs of performing snow removal services on roadways under RCOC's jurisdiction, the City will receive reimbursement in two increments: 50% (\$57,508.95), in December 2018, and 50% (\$57,508.95) in March 2019. Reimbursement funding is based on a pro-rated amount of Act 51 gas tax revenue the RCOC receives from the State of Michigan, and will be paid to the City in full as part of the agreement.

RECOMMENDED ACTION: Approval of the FY 2018-19 Winter Maintenance Agreement between the City of Novi and the Road Commission for Oakland County for snow and ice control on selected County roads in Novi; and adoption of resolution authorizing Novi to provide winter maintenance of selected County roads.

Road Commission for Oakland County Roads Maintained by City of Novi Under 2018-19 Winter Maintenance Agreement



Map Author: Kevin Blough
 Date: September 14, 2018
 Project: RCOC Winter Maintenance Agreement
 Version: 4.6.0

MAP INTERPRETATION NOTICE:
 This information is provided for informational purposes only. It is not intended to constitute an offer of insurance or any other financial product. Please contact your insurance agent for more information. The City of Novi is not responsible for any errors or omissions in this information. © 2018 City of Novi. All rights reserved.

Legend

- RCOC Roads Plowed Under Contract
- Minor Streets
- Major Roads
- Freeway

Beck Road: 0.44 Miles - Grand River Ave to Twelve Mile Rd
Grand River Ave: 5.27 Miles - Haggerty Rd to Twelve Mile Rd
Novi Road: 3.96 Miles - Eight Mile Rd to Twelve Mile Rd
Ten Mile Road: 6.06 Miles - Haggerty Rd to Napier Rd
Twelve Mile Road: 4.06 Miles - Beck Rd to Haggerty Rd



City of Novi
 Integrated Solutions Team:
 Geospatial Resources Division
 45175 Ten Mile Rd
 Novi, MI 48375
 cityofnovi.org

Miles
 0.25 0.5
 1 inch = 0.8 miles



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August 30, 2018

Matt Wiktorowski, Senior Manager
Field Operations Division
City of Novi
Field Services Complex
26300 Lee BeGole Drive
Novi, Michigan 48375

Re: 2018-2019 Winter Maintenance Agreement with Road Commission for Oakland County

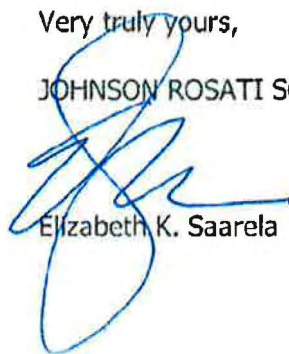
Dear Mr. Wiktorowski:

We have received and reviewed the proposed 2018-2019 Winter Road Maintenance Agreement prepared by the Road Commission for Oakland County for the purpose of authorizing payment to the City for the City's maintenance of County roads within the City. Other than the 2% increase in fees to be paid to the City, the Agreement remains the same as the 2017-2018 version. Subject to approval of all insurance requirements by the City's insurer, we see no legal impediment to the City's approval and execution of the 2018-2019 Winter Road Maintenance Agreement.

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

Very truly yours,

JOHNSON ROSATI SCHULTZ JOPPICH



Elizabeth K. Saarela

EKS

Enclosure

C: Cortney Hanson, Clerk (w/Enclosure)
Jeffrey Herczeg, Public Works Director (w/Enclosure)
Thomas R. Schultz, Esquire (w/Enclosure)



QUALITY LIFE THROUGH GOOD ROADS:
ROAD COMMISSION FOR OAKLAND COUNTY
"WE CARE."

Board of Road Commissioners

*Ronald J. Fowkes
Commissioner*

*Gregory C. Jamian
Commissioner*

*Eric S. Wilson
Commissioner*

*Dennis G. Kolar, P.E.
Managing Director*

*Gary Plotrowicz, P.E., P.T.O.E.
Deputy Managing Director
County Highway Engineer*

**Highway Maintenance
Department**

**2420 Pontiac Lake Road
Waterford, MI
48328**

248-858-4881

**FAX
248-858-7807**

www.rcocweb.org

August 08, 2018

**Mr. Matt Wiktorowski
Public Service, Field Operations
City of Novi
45175 W. Ten Mile Road
Novi, MI 48375-3024**

RE: 2018-2019 Winter Maintenance Agreement

Dear Mr. Wiktorowski:

Attached are two copies of a Winter Maintenance Agreement between the Road Commission for Oakland County and the City of Novi.

This 2018-2019 agreement has an increase of 2%, which increases the amount from \$112,762.68 to \$115,017.90.

If this agreement is satisfactory, please return the two-signed copies and the resolution of approval by your City Council. One fully signed copy will be returned to you upon approval by the Board of Road Commissioners.

Please furnish proof that your liability insurance covers this agreement, and particularly covers your personnel and equipment working on county roads under the jurisdiction of the Board of Road Commissioners. If there are any changes in this coverage during the term of this agreement, we must be notified of these changes. We will also need a current certificate of membership in the Michigan Municipal Workers Compensation Fund.

The Board of Road Commissioners and I extend our appreciation to you, the City Council, and your personnel for the fine work that has been done. We will continue to cooperate in any way to provide our citizens with the best road system possible.

We request that your signed agreement be returned to us no later than the end of November, so that we may present the agreement to our Board prior to the end of the year, which will allow RCOC to make payments per the agreement.

Sincerely,

**Darryl M. Heid, P.E.
Director of Highway Maintenance**

/dr
Attachment

2018-2019 WINTER MAINTENANCE AGREEMENT
CITY OF NOVI

Under 1951 PA 51, As Amended

This Winter Maintenance Agreement (“Agreement”) is made this ___ day of _____, 2018, between the Board of County Road Commissioners of the County of Oakland, State of Michigan, a public body corporate, hereinafter referred to as the “Board,” and the City of Novi, Oakland County Michigan, a Michigan municipal corporation hereinafter referred to as the “City.”

WHEREAS, certain county primary and local roads more specifically set forth in Exhibit A, attached hereto, are under the jurisdiction and control of the Board and are located within or adjacent to the City; and

WHEREAS, The City desires to be responsible for certain winter maintenance of said roads under the terms of this Agreement, and the Board is willing to participate in the cost thereof as provided in Section III of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein as provided, it is hereby agreed as follows:

I

The City will perform Winter Maintenance of certain roads under the terms of this Agreement, and the Board will participate in the cost thereof as provided in Section III of this Agreement. “Winter Maintenance,” herein required to be performed by the City, shall mean snow removal and ice control, on all roads listed in Exhibit A, as follows: Snow removal by blading, plowing and other methods necessary to make the roads reasonably safe for public travel, and ice control by salting, sanding, scraping and other methods necessary to make the roads reasonably safe for public travel, together with such other work and services, such as recordkeeping and insurance, required by this Agreement. All Winter Maintenance work and services performed by the City shall be in accordance with the Board’s maintenance guidelines, including the Board adopted Winter Maintenance Guidelines, the Board’s standard practices and this Agreement.

II

The City shall keep accurate and uniform records of all Winter Maintenance work performed pursuant to this Agreement. The Board shall have the right to audit City accounts and records insofar as such documents concern this Agreement and the work and services performed and to be performed hereunder.

III

In consideration of the assumption of Winter Maintenance by the City, the Board hereby agrees to pay to the City the sum of \$115,017.90, as set forth in Exhibit A, attached hereto and made a part hereof. Such amounts are to be used by the City for Winter Maintenance. Payments are to be made by the Board to the City as follows:

50% in December, 2018
50% in March, 2019

The making of said payments shall constitute the Board's entire obligation in reference to Winter Maintenance.

IV

The City hereby agrees to hold harmless, represent, defend and indemnify the Board, the Road Commission for Oakland County, its officers, and employees; the County of Oakland; the Office of the Oakland County Water Resources Commissioner and applicable drainage districts(s); the Michigan State Department of Transportation and the Transportation Commission; and any and all local units(s) of government within which the roads subject to this Agreement are located, against any and all claims, charges, complaints, damages, or causes of action for (a) public or private property damage, (b) injuries to persons (including death), or (c) other claims, charges, complaints, damages or causes of action arising out of the performance or non-performance of the activities which are the subject matter of this Agreement, specifically those activities set out in Section I, both known and unknown, whether during the progress or after the completion thereof. However, this hold harmless provision does not apply in so far as any claim or suit is alleged to be, or demonstrated to be, the result of a defect in highway design or condition and not related to the Winter Maintenance activities set out in Section I. Further, it is the intent of the parties that in performing the Winter Maintenance obligations under this Agreement, the City shall have and retain governmental immunity as a governmental agency, and shall have and/or receive any immunity conferred by virtue of its performance of the maintenance obligations that are by statute or otherwise the responsibility of the County and for which it is immune.

V

The City shall acquire and maintain, during the term of the Agreement, statutory worker's compensation insurance employer's liability insurance, automobile and comprehensive general liability insurance coverages, as more fully described in Exhibit B attached hereto, covering the Board's liability for any and all claims arising out of the City's performance or non-performance of the activities which are the subject matter of this Agreement.

VI

The City further agrees to comply with all applicable laws and regulations, including without limitation, laws and regulations of the State of Michigan for safeguarding the air and waters of the State. In particular, City facilities and operations must meet the provisions of Part 5 (Spillage of Oil and Polluting Materials) rules promulgated pursuant to Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. (Rules R324.2001 through R324.2009 address release prevention planning, secondary containment, surveillance, and release reporting requirements).

VII

In accordance with Michigan 1976 Public Acts No. 220 and 453, being MCLA §§37.1209 and 37.2209, as the same may be amended, the City and its subcontractors shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status; or because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position.. A breach of this covenant may be regarded as a material breach of this Agreement.

VIII

It is the intention of the parties hereto that this Agreement is not made for the benefit of any third party.

It is anticipated that subsequent agreements regarding Winter Maintenance activities will be executed annually by the Parties hereto.

The terms and conditions of this Agreement shall become effective on October 1, 2018, and shall continue in full force and effect until a subsequent Winter Maintenance agreement has been executed by the parties hereto or until this Agreement is terminated, as set forth below.

In the event that a subsequent Winter Maintenance agreement has not been executed by the parties hereto on or before September 1, 2019, either party may terminate this Agreement by providing the other party hereto with written notice of intent to terminate, at least thirty (30) days prior to the date of termination.

This Agreement is executed by the Board at its meeting of _____, and by the City by authority of a resolution of its governing body, adopted _____, (copy attached as Exhibit C).

Witnesses:

CITY OF NOVI
A Municipal Corporation

_____ By: _____

Its: _____

_____ By: _____

Its: _____

Witnesses:

BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF OAKLAND,
A Public Body Corporate

_____ By: _____

Its: _____

_____ By: _____

Its: _____

WINTER MAINTENANCE
2018-2019

CITY OF NOVI

EXHIBIT A

Beck Road

Extending from Grand River Avenue to Twelve Mile Road

<u>Miles</u>	<u>Cost Per Mile</u>		
0.44	\$6,644.88	\$	2,923.75

Grand River Avenue

Extending from Haggerty to Twelve Mile Road

<u>Miles</u>	<u>Cost Per Mile</u>		
5.27	\$6,644.88	\$	35,018.52

NOVI Road

Extending from Eight Mile Road to Twelve Mile Road

<u>Miles</u>	<u>Cost Per Mile</u>		
1.00	\$3,797.06	\$	3,797.06
0.45	\$5,387.37	\$	2,424.32
1.55	\$6,644.88	\$	10,299.56
<u>0.96</u>	<u>\$8,195.77</u>	<u>\$</u>	<u>7,867.94</u>
3.96		\$	24,388.88

Ten Mile Road

Extending from Haggerty Road to Napier Road

<u>Miles</u>	<u>Cost Per Mile</u>		
3.15	\$3,797.06	\$	11,960.74
1.84	\$5,387.37	\$	9,912.76
<u>1.07</u>	<u>\$6,644.88</u>	<u>\$</u>	<u>7,110.02</u>
6.06		\$	28,983.52

12 Mile Road

Extending from Beck Road to Haggerty Highway

<u>Miles</u>	<u>Cost Per Mile</u>		
1.15	\$3,797.06	\$	4,366.63
<u>2.91</u>	<u>\$6,644.88</u>	<u>\$</u>	<u>19,336.60</u>
4.06		\$	23,703.23

Total Miles

19.79

TOTAL

115,017.90

CITY OF NOVI
EXHIBIT A
(Continued)

TWO LANES (\$3,797.06 per mile)

<u>Miles</u>	<u>Cost Per Mile</u>		
1.00	\$3,797.06	\$	3,797.06
3.15	\$3,797.06	\$	11,960.74
<u>1.15</u>	\$3,797.06	\$	<u>4,366.62</u>
5.30		\$	20,124.42

THREE LANES (\$5,281.74 per mile)

<u>Miles</u>	<u>Cost Per Mile</u>		
0.45	\$5,387.37	\$	2,424.32
<u>1.84</u>	\$5,387.37	\$	<u>9,912.76</u>
2.29		\$	12,337.08

FOUR OR FIVE LANES (\$6,644.88 per mile)

<u>Miles</u>	<u>Cost Per Mile</u>		
0.44	\$6,644.88	\$	2,923.75
5.27	\$6,644.88	\$	35,018.52
1.55	\$6,644.88	\$	10,299.56
1.07	\$6,644.88	\$	7,110.02
<u>2.91</u>	\$6,644.88	\$	<u>19,336.60</u>
11.24		\$	74,688.45

SIX OR MORE LANES (\$8,195.77 per mile)

<u>Miles</u>	<u>Cost Per Mile</u>		
0.96	\$8,195.77	\$	7,867.95

Total Miles
19.79

TOTAL 115,017.90

50% in December, 2018 \$57,508.95
50% in March, 2019 \$57,508.95
Total \$115,017.90

EXHIBIT B

2018-2019 WINTER MAINTENANCE AGREEMENT

ROAD COMMISSION FOR OAKLAND COUNTY

**INSURANCE PROVISION
(CITY)**

Insurance Coverage:

The City, prior to execution of the maintenance agreement, shall file with the Road Commission for Oakland County, copies of completed 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. **Worker's Compensation and Employer's Liability Insurance:** The insurance shall provide worker's compensation protection for the City's employees, to the statutory limits of the State of Michigan, and provide Part B Employers Liability as follows:

Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

The indemnification obligation under this section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the City under worker's disability compensation coverage established by law.

- b. **Bodily Injury and Property Damage:** The insurance shall provide 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 operation for one year, after completion of the work.
 - 1. **Bodily Injury and Property Damage Other Than Automobile:** The minimum limits of property damage and bodily injury liability covering each contract shall be:

Bodily Injury and Property Damage Liability: Each Person \$1,000,000 Each Occurrence \$1,000,000 Aggregate \$2,000,000	or: Combined Single Limit: Aggregate \$2,000,000
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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 coverages.

2. **Bodily Injury Liability and Property Damage Automobiles:** The minimum limits of bodily injury liability and property damage liability shall be:

Bodily Injury and Property Damage Liability:		or: Combined Single Limit:
Each Person	\$1,000,000	Each Occurrence: \$1,000,000
Each Occurrence	\$1,000,000	

Such insurance shall include coverage for all owned, hired, and non-owned vehicles.

- a. **Excess and Umbrellas Insurance** – The City 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.
- b. The City shall provide for and in 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 City’s General Liability Insurance.
- c. **Notice** – The City 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 City. The City 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 City cannot secure the required insurance within 30 days, the Board reserves the right to terminate the Contract.
- d. **Reports:** The City or its insurance carrier shall promptly report to the Road Commission all of the following events each time as they occur: Claims received, claims investigations made, and disposition of claims.

See provisions of the maintenance agreement to which this Exhibit B is attached.

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

RESOLUTION

2018-2019 WINTER MAINTENANCE AGREEMENT

CITY OF NOVI and ROAD COMMISSION FOR OAKLAND COUNTY

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 has determined that it is desirable to enter into an Agreement with the Road Commission for Oakland County to perform snow and ice removal operations on Beck Road from Grand River Avenue to Twelve Mile Road, Grand River Avenue from Haggerty Road to Twelve Mile Road, Novi Road from Eight Mile Road to Twelve Mile Road, Ten Mile Road from Haggerty Road to Napier Road, and, Twelve Mile Road from Beck Road to Haggerty Road.

WHEREAS; entering into a formal one-year agreement is necessary to facilitate the transfer of jurisdiction from the Road Commission of Oakland County to the City of Novi for said ice and snow removal operations on the designated roadways within the City limits of Novi, and,

WHEREAS; the Road Commission for Oakland County will reimburse to the City of Novi a total of \$115,017.90 for maintaining 19.79 miles, said compensation calculated and agreed to by the Road Commission for Oakland County as fair and equitable compensation for snow and ice removal operations on County roads within the City of Novi.

NOW, THEREFORE, IT IS THEREFORE RESOLVED that the Mayor and Council for the City authorize the execution of the 2018-2019 Winter Maintenance Agreement with the Road Commission for Oakland County.

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 _____, 2018, 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