



**CITY OF NOVI CITY COUNCIL**  
**APRIL 11, 2022**

**SUBJECT:** Consideration to approve construction costs based on the approved Intergovernmental Cost Sharing Agreement between the Great Lakes Water Authority (GLWA) and the City of Novi for additional road restoration and water main work along 11 Mile Road, Meadowbrook Road, and 13 Mile Road to be included in the GLWA 14 Mile Transmission Main Construction Contract in the amount of \$1,955,630.

**SUBMITTING DEPARTMENT:** Department of Public Works, Engineering Division

<b>EXPENDITURE REQUIRED</b>	<b>\$ 1,563,630.00 Major Roads Fund</b> <b>\$ <u>392,000.00 Water &amp; Sewer Fund</u></b> <b>\$ 1,955,630.00 Total</b>
<b>AMOUNT BUDGETED</b>	<b>\$ 1,719,990.00 Major Roads Fund (FY 2022-23 Budget)</b> <b>\$ <u>444,130.00 Water &amp; Sewer Fund (FY 2022-23 Budget)</u></b> <b>\$ 2,164,120.00 Total</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$ 0</b>
<b>LINE ITEM NUMBER</b>	<b>202-202.00-976.089 Major Roads Fund</b> <b>592-592.00-976.089 Water &amp; Sewer Fund</b>

**BACKGROUND INFORMATION:**

The Great Lakes Water Authority (GLWA) and the City of Novi (Novi) have negotiated a proposed cost sharing agreement) whereby additional City of Novi road restoration work along 11 Mile, Meadowbrook, and 13 Mile Roads and water main work along 11 Mile Road will be included in the GLWA 14 Mile transmission main construction contract (GLWA CIP 122013). This is the same agreement approved at the July 27, 2020, City Council meeting which was brought forward for the approval of the design phase. Now that GLWA has a contractor on board, the percentages in the original agreement have been applied to the appropriate contract bid items to determine Novi's cost share amount. Novi's share of the project costs is \$1,955,630 for construction (pending final construction bids and any construction change orders). The construction costs are provided in the attached table.

This Agreement will allow the parties to complete road restoration, local water distribution main, and water transmission main work concurrently to avoid multiple roadway disruptions that would occur if the work were completed as separate contracts. The agreement, project description, and a cost sharing table are provided as an attachment in the packet. Additionally, a July 9, 2020, memo sent to City Council with additional project detail is attached for reference.

Construction commenced for this project in March and is anticipated to continue for more than two years.

**RECOMMENDED ACTION:** Approve construction costs based on the approved Intergovernmental Cost Sharing Agreement between the Great Lakes Water Authority (GLWA) and the City of Novi for additional road restoration and water main work along 11 Mile Road, Meadowbrook Road, and 13 Mile Road to be included in the GLWA 14 Mile Transmission Main Construction Contract in the amount of \$1,955,630.

14 Mile Transmission Main Loop - Phase 2  
 City of Novi/GLWA Cost Share Items

Item No.	Item Description	Quantity	Unit	Ric-Man Construction, Inc.	Novi/GLWA Cost Share			
					Novi %	GLWA %	Novi Share	GLWA Share
31	Demolition and installation of subgrade for 11 Mile Road from Seeley Road to Meadowbrook Road	1	LS	\$ 321,000.00	60%	40%	\$ 192,600.00	\$ 128,400.00
32	Road Construction (pavement installation and R/W Restoration) of 11 Mile Road	1	LS	\$ 500,000.00	25%	75%	\$ 125,000.00	\$ 375,000.00
33	Pavement Markings for 11 Mile Road	1	LS	\$ 8,000.00	0%	100%	\$ -	\$ 8,000.00
34	Traffic Control for 11 Mile Road	1	LS	\$ 35,000.00	0%	100%	\$ -	\$ 35,000.00
35	Installation of 12-inch waterline installed on 11 Mile Road from Seeley to Meadowbrook Road	1	LS	\$ 392,000.00	100%	0%	\$ 392,000.00	\$ -
36	Demolition and installation of subgrade for Meadowbrook Road from 11 Mile Road to the I-96 bridge	1	LS	\$ 137,000.00	65%	35%	\$ 89,050.00	\$ 47,950.00
37	Road Construction (pavement installation and R/W Restoration) Meadowbrook Road from 11 Mile Road to I-96	1	LS	\$ 216,000.00	55%	45%	\$ 118,800.00	\$ 97,200.00
38	Signal Modification at intersection of 11 Mile Road and Meadowbrook Road	1	LS	\$ 68,000.00	100%	0%	\$ 68,000.00	\$ -
39	Pavement Markings for Meadowbrook Road from 11 Mile Road to I-96	1	LS	\$ 8,000.00	50%	50%	\$ 4,000.00	\$ 4,000.00
40	Traffic Control for Meadowbrook Road from 11 Mile Road to I-96	1	LS	\$ 35,000.00	0%	100%	\$ -	\$ 35,000.00
46	Installation and demolition of subgrade for Meadowbrook Road from 12 Mile Road to 13 Mile Road	1	LS	\$ 650,000.00	50%	50%	\$ 325,000.00	\$ 325,000.00
47	Road Construction (pavement installation and R/W Restoration) of Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	1	LS	\$ 921,000.00	0%	100%	\$ -	\$ 921,000.00
48	Pavement Markings for Meadowbrook Road from 12 Mile Road to 13 Mile Road	1	LS	\$ 18,000.00	0%	100%	\$ -	\$ 18,000.00
49	Traffic Control for Meadowbrook Road from 12 Mile Road to 13 Mile Road	1	LS	\$ 40,000.00	0%	100%	\$ -	\$ 40,000.00
50	Installation and demolition of subgrade for 13 Mile Road from Meadowbrook Road to M-5	1	LS	\$ 470,000.00	66%	34%	\$ 310,200.00	\$ 159,800.00
51	Road Construction (pavement installation and R/W Restoration) of 13 Mile Road from Meadowbrook Road to M-5	1	LS	\$ 947,000.00	34%	66%	\$ 321,980.00	\$ 625,020.00
52	Pavement Markings on 13 Mile Road from Meadowbrook Road to M-5	1	LS	\$ 12,000.00	75%	25%	\$ 9,000.00	\$ 3,000.00
53	Traffic Control on 13 Mile Road from Meadowbrook Road to M-5	1	LS	\$ 40,000.00	0%	100%	\$ -	\$ 40,000.00
							<b>\$ 1,955,630.00</b>	<b>\$ 2,862,370.00</b>
							<b>202 \$ 1,563,630.00</b>	
							<b>592 \$ 392,000.00</b>	

# MEMORANDUM



**TO:** PETE AUGER, CITY MANAGER  
**FROM:** JEFFREY HERCZEG, DIRECTOR OF PUBLIC WORKS  
**SUBJECT:** GLWA REDUNDANCY ROUTE PROJECT UPDATE  
**DATE:** JULY 10, 2020

The Great Lakes Water Authority (GLWA) initiated a study in February 2018 to provide redundancy from their 8 Mile Transmission Main (TM) to the Haggerty Road Pumping Station on 14 Mile Road and the 14 Mile Transmission Main. This section of the water distribution system was interrupted by the main break on 14 Mile Road (East of Drake) in October 2017. The 14 Mile Road TM supplies water to the communities of Novi, Farmington Hills, West Bloomfield, Commerce, Walled Lake, and Wixom. The 14 Mile Road TM originates near the Franklin Pump Station (FRK), which supplies the pressure and flow for this system. The transmission main traverses west along 14 Mile Road to the Haggerty Pump Station (HAG); then, it continues west to Walled Lake, resulting in a long dead-end segment with no redundancy with the rest of the GLWA system.

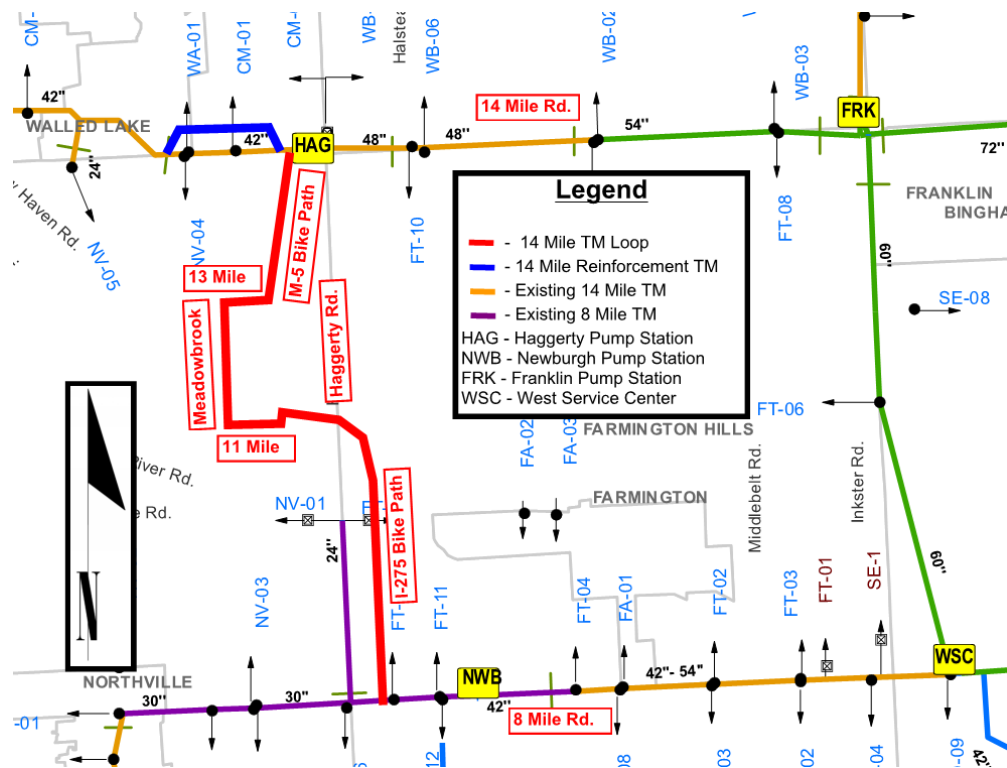


Exhibit A. Location of 14 Mile Road TM Loop and 14 Mile Reinforcement TM in GLWA's Distribution System

The proposed redundancy project (red in Exhibit A) will consist of interconnecting the 8 Mile Road TM and 14 Mile Road TM to increase the reliability in the western portion of the distribution system. This route was chosen following a study phase that considered twelve potential routes with several segments of this project traversing through Novi. This work will provide a more resilient and redundant water distribution system for the western communities of GLWA's transmission system that rely upon the 14 Mile Road TM. The finished project will provide improved operational flexibility for GLWA's system.

GLWA presented a study to City Council on September 9, 2019 outlining the proposed routes and the project impact to the city. Over the last year, staff participated in design and planning meetings with GLWA and their consultants to determine potential cost sharing options for road reconstruction projects on the 14 Mile Road TM route.

The following segments are recommended for cost sharing projects with GLWA:

- **11 Mile Road** from Seeley to Meadowbrook, and the installation of a 12" water main from Seeley to Meadowbrook
- **Meadowbrook Road** from 11 Mile Road to the I-96 bridge
- **Meadowbrook Road** from 12 Mile Road to 13 Mile Road
- **13 Mile Road** from Meadowbrook to M-5

Approximately half of each of the above roads are expected to be impacted by the pipe construction zone. GLWA pays for anything within their pipe zone; therefore, it makes sense to complete the remainder of the road reconstruction simultaneously. Additionally, three of the four segments are already marked for rehabilitation projects in the Novi CIP (**Meadowbrook** from 12 Mile to 13 Mile is exception). Additionally, the segment of **Meadowbrook** from I-96 to 12 Mile Road (not named above but in the route) will be replaced in kind by GLWA at no cost to Novi, since it was recently reconstructed in 2017 and is in good condition.

Completing the four projects in a cost share with GLWA amounts to an estimated \$2.9M (\$3.6M with water main) which is ~\$200K more than the sum of three (of the four) road projects estimated in our CIP (below). Essentially the scale of the GLWA project allows Novi an additional mile of reconstruction (**Meadowbrook** from 12 Mile to 13 Mile) for a few hundred thousand dollars more.

<u>Novi CIP Projects for FY 22-23 and 23-24</u>	<u>Estimate</u>
<b>11 Mile Road</b> from Seeley to Meadowbrook	\$800,000
<b>Meadowbrook Road</b> from 11 Mile Road to the I-96	\$600,000
<b>13 Mile Road</b> from Meadowbrook to M-5	<u>\$1,300,000</u>
<b>Total</b>	\$2,700,000

All segments will be totally reconstructed under the cost share agreement and will therefore provide a longer service life. The only up-front costs will be Novi's share of

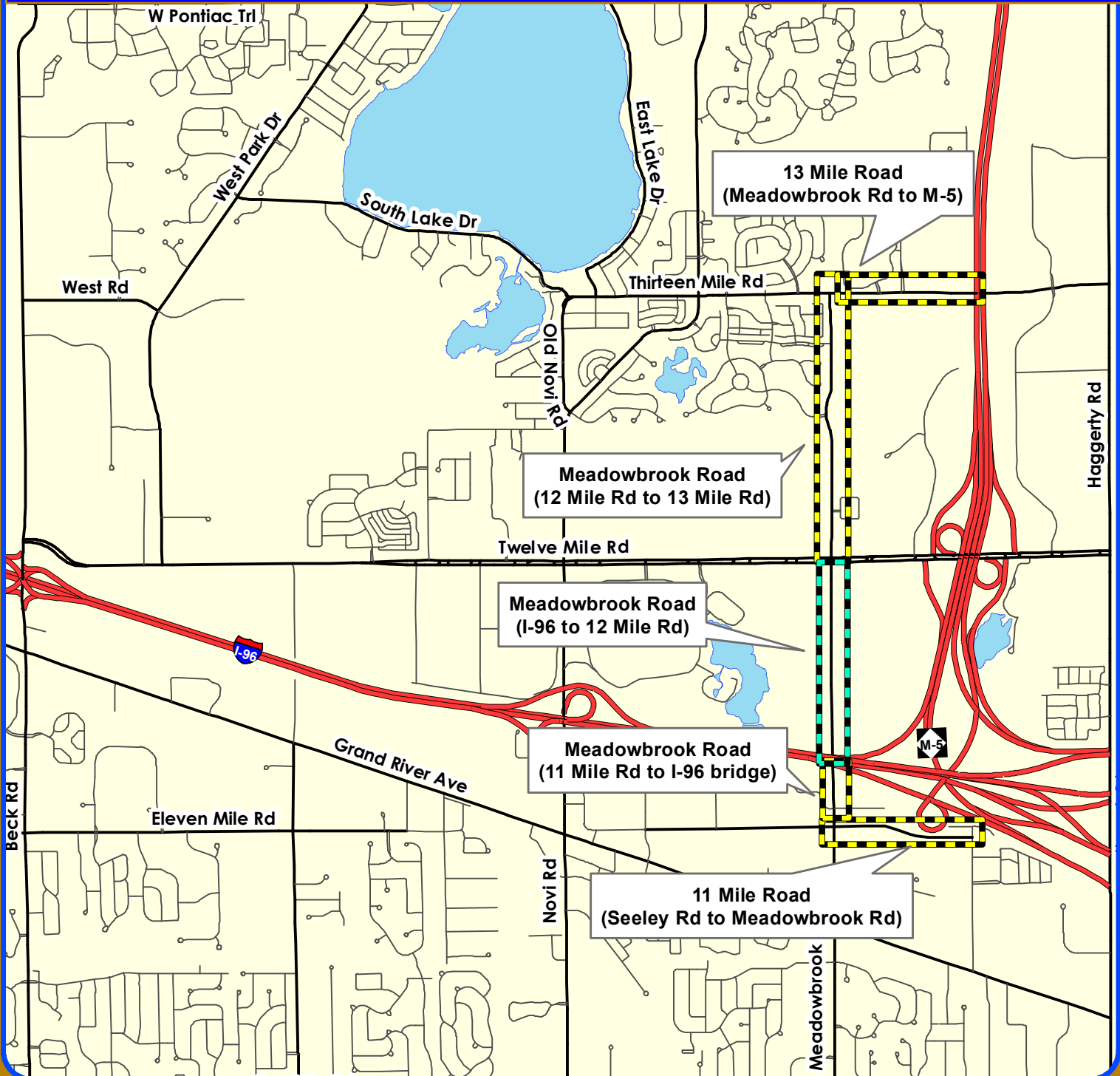
design engineering estimated at \$145K (plans are currently at 40% completion), and the construction costs will be invoiced based on project progress. However, further cost savings should be realized since Novi will not be responsible for any construction engineering, administration and materials testing, as these costs will be absorbed by GLWA.

Staff is currently reviewing the proposed Intergovernmental Agreement with GLWA and plans on bringing said agreement forward for consideration to City Council. Attached (Exhibit B) are the preliminary cost estimates for the road reconstruction projects discussed herein and a Novi project map for reference. Specific project details from GLWA will be included within the final agreement when presented to City Council. Project final plans are scheduled to be delivered at the end of 2020 and construction is anticipated for 2022.

Let me know if you have any questions regarding this memo.

# Great Lakes Water Authority (GLWA) Redundancy Route Project

## Road Segment Location Map



Map Author: Rebecca Runkel  
 Date: July 7, 2020  
 Project: GLWA Redundancy Route  
 Version #: 1.0

Amended By:  
 Date:  
 Department:

**MAP INTERPRETATION NOTICE**

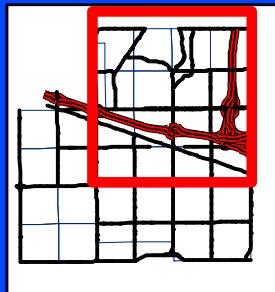
Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate 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.



**Road Replacement  
(Cost Share)**



**Road Replacement  
(No Cost Share)**



**City of Novi**

Engineering Division  
 Department of Public Works  
 26300 Lee BeGole Drive  
 Novi, MI 48375  
[cityofnovi.org](http://cityofnovi.org)



**EXHIBIT B**

**PROJECT COSTS**

<b>Activity</b>	<b>Cost Sharing</b>	<b>GLWA</b>	<b>Novi</b>	<b>Total</b>
<b>Total Cost</b>		<b>\$7,010,928.29</b>	<b>\$3,671,378.09</b>	<b>\$10,681,507.00</b>
<b>Incremental Design Costs to Add Novi Work</b>	100% Novi		145,000.00	145,000.00
<b>Construction Costs</b>	See break-down below	\$7,010,928.29	\$3,526,378.09	\$10,536,507.00
<b>11 Mile Rd</b>		\$1,255,206.00	\$1,305,503.00	\$2,560,709.00
11 Mile Rd pipe installation	100% GLWA			
11 Mile Rd full pavement restoration/replacement	75% GLWA 25% Novi	\$915,722.00	\$305,240.00	\$1,220,962.00
11 Mile Rd all subgrade costs outside pipe zone	60% Novi 40% GLWA	\$186,276.00	\$279,413.00	\$465,689.00
FedEx entrance onto Bridge St	100% GLWA	\$14,412.00		\$14,412.00
12" water main installation on 11 Mile Rd	100% Novi		\$720,850.00	\$720,850.00
Striping plan	100% GLWA	\$9,213.00		\$9,213.00
Traffic control	100% GLWA	\$129,583.00		\$129,583.00
<b>Meadowbrook Rd from 11 Mile Rd to I-96</b>		\$395,132.65	\$515,021.35	\$910,154.00
Pavement restoration/replacement 3 lanes from 11 Mile Rd to Bridge St 2 lanes from Bridge St to I-96	55% Novi 45% GLWA	\$367,533.00	\$449,207.00	\$816,740.00
Subgrade replacement 3 lanes from 11 Mile Rd to Bridge St 2 lanes from Bridge St to I-96	65% Novi 35% GLWA	\$13,040.65	\$24,218.35	\$37,259.00
Signal modifications at 11 Mile Rd and Meadowbrook Rd due to west bound right turn lane	100% Novi		\$37,824.00	\$37,824.00
Striping plan	50% GLWA 50% Novi	\$3,772.00	\$3,772.00	\$7,544.00
Traffic control	100% GLWA	\$10,787.00		\$10,787.00
<b>Meadowbrook Rd from I-96 to 12 Mile Rd</b>		\$0.00	\$0.00	\$0.00
Meadowbrook Rd from I-96 to 12 Mile Rd Pipe installation and pavement restoration/replacement	100% GLWA			
Striping plan	100% GLWA			
Traffic control	100% GLWA			



<b>Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd</b>		\$3,452,797.00	\$448,107.00	\$3,900,904.00
Pavement restoration/ replacement 2 lanes from 12 Mile Rd to 13 Mile Rd	100% GLWA	\$2,761,738.00	\$0.00	\$2,761,738.00
Subgrade restoration/ replacement 2 lanes from 12 Mile Rd to 13 Mile Rd	50% GLWA 50% Novi	\$448,107.00	\$448,107.00	\$896,214.00
Striping plan	100% GLWA	\$26,935.00		\$26,935.00
Traffic control	100% GLWA	\$216,017.00		\$216,017.00
<b>13 Mile Rd</b>		\$1,907,792.64	\$1,257,746.74	\$3,164,740.00
Pavement restoration/ replacement 3 lanes from 12 Mile Rd to 13 Mile Rd	66% GLWA 34% Novi	\$1,419,490.06	\$708,680.94	\$2,128,171.00
Subgrade restoration/ replacement 3 lanes from 12 Mile Rd to 13 Mile Rd	66% Novi 34% GLWA	\$266,992.59	\$533,185.79	\$799,379.00
Striping plan	75% Novi 25% GLWA	\$5,293.00	\$15,880.00	\$21,173.00
Traffic control	100% GLWA	\$216,017.00		\$216,017.00

*(End Exhibit B)*

**INTERGOVERNMENTAL AGREEMENT**

**BETWEEN**

**GREAT LAKES WATER AUTHORITY**

**AND**

**CITY OF NOVI**

**Regarding Improvements to 11 Mile Road from Seeley Road to Meadowbrook Road;  
Meadowbrook Road from 11 Mile Road to I-96;  
Meadowbrook Road from 12 Mile Road to 13 Mile Road;  
13 Mile Road from Meadowbrook Road to M-5 Bike Path; and  
Installation of a 12" Water Main from Seeley Road to Meadowbrook Road**

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
GREAT LAKES WATER AUTHORITY, A MICHIGAN MUNICIPAL AUTHORITY  
AND  
CITY OF NOVI**

This Intergovernmental Agreement (“Agreement”) is entered into by and between the Great Lakes Water Authority, a Michigan municipal authority and public body corporate organized pursuant to Public Act 233 of 1955, with its principal place of business located at 735 Randolph, Detroit, Michigan 48226 (“GLWA”), and the City of Novi, a Michigan municipal corporation (the “City”). GLWA and the City may be referred to individually as a “Party” or collectively as the “Parties”.

**Recitals**

- A. This Agreement is made for the purpose of fixing the rights and obligations of the Parties with respect to (a) complete restoration of roadways, including demolition of asphalt and base, repaving, restriping, traffic control, and other associated work at the following locations: (i) 11 Mile Road from Seeley Road to Meadowbrook Road, (ii) Meadowbrook Road from 11 Mile Road to I-96, (iii) Meadowbrook Road from 12 Mile Road to 13 Mile Road, (iv) 13 Mile Road from Meadowbrook Road to M-5 bike path; and (b) the installation of a 12” water main from Seeley Road to Meadowbrook Road located in the City (collectively, the “Project” and further described in Exhibit A); and
- B. Public Act 35 of 1951, MCL 124.1, *et seq*, as amended, authorizes municipalities to contract among themselves for the performance of services; and
- C. The Parties have reached an understanding with each other regarding the performance of the Project and desire to set forth this understanding in the form of this Agreement.

Now therefore, in consideration of the mutual understandings of the Parties and in conformity with applicable law, it is agreed as follows:

**ARTICLE 1  
DEFINITIONS**

Wherever used in this Agreement, the following terms shall have the meanings indicated which shall be applicable to both the singular and plural thereof:

- 1.1 “Construction Engineering” shall mean the services necessary to adequately assure that the Project is being constructed in substantial conformance with the bid plans

and specifications, together with any Project change orders, amendments, addenda, and/or bulletins. Construction Engineering services include, but are not limited to, contract administration, construction staking, construction inspection and/or consultant services. Construction Engineering costs include, but are not limited to, direct labor, equipment, and materials plus current GLWA charges for the overhead, fringes and benefits.

- 1.2 “Construction Work” shall mean all work performed to construct the Project in substantial conformance with the bid plans and specifications, together with any change orders, amendments, addenda, and/or bulletins. Work shall be performed by the responsive, qualified low bidder, together with approved subcontractors, GLWA forces, and/or the third parties that have a relevant interest in the Project. Construction Work costs include, but are not limited to, unit prices extended for actual quantities completed, lump sum work, force account work that includes, but is not limited to, direct labor, equipment, materials plus current GLWA charges for costs directly associated with the Project construction.
- 1.3 “Preliminary Engineering” shall mean all services necessary to adequately prepare plans and specifications for the Project, together with any change orders, amendments, addenda, and/or bulletins. Preliminary Engineering services may include, but are not limited to, surveys, soil investigations, design, drafting, reviews, permits, and/or consultant services. Preliminary Engineering costs shall include, but are not limited to, direct labor, equipment, and materials plus current GLWA charges for overhead, fringes and benefits.

## **ARTICLE 2 TERM OF CONTRACT**

- 2.1 The effective date of this Agreement shall be the date that this Agreement is approved by the GLWA Board of Directors or the Novi City Council, whichever is later. The term of this Agreement shall begin on the effective date and shall terminate upon completion of the Project and receipt in full of all payments due hereunder.

## **ARTICLE 3 CITY’S RESPONSIBILITIES**

- 3.1 The City shall provide all available information for its utilities as needed by GLWA in connection with the Project when required by the GLWA employee or contractor acting as its engineer (“Engineer”).
- 3.2 Any City utility relocations required as a result of the larger GLWA transmission main work, CIP No. 122013 (the “GLWA CIP Work”), of which the Project is a subset, shall

be completed by GLWA and the cost thereof shall be recovered through the GLWA CIP Work.

**ARTICLE 4  
GLWA'S RESPONSIBILITIES**

- 4.1 GLWA shall perform all Preliminary Engineering.
- 4.2 GLWA shall arrange for the contract bidding, award of the contract and administer the contract.
- 4.3 GLWA shall perform all Construction Engineering.
- 4.4 GLWA shall appoint the Engineer for the Construction Work for the Project.
- 4.5 GLWA shall keep accurate records and accounts of the Project Costs, defined in Section 5.1, that shall be accessible for inspection and audit upon request by an authorized representative of the City.

**ARTICLE 5  
PROJECT COSTS; COST SHARING**

- 5.1 "Project Costs," shall include, but not be limited to, the actual cost of Preliminary Engineering, Construction Work, Construction Engineering, and/or other miscellaneous work and services necessary for and incidental to the completion of the Project, together with any cost changes associated with Project change orders, amendments, addenda, and/or bulletins.
- 5.2 At the time of execution of this Agreement, the estimated Project Costs are Ten Million Six Hundred Eighty-One Thousand Five Hundred Seven Dollars and 00/100 (\$10,681,507.00).
- 5.3 The cost sharing allocations set forth in Exhibit B are based on the estimated Project Costs wherein: (a) the City shall contribute a fixed amount for Preliminary Engineering; (b) the Parties shall share in the costs for Construction Work; and (c) GLWA shall bear all costs for Construction Engineering.
- 5.4 The Parties acknowledge that the construction contract for the Construction Work will be bid subsequent to the execution of this Agreement and the Construction Work bids may be higher than the estimated construction costs. Upon receipt of the construction bid, Exhibit B shall be updated to include the Construction Work bid tab provided, however, that an amendment to this Agreement shall not be required. Copies of the updated Exhibit B shall be promptly shared between the Parties.

- 5.5 Change orders may be issued during the Project which may increase or decrease the estimated Project Costs. The Engineer shall consult with the City regarding the issuance of change orders materially affecting the Project Costs. Notwithstanding the foregoing, in all matters regarding the issuance or non-issuance of changes orders, the Parties shall accept the judgment of the Engineer as final.
- 5.6 If the City or anyone for whom the City is responsible delays, disrupts, or interferes with the performance, progress or critical path schedule of any aspect of the Project (collectively, "Delays") including without limitation Delays related to permitting or any work conducted by the City's contractors whether related to the Project work or not, then the City shall reimburse GLWA for any costs incurred by GLWA resulting from such Delays. GLWA shall not be entitled to reimbursement for Delays caused by or within the control of GLWA or GLWA's contractors.
- 5.7 All actual Project Costs incurred by GLWA shall be charged to the Project and shall be paid in full by the City in accordance with the cost sharing allocation percentages set forth in Exhibit B.

## **ARTICLE 6 PAYMENT TERMS**

- 6.1 The City shall pay GLWA its share of the Project Costs in accordance with Exhibit B and as set forth below.
- 6.2 Upon certification by GLWA, the City shall make payment of each progress billing within thirty (30) days of receipt of the progress billing from GLWA. All payments shall be made to GLWA by wire transfer as specified in the GLWA invoice.
- 6.3 For each progress billing, GLWA shall certify that the amount invoiced is for Project work satisfactorily completed for the subject billing period, and that all expenditures constitute "Project Costs", within the meaning of section 3(h) of the revenue bond act, Public Act 94 of 1933, MCL 141.103(h), as amended, including expenses incident thereto. GLWA's invoices to the City shall coincide and be coordinated with the applications for payment that GLWA approves from its contractor. At a minimum, each invoice shall itemize the date of each component of the Project work performed, stored materials and equipment not incorporated into the work, the name of the entity performing the work, a brief description of the work performed, and each expenditure or charge for which reimbursement is sought.
- 6.4 GLWA shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Agreement ("Records"). Separate accounts shall be established

and maintained for all costs incurred under this Agreement. GLWA shall provide any additional and reasonable information upon request of the City.

- 6.5 GLWA shall maintain the Records for at least three (3) years from the date of final payment by the City under this Agreement. In the event of a dispute regarding the allowable expenses or any other issue under this Agreement, GLWA shall thereafter continue to maintain the Records at least until that dispute has been finally decided and the time for all available legal challenges or appeals of that decision has expired.
- 6.6 The City or its representative may inspect, copy, or audit the Records during regular business hours after giving GLWA reasonable notice of the inspection.
- 6.7 If any part of the Project work is subcontracted by GLWA, GLWA shall ensure compliance with the terms and conditions of this Agreement for all subcontracted work.
- 6.8 If after execution of this Agreement previously unknown hazardous substances are discovered within the Project limits which require environmental remediation pursuant to either state or federal law, GLWA, in addition to reporting that fact to the Michigan Department of Environment, Great Lakes, and Energy ("EGLE"), shall immediately notify the City, both orally and in writing of such discovery. Each Party shall be responsible for its pro rata share of the remediation costs, consistent with the overall cost sharing percentages for the segment of work affected as established in Exhibit B, provided, however, that the City shall only be responsible for its pro rata share of the remediation costs when it is determined that the City is responsible, in whole or in part, for the release of the hazardous substance.
- 6.9 If federal and/or state funds administered by either Party are used to pay the cost of remediating any hazardous substances discovered after the execution of this Agreement and if there is a reasonable likelihood of recovery, the Parties, in cooperation with EGLE, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, each Party shall be reimbursed from such recovery for its proportionate share of the costs of recovery of the amount paid shall credit such sums to the appropriate funding source.

## **ARTICLE 7 FORCE MAJEURE**

- 7.1 No failure or delay in performance of this Agreement by any Party shall be deemed to be a breach thereof when such failure or delay is caused by a force majeure event including, but not limited to, any Act of God, strikes, lockouts, wars, acts of terrorism, riots, epidemics or pandemics, explosions, sabotage, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority,

or any other cause, whether the kind enumerated in this Article 7 or otherwise not within the control of a Party, except that no cause or contingency shall relieve the City of its obligation to make payment of the Project Costs.

**ARTICLE 8  
HOLD HARMLESS**

8.1 Each Party shall be fully responsible for any claims arising out of its own acts and/or omissions during the performance of this Agreement, and this Agreement is not intended nor shall it be interpreted as giving either Party a right of indemnification for claims arising out of the performance of this Agreement. This Agreement does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty or immunity of the Parties. Nothing in this Agreement shall be construed as a waiver of the privileges and immunities as provided by law afforded to the Parties. The Parties expressly reserve all privileges and immunities as provided by law.

**ARTICLE 9  
NOTICES**

9.1 Notice of Termination for Cause, Notice of Termination for Convenience, Notice to Proceed and Change of Address Notice shall be given in writing, mailed by postage prepaid, signed by the authorized representative of such Party and addressed as follows:

<p><u>If to GLWA:</u></p> <p>Sue F. McCormick, Chief Executive Officer Great Lakes Water Authority 735 Randolph, Suite 1901 Detroit, MI 48226 Sue.McCormick@glwater.org</p> <p>And a copy to:</p> <p>Randal Brown, General Counsel Great Lakes Water Authority 735 Randolph, Suite 1901 Detroit, MI 48226 Randal.Brown@glwater.org</p>	<p><u>If to the City:</u></p> <p>Pete Auger, City Manager City of Novi 45175 Ten Mile Road Novi, MI 48375 pauger@cityofnovi.org</p> <p>And a copy to:</p> <p>Cortney Hanson, City Clerk City of Novi 45175 Ten Mile Road Novi, MI 48375 Chansoncityofnovi.org</p>
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- 9.2 All other notices, consents, approvals, requests and other communications required or permitted under this Agreement may be given by a Party by e-mail at the e-mail addresses set forth in Section 9.1.
- 9.3 Either Party to this Agreement may change its postal address and/or e-mail address at any time by giving notice of the address change to the other Party.
- 9.4 Notices shall be deemed given on the day of mailing or e-mailing.
- 9.5 The City agrees that any notice given in the manner specified in this Article 9 shall be sufficient and waives any and all claims relative to the sufficiency of such notice.

#### **ARTICLE 10 TERMINATION**

- 10.1 Unless the Parties mutually agree to terminate the Project, this Agreement shall not be subject to termination. Termination of this Agreement will not relieve the City of its share of the Project Costs incurred up to the date of termination of the Agreement.

#### **ARTICLE 11 AMENDMENT**

- 11.1 The Parties may, from time to time, consider it in their best interests to change, modify or extend a term, condition or covenant of this Agreement. Any such change, addition, deletion, extension or modification, which is mutually agreed upon by the Parties, shall be incorporated in a written amendment to this Agreement, provided, however, that the update of Exhibit B with the Construction Work bid tab shall not require amendment of this Agreement. Such amendments shall not invalidate this Agreement nor relieve or release any Party of any of its respective obligations under this Agreement unless so stated in the amendment.
- 11.2 No amendment to this Agreement shall be effective and binding upon the Parties unless it expressly makes reference to this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of the Parties, is approved by City's governing body, and is approved by GLWA's Board of Directors.

#### **ARTICLE 12 MISCELLANEOUS**

- 12.1 There are no third-party beneficiaries of this Agreement.

- 12.2 A waiver of any of the provisions of this Agreement shall not constitute a waiver of any other provisions of this Agreement, nor shall any one waiver constitute a continuing waiver. All waivers shall be in writing.
- 12.3 The rights and remedies set forth in this Agreement are not exclusive and are in addition to any of the rights or remedies provided by law or equity. This Agreement and all actions arising under it shall be governed by, subject to, and construed in accordance with the laws of the State of Michigan. Each Party agrees, consents and submits to the exclusive personal jurisdiction of any state or federal court of competent jurisdiction in Michigan, for any action arising out of this Agreement.
- 12.4 Article headings in this Agreement have been inserted solely for the sake of convenient reference and shall not be used to construe or interpret the scope or intent of this Agreement or in any way affect the same.
- 12.5 If any provision of this Agreement or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement shall not be affected and shall remain valid and enforceable to the fullest extent permitted by law.
- 12.6 This Agreement shall not be assigned, in whole or in part, by either Party.
- 12.7 The Parties agree that no provision in this Agreement shall constitute or act as a waiver of any governmental immunity granted to the Parties and its officers, governing bodies, employees, agents or elected officials under applicable statutory or common law.
- 12.8 This Agreement, including its Exhibits A and B, embodies the entire agreement and understanding between the Parties and supersedes all prior agreements and understandings related to the subject matter thereof. No rights or remedies are, or will be, acquired by either Party orally, through implication or otherwise, unless set forth herein.
- 12.9 This Agreement may be executed in counterparts, each of which will be deemed an original but all of which together will constitute the Agreement.
- 12.10 This Agreement is effective only upon approval of GLWA and the City as evidenced by resolution or other formal action by the Novi City Council and the GLWA Board of Directors, and fully executed by the authorized representative of each Party.

*(Signatures appear on the following page.)*

Accordingly, GLWA and the City, by and through their duly authorized officers and representatives, have executed this Agreement as follows:

**City of Novi:**

By:   
Robert J. Gatt  
Mayor

Date: JULY 29, 2020


By:   
Cortney Hanson  
City Clerk

Date: JULY 29, 2020

APPROVED BY  
NOVI CITY COUNCIL ON:

JULY 27, 2020

**Great Lakes Water Authority:**

By:   
Sue F. McCormick  
Chief Executive Officer

Date: September 30, 2020

APPROVED BY  
GLWA BOARD OF DIRECTORS ON:

\_\_\_\_\_

APPROVED AS TO FORM BY  
GLWA GENERAL COUNSEL ON:

Laurie Koester Digitally signed by Laurie Koester  
Date: 2020.09.24 13:25:06 -04'00'

**EXHIBIT A**

**PROJECT DETAILS**

<b>Project Segment</b>	<b>Description</b>
<b>11 Mile Rd from Seeley Rd to Meadowbrook Rd</b>	
Installation of 54-inch pipe installed using open trench excavation on 11 Mile Rd from Seeley Rd to Meadowbrook Rd	This bid item includes labor, equipment, materials and incidentals required to provide and install 54-inch diameter pipe and all fittings (bends, tees, reducers, couplings etc.) as an engineered pipeline system including thrust restraint, demolition of the northern lane of 11 Mile Rd required to install the pipe (from pipeline Sta 195+00 to 212+73), excavation and backfilling as specified and shown on the drawings. This work also includes installing blowoffs, air release/vacuum valve(s) and associated manhole(s) in this reach. This work does not include the demolition of pavement or subgrade outside the pipe zone, or paving of 11 Mile Rd. This item does not include the cost of disposal of the excess excavated material.
Demolition and installation of subgrade for 11 Mile Rd from Seeley Rd to Meadowbrook Rd	This bid item includes labor, equipment, materials and incidentals required to demolish existing pavement and remove existing subgrade outside the pipe zone (bid tab 13), provide and construct the subgrade to the City of Novi requirements for 11 Mile Rd as shown on the drawings.
Road construction of 11 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to construct the road to the requirements of the City of Novi as shown on the drawings. This work includes a video recording of its original condition, installing the subbase, paving, installing curbs, replacing driveways, replacing culverts, replacing sidewalks, restoring the ditch and shoulder of the road to its original condition or better, seeding and other work associated with this activity as shown on the drawings and specifications.
Pavement markings for 11 Mile Rd	This bid item includes labor, equipment, materials, and incidentals necessary to furnish and install the temporary and permanent pavement markings in accordance with the plan details and the manufacturer's instructions. All sweeping and preparatory work as well as traffic control and temporary

	protection of newly placed markings shall be considered as incidental to the pavement marking work. Removal of any temporary pavement markings shall also be considered as incidental.
Traffic control for 11 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to provide traffic control for all construction on 11 Mile Rd as specified in the drawings and specifications. This also includes all necessary and required temporary pavement marking to facilitate traffic control plan throughout the project duration and other work associated with this activity as shown on the drawings and specifications.
Installation of 12-inch pipe installed on 11 Mile Rd from Seeley Rd to Meadowbrook Rd	This bid item includes labor, equipment, materials and incidentals required to provide and install a 12-inch diameter pipe and all fittings (bends, tees, reducers, valves, connections to existing piping system, etc.) as an engineered pipeline system including thrust restraint as specified and shown on the drawings.
<b>Meadowbrook Rd from 11 Mile Rd to I-96</b>	
Installation of 54-inch pipe installed using open trench excavation on Meadowbrook Rd from 11 Mile Rd to I-96	This bid item includes labor, equipment, materials and incidentals required to provide and install 54-inch diameter pipe and all fittings (bends, tees, reducers, couplings etc.) as an engineered pipeline system including thrust restraint, excavation and backfilling as specified and shown on the drawings. This work also includes installing blowoffs, air release/vacuum valve(s) and associated manhole(s) in this reach. This work does not include the demolition of pavement or subgrade in the pipe zone on Meadowbrook Rd (see Bid Tab 20), or installation of subgrade or pavement on Meadowbrook Rd. This item does not include the cost of disposal of the excess excavated material.
Installation and demolition of subgrade for Meadowbrook Rd from 11 Mile Rd to I-96	This bid item includes labor, equipment, materials and incidentals required to demolish existing pavement, remove existing subgrade, provide and construct the subgrade to the City of Novi requirements for Meadowbrook Rd as shown on the drawings.
Road construction of Meadowbrook Rd from 11 Mile Rd to I-96	This bid item includes labor, equipment, materials and incidentals required to construct the road to the requirements of the City of Novi as shown on the drawings. This work includes a video recording of its original condition, installing the subbase, paving, installing curbs, replacing driveways,

	replacing culverts, replacing sidewalks, guard posts, restoring the ditch and shoulder of the road to its original condition or better, seeding and other work associated with this activity as shown on the drawings and specifications.
Signal modification at intersection of 11 Mile Rd and Meadowbrook Rd	This bid item includes labor, equipment, materials and incidentals required to modify the signal at 11 Mile Rd and Meadowbrook Rd including relocating the signal pole, modification of the electrical wiring and other associated work shown in the drawings and specifications.
Pavement markings for Meadowbrook Rd from 11 Mile Rd to I-96	This bid item includes labor, equipment, materials, and incidentals necessary to furnish and install the temporary and permanent pavement markings in accordance with the plan details and the manufacturer's instructions. All sweeping and preparatory work as well as traffic control and temporary protection of newly placed markings shall be considered as incidental to the pavement marking work. Removal of any temporary pavement markings shall also be considered as incidental.
Traffic control for Meadowbrook Rd from 11 Mile Rd to I-96	This bid item includes labor, equipment, materials and incidentals required to provide traffic control for construction on Meadowbrook Rd as required by the City of Novi. This also includes all necessary and required temporary pavement marking to facilitate traffic control plan throughout the project duration and other work associated with this activity as shown on the drawings and specifications.
<b>Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd</b>	
Installation of 54-inch pipe installed using open trench excavation on Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to provide and install 54-inch diameter pipe and all fittings (bends, tees, reducers, couplings etc.) as an engineered pipeline system including thrust restraint, demolition of the eastern lane of Meadowbrook Rd required to install the pipe (from pipeline Sta 268+10 to Sta 319+00), excavation and backfilling as specified and shown on the

	Drawings. This work also includes installing piles, pile caps, blowoffs, air release/vacuum valve(s) and associated manhole(s) in this reach. This work does not include the demolition of pavement or subgrade, installation of subgrade or pavement on Meadowbrook Rd (see bid item 30). This item does not include the cost of disposal of the excess excavated material.
Installation and demolition of subgrade for Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to demolish existing pavement, remove existing subgrade, provide and construct the subgrade to the City of Novi requirements for Meadowbrook Rd as shown on the drawings.
Road construction of Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to construct the road to the requirements of the City of Novi as shown on the drawings. This work includes a video recording of its original condition, installing the subbase, paving, installing curbs, replacing driveways, replacing culverts, replacing sidewalks, guard posts, restoring the ditch and shoulder of the road to its original condition or better, seeding and other work associated with this activity as shown on the drawings and specifications.
Pavement markings for Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	This bid item includes labor, equipment, materials, and incidentals necessary to furnish and install the temporary and permanent pavement markings in accordance with the plan details and the manufacturer's instructions. All sweeping and preparatory work as well as traffic control and temporary protection of newly placed markings shall be considered as incidental to the pavement marking work. Removal of any temporary pavement markings shall also be considered as incidental.
Traffic control for Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd	This bid item includes labor, equipment, materials and incidentals required to provide traffic control for construction on Meadowbrook Rd as required by the City of Novi. This also includes all necessary and required temporary pavement marking to facilitate traffic control plan throughout the project duration and other work associated with this activity as shown on the drawings and specifications.
<b>13 Mile Rd from Meadowbrook Rd to M-5 bike path</b>	
Installation of 54-inch pipe installed using	This bid item includes labor, equipment, materials and incidentals required to provide and install 54-inch diameter

<p>open trench excavation on 13 Mile Rd from Meadowbrook Rd to M-5 bike path</p>	<p>pipe and all fittings (bends, tees, reducers, couplings etc.) as an engineered pipeline system including thrust restraint, demolition of the eastern lane of Meadowbrook Rd required to install the pipe, excavation and backfilling as specified and shown on the drawings. This work also includes installing blowoffs, air release/vacuum valve(s) and associated manhole(s) in this reach. This work does not include the pavement demolition, installation of subgrade or pavement on 13 Mile Rd (bid tab 35). This item does not include the cost of disposal of the excess excavated material.</p>
<p>Installation and demolition of subgrade for 13 Mile Rd from Meadowbrook Rd to M-5 bike path</p>	<p>Installation and demolition of subgrade for 13 Mile Rd from Meadowbrook Rd to M-5 bike path. This bid item also includes the cost of all pavement demolition.</p>
<p>Road construction of 13 Mile Rd from Meadowbrook Rd to M-5 bike path</p>	<p>This bid item includes labor, equipment, materials and incidentals required to construct the road to the requirements of the City of Novi as shown on the drawings. This work includes a video recording of its original condition, installing the subbase, paving, installing curbs, replacing driveways, replacing culverts, replacing sidewalks, guard posts, restoring the ditch and shoulder of the road to its original condition or better, seeding and other work associated with this activity as shown on the drawings and specifications.</p>
<p>Pavement markings on 13 Mile Rd from Meadowbrook Rd to M-5 bike path</p>	<p>This bid item includes labor, equipment, materials, and incidentals necessary to furnish and install the temporary and permanent pavement markings in accordance with the plan details and the manufacturer's instructions. All sweeping and preparatory work as well as traffic control and temporary protection of newly placed markings shall be considered as incidental to the pavement marking work. Removal of any temporary pavement markings shall also be considered as incidental.</p>
<p>Traffic control for 13 Mile Rd from Meadowbrook Rd to M-5 bike path</p>	<p>This bid item includes labor, equipment, materials and incidentals required to provide traffic control for construction on 13 Mile Rd as required by the City of Novi. This also includes all necessary and required temporary pavement marking to facilitate traffic control plan throughout the project duration and other work associated with this activity as shown on the drawings and specifications.</p>

*(End Exhibit A)*



**EXHIBIT B**

**PROJECT COSTS (July 6, 2020)**

<b>Activity</b>	<b>Cost Sharing</b>	<b>GLWA</b>	<b>Novi</b>	<b>Total</b>
<b>Total Cost</b>		<b>\$7,010,928.29</b>	<b>\$3,671,378.09</b>	<b>\$10,681,507.00</b>
<b>Incremental Design Costs to Add Novi Work</b>	100% Novi		145,000.00	145,000.00
<b>Construction Costs</b>	See break-down below	\$7,010,928.29	\$3,526,378.09	\$10,536,507.00
<b>11 Mile Rd from Seeley Rd to Meadowbrook Rd</b>		\$1,255,206.00	\$1,305,503.00	\$2,560,709.00
11 Mile Rd pipe installation	100% GLWA			
11 Mile Rd full pavement restoration/replacement	75% GLWA 25% Novi	\$915,722.00	\$305,240.00	\$1,220,962.00
11 Mile Rd all subgrade costs outside pipe zone	60% Novi 40% GLWA	\$186,276.00	\$279,413.00	\$465,689.00
FedEx entrance onto Bridge St	100% GLWA	\$14,412.00		\$14,412.00
12" water main installation in 11 Mile Rd	100% Novi		\$720,850.00	\$720,850.00
Striping plan	100% GLWA	\$9,213.00		\$9,213.00
Traffic control	100% GLWA	\$129,583.00		\$129,583.00
<b>Meadowbrook Rd from 11 Mile Rd to I-96</b>		\$395,132.65	\$515,021.35	\$910,154.00
Pavement restoration/ replacement 3 lanes from 11 Mile Rd to Bridge St 2 lanes from Bridge St to I-96	55% Novi 45% GLWA	\$367,533.00	\$449,207.00	\$816,740.00
Subgrade replacement 3 lanes from 11 Mile Rd to Bridge St 2 lanes from Bridge St to I-96	65% Novi 35% GLWA	\$13,040.65	\$24,218.35	\$37,259.00
Signal modifications at 11 Mile Rd and Meadowbrook Rd due to west bound right turn lane	100% Novi		\$37,824.00	\$37,824.00
Striping plan	50% GLWA 50% Novi	\$3,772.00	\$3,772.00	\$7,544.00
Traffic control	100% GLWA	\$10,787.00		\$10,787.00
<b>Meadowbrook Rd from 12 Mile Rd to 13 Mile Rd</b>		\$3,452,797.00	\$448,107.00	\$3,900,904.00
Pavement restoration/	100% GLWA	\$2,761,738.00	\$0.00	\$2,761,738.00

replacement 2 lanes from 12 Mile Rd to 13 Mile Rd				
Subgrade restoration/ replacement 2 lanes from 12 Mile Rd to 13 Mile Rd	50% GLWA 50% Novi	\$448,107.00	\$448,107.00	\$896,214.00
Striping plan	100% GLWA	\$26,935.00		\$26,935.00
Traffic control	100% GLWA	\$216,017.00		\$216,017.00
<b>13 Mile Rd from Meadowbrook Rd to M-5 bike path</b>		\$1,907,792.64	\$1,257,746.74	\$3,164,740.00
Pavement restoration/ replacement 3 lanes from Meadowbrook Rd to M-5 bike path	66% GLWA 34% Novi	\$1,419,490.06	\$708,680.94	\$2,128,171.00
Subgrade restoration/ replacement 3 lanes from Meadowbrook Rd to M-5 bike path	66% Novi 34% GLWA	\$266,992.59	\$533,185.79	\$799,379.00
Striping plan	75% Novi 25% GLWA	\$5,293.00	\$15,880.00	\$21,173.00
Traffic control	100% GLWA	\$216,017.00		\$216,017.00

*(End Exhibit B)*