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CITY of NOVI CITY COUNCIL

Agenda Item K
August 27, 2018

SUBJECT: Approval of a cost participation agreement with the Road Commission for Oakland County for preliminary engineering services associated with the 12 Mile Road and Novi Road Intersection reconstruction project in the amount of \$36,000, and amend the budget.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 35,832.72 City Share \$ 35,832.72 RCOC Share \$ 71,665.44 Total
AMOUNT BUDGETED	\$ 36,000
APPROPRIATION REQUESTED	\$ 36,000 Revenue (reimbursement from RCOC) \$ 36,000 Expenditure \$ 0
LINE ITEM NUMBER	204-204.00-865.032

BACKGROUND INFORMATION:

The 12 Mile Road and Novi Road intersection is under the jurisdiction of the Road Commission for Oakland County (RCOC). The RCOC originally planned to reconstruct the intersection in FY2021 by utilizing National Highway Performance Program (NHPP) funding; however, the condition of the intersection prompted the City to propose advanced reconstruction in collaboration with the RCOC in 2019.

The City and RCOC will enter into a 50/50 cost participation agreement for the preliminary design engineering of the project. The City will be responsible for paying 100% of the design engineering costs and RCOC will reimburse 50% upon billing from the City.

Since the project involves federal funding, and therefore will be administered and placed out for bid by the RCOC through MDOT's Local Agency Program, The RCOC will be performing and responsible for 100% of all construction engineering, contract administration, and materials testing costs necessary to construct the project.

The City and RCOC will enter into a separate local agency agreement for the advance construction and the City will be reimbursed 100% of the construction costs when the NHPP funding becomes available in FY2021 (October 1, 2020).

The City Attorney reviewed the attached local cost share agreement and finds documentation sufficient for sharing costs between the City and the Road Commission (Beth Saarela, August 17, 2018).

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment for the cost participation agreement with RCOC for preliminary engineering services associated with the 12 Mile Road Intersection Reconstruction Project is authorized:

	INCREASE (DECREASE)
MUNICIPAL STREET FUND	
REVENUES	
Other Revenue	36,000
TOTAL REVENUES	\$ 36,000
APPROPRIATIONS	
Capital Outlay	36,000
TOTAL APPROPRIATIONS	\$ 36,000
Net Increase (Decrease) to Fund Balance	\$ -

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 at a regular meeting held on August 27, 2018

Cortney Hanson
City Clerk

12 Mile Road and Novi Road Intersection Reconstruction

Location Map

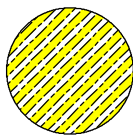


Map Author: Joseph Akers
Date: August 10, 2018
Project: 12 Mile and Novi Intersection
Version #: 1

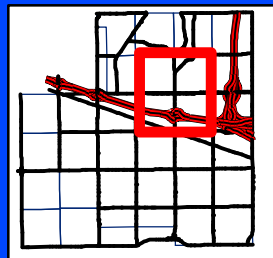
Amended By:
Date:
Department:

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.



Proposed
Intersection
Reconstruction



City of Novi

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

Feet
0 255 510 1,020 1,530

1 inch = 1,259 feet



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August 17, 2018

George Melistas, Senior Engineering Manager
CITY OF NOVI
Department of Public Works
Field Services Complex
26300 Lee BeGole Drive
Novi, MI 48375

Re: RCOC Cost Participation Agreement – Preliminary Engineering – 12 Mile Road

Dear Mr. Melistas:

We have received and reviewed the Cost Participation Agreement prepared by the Board of County Road Commissioners (Board) for the preliminary engineering services for the reconstruction of 12 Mile near Novi Road.

As set forth in Exhibit A, the total preliminary engineer cost is expected to be \$72,000.00. The Board of County Road Commissioners will provide the City reimbursement in the amount of \$36,000. Any amount in excess of \$72,000 will be divided equally by the Board and the City.

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 the preliminary engineering services.

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



Elizabeth K. Saarela

George Melistas, Senior Engineering Manager
City of Novi
August 17, 2018
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Enclosures

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

COST PARTICIPATION AGREEMENT

PRELIMINARY ENGINEERING

12 Mile Road

At Novi Road

City of Novi

Board Project No. 54551

This Agreement, made and entered into this _____ day of _____, 2018, by and between the Board of County Road Commissioners of the County of Oakland, Michigan, hereinafter referred to as the BOARD, and the City of Novi, hereinafter referred to as the COMMUNITY, provides as follows:

WHEREAS, the BOARD and the COMMUNITY have programmed the reconstruction of 12 Mile Road at Novi Road, as described in Exhibit "A", attached hereto, and made a part hereof, which improvements involve roads under the jurisdiction of the BOARD, which improvements are hereinafter referred to as the DESIGN; and

WHEREAS, the estimated total cost of the DESIGN is \$72,000; and

WHEREAS, the parties hereto have reached a mutual understanding regarding the cost sharing of the DESIGN 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 DESIGN, as above described, under Road Commission for Oakland County permit; and shall perform or cause to be performed all preliminary engineering services and administration in reference thereto.
2. The actual total cost of the DESIGN shall include total payments to the contractor.
3. The COMMUNITY shall comply with the liability and insurance requirements as set forth in Exhibit "C" attached hereto.

4. The estimated total DESIGN cost of \$72,000 shall be shared equally by the BOARD and the COMMUNITY. Each 50% share is estimated to be \$36,000, respectively. The COMMUNITY also agrees that any cost overages will be funded equally by the BOARD and the COMMUNITY.
5. Upon execution of this Agreement, the COMMUNITY shall submit an invoice to the BOARD for \$36,000 (being 100% of the BOARD'S share of the estimated total DESIGN cost).
 - a. The invoices shall be sent to:
Julie Enders, Engineering Aide
Road Commission for Oakland County
31001 Lahser Road
Beverly Hills, MI 48025
6. Upon receipt of said invoice, the BOARD shall pay to the COMMUNITY the full amount thereof, within thirty (30) days of such receipt.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and date first written above.

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

By _____

Its _____

CITY OF NOVI

By _____

Its _____

EXHIBIT A

12 Mile Road

At Novi Road

City of Novi

Board Project No. 54551

The performance of preliminary engineering which may include, but is not limited to a field survey of the project, an environmental assessment, the development of a preliminary plan showing the proposed roadway design and pavement cross section, the identity of potential issues affecting the proposed paving, the preparation of a set of plans showing the existing conditions including property lines and rights of way, obtaining utility information and mapping it on the plans, the preparation of final plans and opinions of probable cost, obtaining soil borings in the project area, the preparation of specifications and bid documents and other related work necessary to develop the complete design.

ESTIMATED DESIGN COST

Preliminary Engineering

\$72,000

COST PARTICIPATION BREAKDOWN

	COMMUNITY	BOARD	TOTAL
Contribution	\$36,000	\$36,000	\$72,000
TOTAL SHARES	\$36,000	\$36,000	\$72,000

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.