



**CITY OF NOVI CITY COUNCIL**  
**AUGUST 11, 2025**

**SUBJECT:** Consideration of a cost participation agreement with the Road Commission of Oakland County (RCOC) for the rehabilitation construction costs for Novi Road from Eight Mile Road to Nine Mile Road, in the amount of \$ 111,667

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

**KEY HIGHLIGHTS:**

- Cost share agreement for the rehabilitation on Novi Road (Eight Mile to Nine Mile) with RCOC
- Utilizes Tri-Party Funding
- 2 Phases of construction in fall of 2025 and summer of 2026 Key

**FINANCIAL IMPACT**

	<b>FY 2025/26</b>
<b>EXPENDITURE REQUIRED</b>	<b>\$ 111,667.00</b>
<b>BUDGET</b>	
<b>Municipal Street Fund (204-446.00-975.156)</b>	<b>\$ 125,000.00 (includes estimated FY 2024/25 Budget Rollover)</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$ 0</b>
<b>FUND BALANCE IMPACT</b>	<b>\$ 0</b>
A contingency of 10% is budgeted as the City could have additional costs if there are any overages.	

**BACKGROUND INFORMATION:**

The Road Commission for Oakland County (RCOC) was awarded funding for the rehabilitation of Novi from Eight Mile Road to Nine Mile Road through the Michigan Department of Transportation (MDOT) Surface Transportation Program (STP). By using Tri-Party Program funding, the City's cost-share is reduced to an estimated amount of \$111,667.

The estimated project costs are broken down below.

ESTIMATED PROJECT COST
------------------------

Contractor Payments	\$ 6,873,500
Less Federal Funds	<u>\$ 5,585,034</u>
Total Estimated Local Share	<u><u>\$ 1,288,466</u></u>

COST PARTICIPATION BREAKDOWN
------------------------------

	City of Novi	City of Northville	COUNTY	BOARD	TOTAL
Tri-Party Program	\$111,667		\$111,667	\$111,667	\$335,001
Contribution		\$309,232		\$644,233	\$953,465
TOTAL SHARES	\$111,667	\$309,232	\$111,667	\$755,900	\$1,288,466

The enclosed cost participation agreement is for the construction phase of the Novi Road project and has been favorably reviewed by the City Attorney (Saarela, July 30, 2025). An error in the agreement title noted in the City Attorney's review letter has been corrected.

The project will be completed in two phases:

- Phase 1 - reconstruction of the curve between 8 Mile Road and Allen Road and utility relocations. Novi Road will be closed between 8 Mile Road and Allen Road during this phase, with traffic detoured 8 Mile Road to Meadowbrook Road to 9 Mile Road. Phase 1 is expected to take place in the fall of 2025.
- Phase 2 – reconstruction of Novi Road between Allen Road and 9 Mile Road. During this phase, Novi Road will remain open to southbound traffic, but northbound traffic will be detoured to 9 Mile Road to Meadowbrook Road to 8 Mile Road. Phase 2 is expected to take place in the spring and summer of 2026.

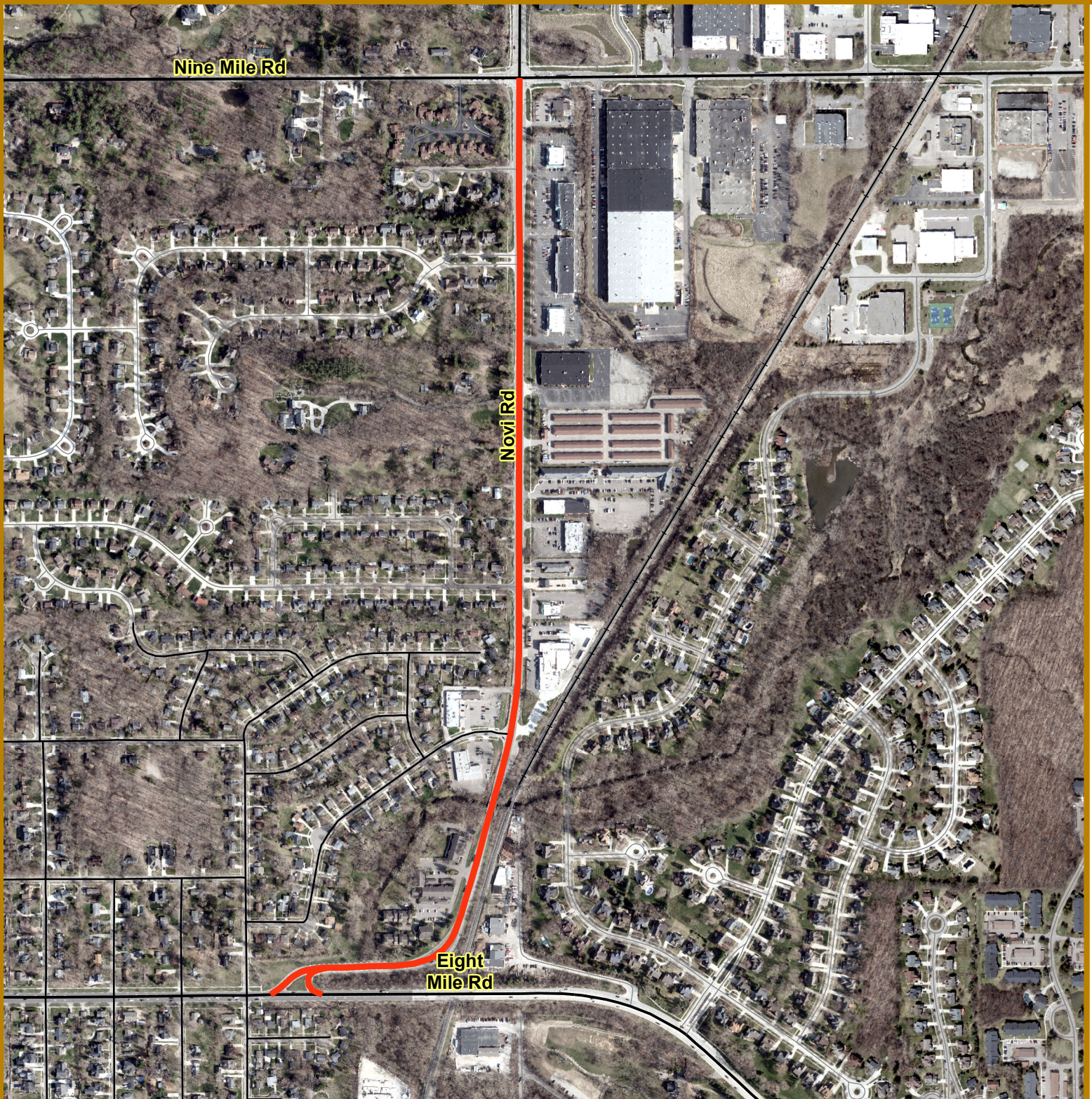
The project scope also includes the addition of a center left-turn lane, along with improvements to storm sewer, pedestrian crossings, and traffic signals.

**RECOMMENDED ACTION:** Approval of a cost participation agreement with the Road Commission of Oakland County (RCOC) for the construction associated with the rehabilitation of Novi Road from Eight Mile Road to Nine Mile Road, with the estimated City share in the amount of \$111,667.



# Novi Road Reconstruction

## 8 Mile Road to 9 Mile Road



Map Author: Runkel  
Date: 8/1/25  
Version #: 1.0

**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.

 **Project Limits**



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



0 137.5 275 550 825  
Feet  
1 inch = 656 feet



ELIZABETH KUDLA SAARELA  
esaarela@rsjalaw.com

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



ROSATI | SCHULTZ  
JOPPICH | AMTSBUECHLER

July 30, 2025

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

**Re: RCOC Cost Participation Agreement - Novi Road  
8 Mile Road to 9 Mile Road- Board Project No. 57291**

Dear Ms. Runkel:

We have received and reviewed the Cost Participation Agreement prepared by the Board of County Road Commissioners (Board) for the resurfacing of Novi Road from 8 Mile to 9 Mile Road in the City. The total project cost is \$6,873,500. Federal funding from the Surface Transportation Program will be provided up to \$5,585,034. The remaining cost of the road rehabilitation will be shared by the City, the City of Northville, and RCOC by using Tri-party funds toward the project.

The Agreement is provided for the limited purpose of setting forth how the project costs will be paid by the named parties. MDOT has contracted separately for completion of the project. It should be noted that the title of the Contract for "Construction Engineering" appears to be inaccurate and should be confirmed with RCOC before signing.

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

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

Very truly yours,

ROSATI SCHULTZ JOPPICH  
& AMTSBUECHLER PC

Elizabeth Kudla Saarela

Rebecca Runkel, Project Engineer  
City of Novi  
July 30, 2025  
Page 2

EKS

Enclosure

C: Cortney Hanson, Clerk (w/Enclosure)  
Megan Mikus, Deputy DPW Director (w/Enclosure)  
Ben Croy, City Engineer (w/Enclosure)  
Thomas R. Schultz, Esquire (w/Enclosure)

## **COST PARTICIPATION AGREEMENT**

### **CONSTRUCTION**

Novi Road

8 Mile to 9 Mile Road

City of Novi

Board Project No. 57291

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, 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 CVT #1, provides as follows:

WHEREAS, the BOARD, CVT #1, and the City of Northville, hereinafter referred to as CVT #2, in cooperation with the Michigan Department of Transportation, hereinafter referred to as MDOT, have programmed the resurfacing of Novi Road from 8 Mile to 9 Mile Road, as described in Exhibit "A", attached hereto, and made a part hereof, which improvements involve roads under the jurisdiction of the BOARD and within CVT #1 and CVT #2, which improvements are hereinafter referred to as the PROJECT; and

WHEREAS, the estimated total cost of the PROJECT is \$6,873,500; and

WHEREAS, the BOARD has entered into an agreement with MDOT in Contract No. 25-5316 for the resurfacing under the Federal STP funding up to, and shall not exceed, the amount of \$5,585,034; and

WHEREAS, the BOARD, as the requesting party therein, will be the party financially responsible to MDOT to bear all costs of the PROJECT in excess of federal funds, hereinafter referred to as the LOCAL SHARE; and

WHEREAS, CVT #1'S share of said LOCAL SHARE involves certain designated and approved Tri-Party Program funding in the amount of \$335,001, which shall be paid through equal contributions by the BOARD, CVT #1, and the Oakland County Board of Commissioners, hereinafter referred to as the COUNTY; and

WHEREAS, all the parties hereto have reached a mutual understanding regarding the cost sharing for the LOCAL SHARE 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 CVT #1 and the BOARD that:

1. CVT #1 and CVT #2 approve of the PROJECT, declare its public necessity, and authorizes the BOARD and MDOT to perform or cause to be performed, and complete the PROJECT along with all administration in reference thereto.
2. The PROJECT shall include total payments to the contractor. Any costs incurred by the BOARD prior to this agreement date shall be allowable.
3. The estimated total LOCAL SHARE is \$1,288,466 and shall be invoiced in the following order:
  - a. Tri-Party Program funding shall be invoiced first, simultaneously and proportionately:
    - i. CVT #1 has agreed to contribute \$111,667 and will fund their share from the Tri-Party Program.
  - b. CVT #2 shall contribute \$309,232 which is their portion of the LOCAL SHARE.
  - c. The BOARD shall contribute \$755,900 which includes the LOCAL SHARE of \$644,233 and Tri-Party funds in the amount of \$111,667.
  - d. Any LOCAL SHARE costs above \$1,288,466 will be funded 100% by the BOARD.
4. Upon execution of this agreement, the BOARD shall submit an invoice to CVT #1 in the amount of \$111,667 (being 100% of CVT #1'S Tri-Party contribution).
5. Upon execution of this agreement and approval by the COUNTY, the BOARD shall submit an invoice to the COUNTY in the amount of \$111,667 (being 100% of the COUNTY'S Tri-Party contribution).

- a. The invoice shall be sent to:

Manager of Fiscal Services  
Oakland County Fiscal Services  
2100 Pontiac Lake Road, Building 41 West  
Waterford, MI 48328

6. In a separate agreement, the BOARD shall submit an invoice to CVT#2 in the amount of \$309,232 (being 100% of CVT #2's local share contribution).
7. Upon receipt of said invoice(s), the CVT #1 and the COUNTY shall pay to the BOARD the full amount thereof, within thirty (30) days of such receipt.
8. The BOARD shall execute a separate Cost Participation Agreement with CVT #2, for their share of the estimated PROJECT cost.



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\_\_\_\_\_

Novi Road  
8 Mile to 9 Mile Road  
City of Novi  
Board Project No. 57291

---

The resurfacing of Novi Road from 8 to 9 Mile Road.

ESTIMATED PROJECT COST
------------------------

Contractor Payments	\$ 6,873,500
Less Federal Funds	<u>\$ 5,585,034</u>
Total Estimated Local Share	<u>\$ 1,288,466</u>

COST PARTICIPATION BREAKDOWN
------------------------------

	City of Novi	City of Northville	COUNTY	BOARD	TOTAL
Tri-Party Program	\$111,667		\$111,667	\$111,667	\$335,001
Contribution		\$309,232		\$644,233	\$953,465
TOTAL SHARES	\$111,667	\$309,232	\$111,667	\$755,900	\$1,288,466