

**CITY OF MADISON HEIGHTS
ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Melissa R. Marsh, City Manager

SUBMITTED BY: R. Corey Almas, Director of Public Services DATE: 7/19/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 7/25/22

ACTION REQUESTED

PRESENTATION _____	FUTURE PUBLIC HEARING _____
PUBLIC HEARING – SPECIAL APPROVAL _____	BID AWARDS / PURCHASES _____
PUBLIC HEARING – OTHER _____	ORDINANCE - FIRST _____
COMMUNICATION _____	ORDINANCE - SECOND _____
REPORT _____ ✓ _____	OLD BUSINESS _____

DESCRIPTION OF ITEM

14 Mile Tri-Party Cost-Share Agreement

IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS

POLICY CONSIDERATION

Please see attached.

Staff respectfully recommends that Council approve the following motions:

- 1) To approve a Budget Amendment in the amount of \$52,471 to account 202-450-988-0445
- 2) To approve the Cost Participation Agreement for RCOC Board Project 55031, the resurfacing of 14 Mile Road from Barrington Street to Dequindre Road, and authorize the Mayor to sign on behalf of the City.

FINANCIAL IMPACT

No Impact _____	Fee Waiver Proposed _____
Budgeted Fund Name(s) <u>14 Mile Improvements</u>	Department Name <u>Major Streets - Construction</u>
Appropriated in Acct. No. <u>202-450-988-0445</u>	Budget Amount <u>0</u>
Amount Available in Acct. <u>0</u>	
Second Account Number _____	Budget Amount _____
Amount Available in 2 nd Acct. _____	Revenue Generated _____
Other Comments <u>Budget Amendment needed.</u>	

REVIEW CHECKLIST

DEPARTMENT R. Corey Almas, Director of Public Services DATE 7/19

DEPARTMENT _____ DATE _____

CITY MANAGER Melissa R. Marsh, City Manager DATE 07/19/22

MEMORANDUM

DATE: July 19, 2022

TO: Melissa R. Marsh, City Manager

FROM: Sean P. Ballantine, Public Works Supervisor
R. Corey Almas, Director of Public Services

SUBJECT: 14 Mile Tri-Party Cost-Share Agreement

In the FY 2019-20 Budget, \$150,000 was allocated for the City's portion of a potential lane widening project related to the BJs development. This was to be funded through the County's tri-party program, allowing the costs to be split three ways between the City, the Road Commission (RCOC), and a third party. This project never came to fruition, and after being carried-forward, the allocated funding was allowed to return to fund balance.

Oakland County has programmed the much-needed 14 Mile Road resurfacing project to start in the upcoming spring of 2023. As this is a federally funded project, a local match is required, which is split between RCOC, the City of Troy, and the City of Madison Heights. The City's share of this project is eligible for the tri-party program, which allows us to further share our cost between the City, RCOC, and Oakland County. For reference, this represents a local share of \$52,471 out of a total project cost of \$5.53 million.

Staff respectfully recommends that Council approve the following motions:

- To approve a Budget Amendment in the amount of \$52,471 to account 202-450-988-0445
- To approve the Cost Participation Agreement for RCOC Board Project 55031, the resurfacing of 14 Mile Road from Barrington Street to Dequindre Road, and authorize the Mayor to sign on behalf of the City.

Department of Public Services

City of Madison Heights
801 Ajax Drive
Madison Heights, Michigan 48071

p (248) 589-2294 | f (248) 589-2679

COST PARTICIPATION AGREEMENT

CONSTRUCTION

14 Mile Road

Barrington Street to Dequindre Road

City of Madison Heights

Board Project No. 55031

This Agreement, made and entered into this _____ day of _____, 2022, 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 Madison Heights, hereinafter referred to as COMMUNITY, provides as follows:

WHEREAS, the BOARD, COMMUNITY, and the City of Troy, hereinafter referred to as TROY, in cooperation with the Michigan Department of Transportation, hereinafter referred to as MDOT, have programmed the resurfacing of 14 Mile Road from Barrington Street to Dequindre 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 COMMUNITY and TROY, which improvements are hereinafter referred to as the PROJECT; and

WHEREAS, the estimated total cost of the PROJECT is \$5,537,121; and

WHEREAS, the BOARD has entered into an agreement with MDOT in Contract No. 22-5258 for the resurfacing of 14 Mile Road from Barrington Street to Dequindre Road under the Surface Transportation Program and Highway Infrastructure Program COVID up to, and shall not exceed, the amount of \$4,907,476; 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, COMMUNITY share of said LOCAL SHARE involves certain designated and approved Tri-Party Program funding in the amount of \$157,413, which shall be paid through equal contributions by the BOARD, COMMUNITY, 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 COMMUNITY and the BOARD that:

1. COMMUNITY and TROY 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 \$629,645 and shall be allocated simultaneously and proportionately as follows:
 - a. COMMUNITY shall contribute \$157,413 and will fund their share from the Tri-Party Program.
 - b. TROY shall contribute \$157,413 towards the LOCAL SHARE.
 - c. The Board shall contribute \$314,819 towards the LOCAL SHARE.
 - d. Any PROJECT costs above the Tri-Party Program funding of \$157,413, TROY contribution of \$157,413, and the BOARD contribution of \$314,819 will be funded 100% by the BOARD.
4. Upon execution of this agreement, the BOARD shall submit an invoice to COMMUNITY in the amount of \$52,471 (being 100% of COMMUNITY'S Tri-Party contribution through fiscal year 2022).
5. Upon execution of this agreement and approval by the COUNTY, the BOARD shall submit an invoice to the COUNTY in the amount of \$52,471 (being 100% of the COUNTY'S Tri-Party contribution through fiscal year 2022).

- a. The invoice shall be sent to:

Sheryl Johnson, Manager of Fiscal Services
Executive Office Building
2100 Pontiac Lake Road, Building 41 West
Waterford, MI 48328

6. The total actual LOCAL SHARE will be determined from the records of the BOARD upon completion of State financial audits of the PROJECT and a final determination of the total federal funds used on the PROJECT. Final adjustments in the financial obligations of the parties hereto will be made upon completion of the required audits.
7. Upon receipt of said invoice(s), the COMMUNITY 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 the City of Troy, 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 MADISON HEIGHTS

By_____

Its_____

EXHIBIT A
TRI-PARTY PROGRAM
14 Mile Road
Barrington Street to Dequindre Road
City of Madison Heights
Board Project No. 55031

Resurfacing of 14 Mile Road from Barrington Street to Dequindre Road.

ESTIMATED PROJECT COST

Contractor Payments: \$5,537,121
Less Federal Funds: (\$4,907,476)
Total Estimated Local Share: **\$629,645**

COST PARTICIPATION BREAKDOWN

	COMMUNITY	TROY	COUNTY	BOARD	TOTAL
Tri-Party Program	\$52,471	\$0	\$52,471	\$52,471	\$157,413
Contribution	\$0	\$157,413	\$0	\$314,819	\$472,232
TOTAL LOCAL SHARES	\$52,471	\$157,413	\$52,471	\$367,290	\$629,645