

COST PARTICIPATION AGREEMENT

CONSTRUCTION

CROOKS ROAD

Square Lake Road to Highway M-59

In the

City of Troy and City of Rochester Hills

BOARD Project No. 47971

This Agreement, made and entered into this _____ day of _____, 2006, by and between the Board of Road Commissioners for the County of Oakland, Michigan, hereinafter referred to as the BOARD, the City of Rochester Hills, hereinafter referred to as ROCHESTER HILLS; and

WHEREAS, the BOARD, in cooperation with the Michigan Department of Transportation, hereinafter referred to as MDOT, the City of Troy, hereinafter referred to as TROY, and ROCHESTER HILLS have programmed the reconstruction and widening of Crooks Road, hereinafter referred to as the PROJECT; and

WHEREAS, for purposes of identification and funding, the PROJECT has been divided into the described limitations:

PART A – FEDERAL AND/OR STATE PARTICIPATION

Construction is described as 2.33 miles of hot mix asphalt and concrete pavement work along Crooks Road from Square Lake Road to approximately 2650 feet north of Auburn Road; including pavement removal , earthwork, storm sewer, water main repair, and traffic signal work; and all together with necessary related work. This work is eligible to receive federal and/or state funding.

PART B – NO FEDERAL OR STATE PARTICIPATION

The installation of sanitary sewer together with associated engineering and inspection services and street lighting installation within the City of Troy, defined as the distance of 1.11 miles located on Crooks Road from the centerline of the Square Lake Road intersection to the centerline of the South Boulevard Road intersection. This work is ineligible to receive federal and/or state funding.

PART C – NO FEDERAL OR STATE PARTICIPATION

The installation of water main together with associated engineering and inspection services within the City of Rochester Hills, defined as the distance of 1.22 miles located on Crooks Road from the centerline of the South Boulevard Road intersection to approximately 2650 feet north of Auburn Road. This work is ineligible to receive federal and/or state funding.

Part D – No Federal Participation

The removal of abandoned DTE Utilities located on Crooks Road within the PROJECT limits.

WHEREAS, the estimated total PROJECT cost is \$19,040,000; and

WHEREAS, the BOARD has executed MDOT Contract 06-5094 for partial funding of the PROJECT cost with Federal Equity Bonus Funds being used as Transportation Economic Development Funds, Category C Program; and

WHEREAS, the BOARD, as the requesting party therein, shall 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 MATCH; and

WHEREAS, the total PROJECT cost shall also include items that are ineligible to receive federal funding as detailed in MDOT Contract 06-5094, hereinafter referred to as the NON-PARTICIPATING items; and

WHEREAS, the parties hereto have reached a mutual understanding regarding cost sharing of the LOCAL MATCH 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 parties hereto as follows:

1. ROCHESTER HILLS and TROY approve of the PROJECT, declare its public necessity, and authorize the BOARD and MDOT to forthwith undertake and complete the PROJECT, as above described, and to perform all engineering, inspection, and administration in reference thereto.
2. The actual total cost of the PROJECT may include total payments to the contractor, construction engineering, material testing and inspection, construction and permanent traffic controls, traffic signals, and utility relocation costs.
3. All cost of the LOCAL MATCH for Part A of the PROJECT shall be shared 50% by the BOARD, 26% by ROCHESTER HILLS, and 24% by TROY, respectively, as indicated in Exhibit A.
4. ROCHESTER HILLS' 26% share of the estimated LOCAL MATCH for Part A of the PROJECT cost is \$921,700.
5. All contractor payments along with 15% associated engineering cost for Part B of the PROJECT, estimated in the amount of \$431,250, shall be funded entirely by TROY.

6. All contractor payments along with 15% associated engineering cost for Part C of the PROJECT, estimated in the amount of \$862,500, shall be funded entirely by ROCHESTER HILLS.
7. All contractor payments along with 15% associated engineering cost for Part D of the PROJECT, estimated in the amount of \$201,250, shall be funded entirely by the BOARD.
8. TROY'S 24% share of the LOCAL MATCH for Part A, estimated in the amount of \$850,800, and Part B of the PROJECT cost, estimated in the amount of \$431,250 shall be funded under a separate Agreement with the BOARD.
9. Upon execution of this Agreement, the BOARD shall submit an invoice to ROCHESTER HILLS for \$892,100 (being half of ROCHESTER HILLS' share of the PROJECT cost), as initial payment toward the PROJECT costs.
10. The BOARD shall invoice ROCHESTER HILLS and TROY periodically as additional costs accrue, after the initial payment has been expended.
11. Within 30 days upon completion of the PROJECT construction, the BOARD shall submit an estimated final invoice to ROCHESTER HILLS for the remainder of ROCHESTER HILLS' share of the estimated total LOCAL MATCH.
12. The total actual LOCAL MATCH shall be determined from the records of the BOARD upon completion of state financial audits for the PROJECT and a final determination of the total federal funds used toward the PROJECT costs. Final adjustments in the financial obligations of the parties hereto shall be made upon completion of the required audits.
13. ROCHESTER HILLS and TROY represent and warrant to the BOARD that they have sufficient funds available to pay their obligations under this Agreement and shall pay to the BOARD all sums due within 30 days of receipt of progress billings.

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

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

By _____

Its _____

CITY OF ROCHESTER HILLS

By _____
Bryan Barnett

Its Mayor _____

By _____
Jane Leslie

Its Clerk _____

EXHIBIT A
CONSTRUCTION
CROOKS ROAD
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ESTIMATED PROJECT COST			
	Federally Funded Items	Items Ineligible for Federal Funds	TOTAL
Contractor Payments (based on Engineers Estimate)			
A. Road Construction	\$15,000,000	0	\$15,000,000
B. City of Troy Sanitary & Street Lighting Cost	0	\$ 375,000	375,000
C. City of Rochester Hills Water Main Cost	0	750,000	750,000
D. Abandoned Utility Removal	0	175,000	175,000
Construction Engineering (15% of contractors pymts)	2,250,000	195,000	2,445,000
Traffic Signal Force Account Work	261,000	0	261,000
DTE/MacLeod USA Utility Relocation Force Account Work	34,000	0	34,000
Total Project Cost	\$17,545,000	\$1,495,000	\$19,040,000
Less Federal Equity Bonus Funds (capped)	(11,712,817)		(11,712,817)
Less State TED Funds, Cat C (80% of eligible items after deduction of Federal Equity Bonus Funds)	(2,287,183)	0	(2,287,183)
LOCAL MATCH	\$ 3,545,000	\$1,495,000	\$ 5,040,000

DISTRIBUTION OF LOCAL MATCH				
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		Part A	Parts B, C, D + 15%	Total Share(s)
BOARD	(50%)	\$1,772,500	(Part D) 201,250	\$1,973,750
TROY	(24%)	850,800	(Part B) 431,250	1,282,050
ROCHESTER HLS	(26%)	921,700	(Part C) 862,500	1,784,200
Total Local Match	(100%)	\$3,545,000	\$1,495,000	\$5,040,000

BREAKDOWN OF SHARES					
	ROCHESTER HLS	TROY	BOARD	COUNTY	TOTAL
Parts B, C, D + 15% for CE	\$ 862,500	\$431,250	\$ 201,250	\$ 0	\$1,495,000
26% & 50% of Part A	921,700	0	1,772,500	0	2,694,200
2002 Tri-Party Program (24% of Part A)	0	47,007	47,007	47,007	141,021
2003 Tri-Party Program (24% of Part A)	0	117,242	117,242	117,242	351,726
2004 Tri-Party Program (24% of Part A)	0	119,351	119,351	119,351	358,053
Total Shares	\$1,784,200	\$714,850	\$2,257,350	\$283,600	\$5,040,000