



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
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[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No:** 2006-0407

**TO:** Mayor and City Council Members  
**FROM:** Roger H. Rousse, Director of Public Service  
**DATE:** June 21, 2006  
**SUBJECT:** Cost Participation Agreement for Construction of Crooks Road, Square Lake to Highway M-59  
City File No. E03-007

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**REQUEST:**

That the City Council approves the Cost Participation Agreement for construction of Crooks Road between Square Lake Road to Highway M-59 in the City of Troy and the City of Rochester Hills between the Board of Road Commissioners for the County of Oakland (BOARD) and the City of Rochester Hills and authorizes the Mayor and Clerk to execute the agreement on behalf of the City.

**REASON FOR PURCHASE:**

The BOARD, in cooperation with the Michigan Department of Transportation (MDOT), the City of Troy, and the City of Rochester Hills has programmed the reconstruction and widening of Crooks Road, Square Lake Road to M-59. The BOARD and MDOT have executed an agreement for partial funding of the project cost with Federal Equity Bonus Funds being used as Transportation Economic Development Funds (TED FUNDS), Category C Program. The local match for the Federal/State funded eligible items will be shared as follows:

- BOARD 50%
- City of Rochester Hills 26%
- City of Troy 24%

The project scope also includes water main installation within the City of Rochester Hills from the centerline of South Boulevard to approximately 2650 feet north of Auburn Road. This work is ineligible to receive Federal or State funding. Rochester Hills is 100% responsible for contractor payments along with the associated engineering costs for the water main installation in the amount estimated to be \$862,500. The City's share of the local match is \$1,784,200. After execution of the agreement, the City will be invoiced for 50% of the local match as initial payment toward the project costs in an estimated amount of \$892,100. After the initial payment is expended, the City will be invoiced as additional costs accrue.

**PROCESS:**

**Vendor Name and Address:**

Road Commission for Oakland County  
31001 Lahser Road  
Beverly Hills, MI 48025

**BUDGET:**

The estimated cost of the project is \$1,784,200, however, the City will be invoiced for \$892,100 after execution of the agreement, which is 50% of the City's share. It is anticipated that the remainder of the project will take place in 2007 and the City will be invoiced accordingly. The remaining budget will be proposed in the 2007 budget, as this is a multi-year project.

| <b>Fund Name</b>          | <b>Department Account No</b> | <b>Account No. Description</b>             | <b>Budget Amount</b> | <b>Cost</b> | <b>Remaining Budget</b> |
|---------------------------|------------------------------|--|----------------------|-------------|-------------------------|
| Major Roads               | 452.970000                   | Construction & Improvements MR-01B, MR-01C | \$861,050            | \$921,700   | (\$60,650)              |
| Water Capital Replacement | 593-972000                   | Equipment – Mains & Services WS01B, WS01C  | \$189,750            | \$862,500   | (\$672,750)             |
|                           |                              |  |                      |             |                         |

**RECOMMENDATION:**

The Department of Public Service recommends approval of the Cost Participation Agreement for Construction of Crooks Road, Square Lake Road to Highway M-59, between the City of Rochester Hills and the Board of Road Commissioners for the County of Oakland and authorizes the Mayor and Clerk to execute the agreement on behalf of the City. In addition, recommends that City Council authorize the payment of the City's share, identified in the Cost Participation Agreement, in the amount of \$1,784,200, and any additional cost that accrues through the term of the agreement, if budgeted.

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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| <b>APPROVALS:</b>  | <b>SIGNATURE</b> | <b>DATE</b> |
|--|------------------|-------------|
| <b>Department Review</b>                                 |                  |             |
| <b>Department Director</b>                               |                  |             |
| <b>Budget Content:<br/>Finance Director</b>              |                  |             |
| <b>Purchasing Process:<br/>Supervisor of Procurement</b> |                  |             |
| <b>Mayor</b>   |                  |             |
| <b>City Council Liaison</b>                              |                  |             |