



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

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2006-0407

TO: Mayor and City Council Members
FROM: Roger H. Rousse, Director of Public Service
DATE: September 6, 2006
SUBJECT: Revised Cost Participation Agreement for Construction of Crooks Road, Square Lake to Highway M-59, City File No. E03-007

REQUEST:

That the City Council approves the Revised 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:

On June 21, 2006, City Council approved the Cost Participation Agreement for Construction of Crooks Road, Square Lake to Highway M-59 between the BOARD and Rochester Hills. Since that time, the City received a revised agreement, which amends the original contract as follows:

- Recalculates the percentage of each City's share. Rochester Hills = 28% Troy = 22%
- Added Item 14 that states that the community maintains newly constructed boulevards once the project is complete.

The proposed revision increases the City's share by 2%. The revised agreement was calculated using stationing from the construction plans to determine the percentage for each city's share. Using the stationing reflects a more accurate division of the project costs. The original agreement was calculated using the ACT51 certification map.

PROCESS:

Vendor Name and Address:

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

BUDGET:

The revised estimated cost of the project is \$1,855,100, however, the City will be invoiced for \$927,550 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 costs are proposed in the 2007 budget, as this is a multi-year project.

Fund Name	Department Account No	Account No. Description	06 Amended Budget	2 yr total Project Cost	Remaining Budget
Major Roads	452.970000	Construction & Impr MR-01B MR-01C	\$541,250 \$435,000	\$992,600	
Water Capital Replacement	593-972000	Equipment – Mains & Services, WS-01B, WS-01C	\$86,250 \$103,500	\$862,500	
Fund Name	Department Account No	Account No. Description	07 Proposed Budget		
Major Roads	452.970000	Construction & Impr MR-01B MR-01C	\$483,650 \$425,000		
Water Capital Replacement	593-972000	Equipment – Mains & Services, WS-01B, WS-01C	\$488,750 \$586,500		
TOTALS			\$3,149,900	\$1,855,100	\$1,294,800

RECOMMENDATION:

The Department of Public Service recommends approval of the Revised 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 Revised Cost Participation Agreement, in the amount of \$1,855,100, and any additional cost that accrues through the term of the agreement, if budgeted.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		

Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		

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