City of Troy

TO: John Lamerato, Acting City Manager
FROM: Brian Murphy, Assistant City Manager/Services
Doug Smith, Real Estate and Development Director
Carol Anderson, Parks and Recreation Director
DATE: March 23, 2006
SUBJECT: AGENDA ITEM – Park and Ride Agreement with Royal Transportation and City of Troy

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On October 18, 2004, City Council approved an Agreement between Royal Transportation Company ("Royal") and the City of Troy for a park and ride lot located in the far west portion of the Community Center parking lot. Royal and General Motors ("GM") have an existing contract wherein Royal transports GM employees and GM tenants from park and ride locations to various GM building sites. The Agreement with Troy is limited to GM employees and GM tenants of the Renaissance Center who board in Troy and are transported to the Renaissance Center. Thirty-one of the thirty-five regular customers reside in Troy. This Agreement was for a limited duration, due to the anticipated receipt of the civic center task force committee reports, implementation schedules, and recommendations.

Attached is a new proposed Agreement which provides for a three (3) year term. Either party may terminate the Agreement without cause upon ninety (90) days written notice. Additionally, Royal has agreed to pay the City of Troy $1,000 annually for parking lot maintenance and snow removal.

City Administration recommends the approval of the Agreement conditioned on presentation by Royal of a Certificate of Insurance acceptable to the City. Furthermore, the resolution should authorize the Mayor and City Clerk to execute the Agreement.

Reviewed as to Form and Legality: _____ 3/28/06
Lori Grigg Bluhm, City Attorney — Dated

PARK AND RIDE AGREEMENT
BETWEEN ROYAL TRANSPORTATION AND THE CITY OF TROY

This Agreement is entered into between Royal Transportation Company, a Michigan Corporation , 401 St. Jean Street, Detroit, Michigan 48214, hereinafter referred to as "Royal" and the City of Troy, a Michigan Municipal Corporation, 500 W. Big Beaver Road, Troy, Michigan 48084, hereinafter referred to as "City", for the purpose of allowing Royal to use certain premises of the City as a Park and Ride lot. Royal and City agree to the following terms and conditions:

1. User Restrictions: Royal and River Front Holdings Inc., a Michigan Corporation, have a service contract, which provides that Royal will transport by bus employees and contract employees of GM and GM's tenants who work in the Renaissance Center, Detroit, Michigan. Such transportation will be from the Troy Community Center to the Renaissance Center only. This Agreement shall become null and void if Royal transports any users other than those provided for as set out in this Paragraph and only in accordance with the route described herein. Reference in this Agreement to "Royal's customers" shall mean only those individuals described in this Paragraph.

2. Location and Hours: The City shall allow Royal to use up to 40 automobile parking spaces located in the north parking lot of the of the Troy Community Center, 3179 Livernois, Troy, Michigan 48084 at the extreme east end as designated on Exhibit A attached hereto and made a part hereof. Royal shall

only use the designated parking area between the hours of 6:00 a.m. and 7:00 p.m. only. Royal agrees that the City is under no obligation to make any additional repairs or modifications to the parking lot, other than those expressly provided for in this Agreement.

3. Payment: For the period ending December 31, 2006, Royal shall pay to the City $ 500.00 within thirty (30) days of the execution of this Agreement and $500.00 no later than June 30, 2006. Thereafter, Royal shall pay yearly to the City $1,000 by January 31, 2007 and January 31, 2008. After December 31, 2008, if this Agreement is continued under a new term or annually as set out in Paragraph 9, the parties shall negotiate a new fee for each subsequent term, which will be based on a usage charge for the parking spaces and a recovery of snow removal and other maintenance charges. The City will notify Royal of the new fee in writing to the last known address for Royal. Royal shall have until January 31st of each year to pay the new fee amount for each year the Agreement is in effect.

4. Signage: If desired, Royal shall be entitled to pay for signage to reserve the area for parking for customers of Royal. The signage may indicate that all other persons parking in the designated area may have their vehicles towed. The signage may also identify the allowable hours for parking of Royal customers. Although Royal will be responsible for paying for any such requested signs, the City shall have the sole discretion to determine both the nature and also the

number of necessary signs, and only signage approved of by the City of Troy shall be allowed.

5. Violations of Space and Time limits: If Royal or its customers and/or agents violated the terms of this Agreement, the City can pursue all available remedies to correct the breach, including but not limited to the right of the City to hire a private company to tow any vehicle in violation of the terms of this Agreement. Royal agrees to pay any and all costs for the towing of vehicles in violation of the terms of this Agreement, and also agrees to indemnify and hold the City harmless from any claims by the owners of vehicles towed under this section, as provided in Paragraph 6 of this Agreement. The City may also choose to terminate this Agreement if Royal violates the terms, and if this option is selected, the City can retain any monies paid under the terms of the Agreement, even though Royal would not be able to continue to utilize the designated parking area.

6. Entry by City onto the Premises: Royal acknowledges that the City and its agents may need to access the designated parking area reserved for customers of Royal. This access is necessary for maintenance purposes, snow removal, police protection, towing of vehicles, inspection, and other purposes related to the health, safety and welfare. The City may also need to temporarily close this designated parking area for City Special Events or repair or maintenance. Royal

consents to these terms of Agreement for the designated parking area, and agrees that there will be no pro-ration of fees in the event of a temporary closure.

7. Indemnification and Hold Harmless: To the fullest extent permitted by law, Royal agrees to defend, pay on behalf of, indemnity and hold harmless the City, its elected and appointed officials, employees and volunteers and others working on behalf of the City against any and all claims, demands, suits, loss, including all costs and attorney fees connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City, its elected and appointed officials, employees, volunteers or others working on behalf of the City, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this Agreement.

8. Insurance: Within five (5) days from the execution of this Agreement, Royal shall provide a Certificate(s) of Insurance acceptable to the City demonstrating that general liability coverage is available for any and all claims for personal injury or property damage which are or might be caused by the use of the Community Center parking lot as a park and ride by Royal or its customers. Royal agrees to keep said insurance coverage in effect for the term of this Agreement or any renewals thereof. Royal shall submit to the City of Troy Risk Management Department prior to the expiration of any insurance coverage the new Certificate(s) of Insurance acceptable to the City. Any Certificate(s) of

Insurance shall name the City of Troy as an additional insured and contain the following cancellation notice:

> "Should any of the above described policies be cancelled or materially changed before the expiration date thereof, the issuing insurer will mail 30 days written notice to the certificate holder named to the left."

Additionally, the City may request a copy of said insurance certificate at any time during this Agreement. Failure to produce a certificate of insurance within fifteen (15) days of a request by the City, shall allow the City to terminate the Agreement with thirty (30) days written notice. A lapse in the insurance coverage required under this Agreement shall be considered a breach of this Agreement and this Agreement shall become null and void automatically at any time such a lapse in coverage exists.

9. Term: The term of this Agreement shall be in effect from the date of execution to December 31, 2008. Thereafter, the Agreement will renew annually on January 1st of each year after the cost of the new fee has been determined as set out in Paragraph 3. This Agreement is subject to cancellation by either party without cause, as long as written notice is sent at least 30 days prior to the termination, and said written notice is sent by first class mail to the last known address of the other party. In the event that Royal cancels the Agreement, the City shall be entitled to retain the entire amount of the annual fee, without pro-ration.

City of Troy, a Michigan Municipal
Corporation

Witnesses:

_____ _____

Louise E. Schilling, Mayor

_____ _____

Tonni Bartholemew, City Clerk

Royal Transportation Company, a Michigan Corporation

_____ _____

By: Donald E. Fitzsimmons
Title: President

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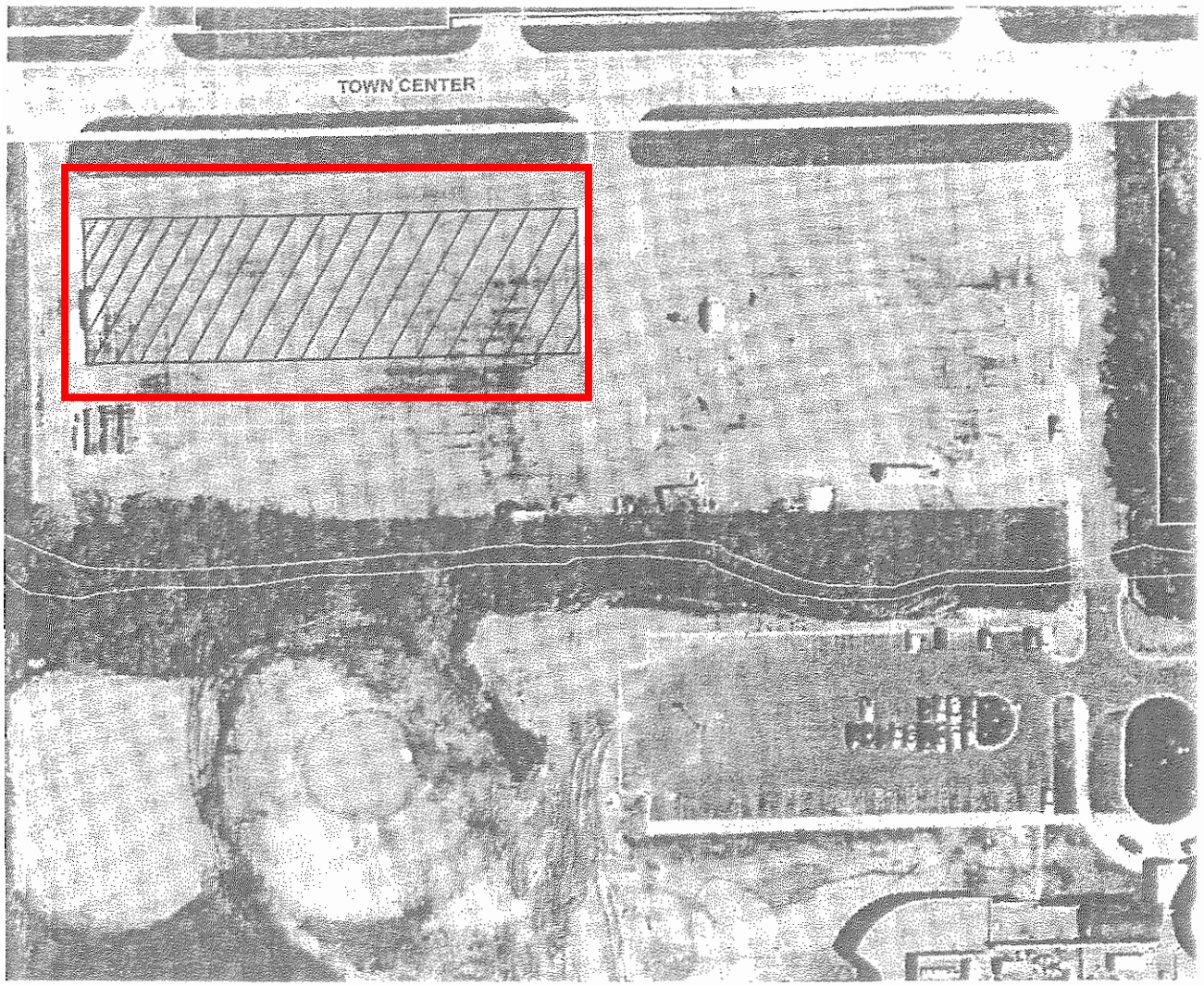

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Exhibit A

CITY OF TROY
INDEMNIFICATION (Hold Harmless) CLAUSE
Park and Ride Agreement

To the fullest extent permitted by law, Royal Transportation Company, a Michigan Corporation, agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Troy, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract.

Donald E. Fitzsimmons 3/22/06
Contractor/Vendor representative signature/date

City of Troy representative signature/date

Witness

Witness