

November 15, 2005

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services  
Steven Vandette, City Engineer SJV<sub>wyt</sub>

SUBJECT: Agenda Item - Private Agreement for HCR Manor Care  
Project No. 02.935.3

The Engineering Department has reviewed and approved plans for this project, which includes water main, sanitary sewer, storm sewer, paving, sidewalks, detention & soil erosion.

The Owner has provided a check for escrow and cash fees in the amount of the estimated cost of public improvements, as required.

Approval is recommended.

Prepared by: G. Scott Finlay  
Civil Engineer

cc: Tonni Bartholomew, City Clerk (Original Agreement)  
James Nash, Financial Services Director

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Enclosed Private Agreement, Detailed Summary, Sketch

**CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS  
(PRIVATE AGREEMENT)**

PROJECT NO. 02.935.3

PROJECT LOCATION: NW 1/4 Sec. 3

RESOLUTION NO. \_\_\_\_\_

DATE OF COUNCIL APPROVAL: \_\_\_\_\_

**KNOW ALL MEN BY THESE PRESENT;** That the City of Troy, a Michigan Municipal Corporation of the County of Oakland, State of Michigan, hereinafter referred to as "City" and Health Care & Retirement Corp. of America whose address is 7361 Calhoun Place, Suite 300, Rockville, MD 20855 and whose telephone number is 240-453-8500 hereinafter referred to as "Owners".

**WITNESSETH, FIRST:** That the City agrees to allow the installation of Water main, Sanitary sewer, Storm sewer, Paving, Sidewalks, Detention & Soil erosion in accordance with plans prepared by Nowak & Fraus whose address is 1310 N Stehenson Hwy., Royal Oak, MI 48067 and whose telephone number is 248-399-0886, and approved BY THE City of Troy Engineering Department.

**SECOND:** That the Owners agree to contribute the approximate contract price of \$84,414.00. This amount will be transmitted to the City Clerk for installation of said improvements in the form of (check one):

- Cash
- Certificate of Deposit
- Irrevocable Bank Letter of Credit
- Check
- Performance Bond & 10% Cash

Said funds shall be placed on deposit with the City upon the execution of this contract and shall be disbursed to the owner by the City after final inspection and approval by the City of Troy Engineering Department. In addition, the owners agree to contribute the following cash fees:

* Plan Review and Construction Inspection Fee (Public Improvements)	\$	6,837.53
Engineering Review Fee (Private Improvements) (PA1)	\$	4,648.31
Water Main Testing Fee (PA2)	\$	650.00
Street Cleaning/Road Maintenance (Refundable)	\$	2,500.00
Soil Erosion Control	\$	872.07
<b>TOTAL:</b>	<b>\$</b>	<b>\$15,507.91</b>

\* 8.1% (.081) of approximate contract price

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**THIRD:** Owners agree to arrange for a pre-construction meeting with the City Engineer and the contractor prior to start of work. All municipal improvements must be completely staked in the field under the direct supervision of a registered civil engineer or registered land surveyor, according to the approved plans.

**FOURTH:** Owners hereby acknowledge the benefit to their property conferred by the construction of the aforementioned and agree and consent to pay the total sum of \$ 99,921.91 for the construction of said public utilities in lieu of the establishments of any special district by the City. Further, owners acknowledge that the benefit to their property conferred by the improvement is equal to, or in excess of, the aforementioned amount.

**FIFTH:** Owners agree that if, for any reason, including, but not limited to, field changes or specification changes as required by the City, the total cost of completion of such improvement shall exceed the sum deposited with the City in accordance with Paragraph SECOND hereof, that Owners will immediately remit such additional amount to the City upon request and the City will disburse such additional amounts in accordance with Paragraph SECOND hereof.

**SIXTH:** Owners agree to indemnify and save harmless the City, their agents and employees, from and against all loss or expense (including costs and attorneys' fees) by reason of liability imposed by law upon the City, its agents and employees for damages because of bodily injury, including death, at any time resulting therefrom sustained by any person or persons or on account of damage to property, including work, provided such injury to persons or damage to property is due or claimed to be due to negligence of the Owner, his contractor, or subcontractors, employees or agents, Owner further agrees to obtain and convey to the City all necessary easements for such public utilities as required by the City Engineer.

**CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS  
(PRIVATE AGREEMENT)**

PROJECT NO. 02.935.3

PROJECT LOCATION: NW 1/4 Sec. 3

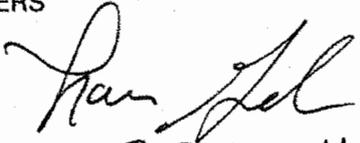
RESOLUTION NO. \_\_\_\_\_

DATE OF COUNCIL APPROVAL: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

OWNERS

CITY OF TROY

By:   
LARRY GODLA V.P.

By: \_\_\_\_\_

Please Print or Type

Louise E. Schilling, Mayor

\_\_\_\_\_

\_\_\_\_\_

Please Print or Type

Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D.20\_\_\_\_\_, before me personally appeared \_\_\_\_\_ known by me to be the same person(s) who executed this instrument and who acknowledged this to be his/her/their free act and deed.

\_\_\_\_\_

NOTARY PUBLIC, Oakland County, Michigan

My commission expires: \_\_\_\_\_

DETAILED SUMMARY OF REQUIRED ESCROW DEPOSITS AND CASH FEES  
PRIVATE AGREEMENT FOR HCR MANOR CARE  
PROJECT NO. 02.935.3

The estimated costs of public improvements for the aforementioned project are as follows:

**Escrow Deposits:**

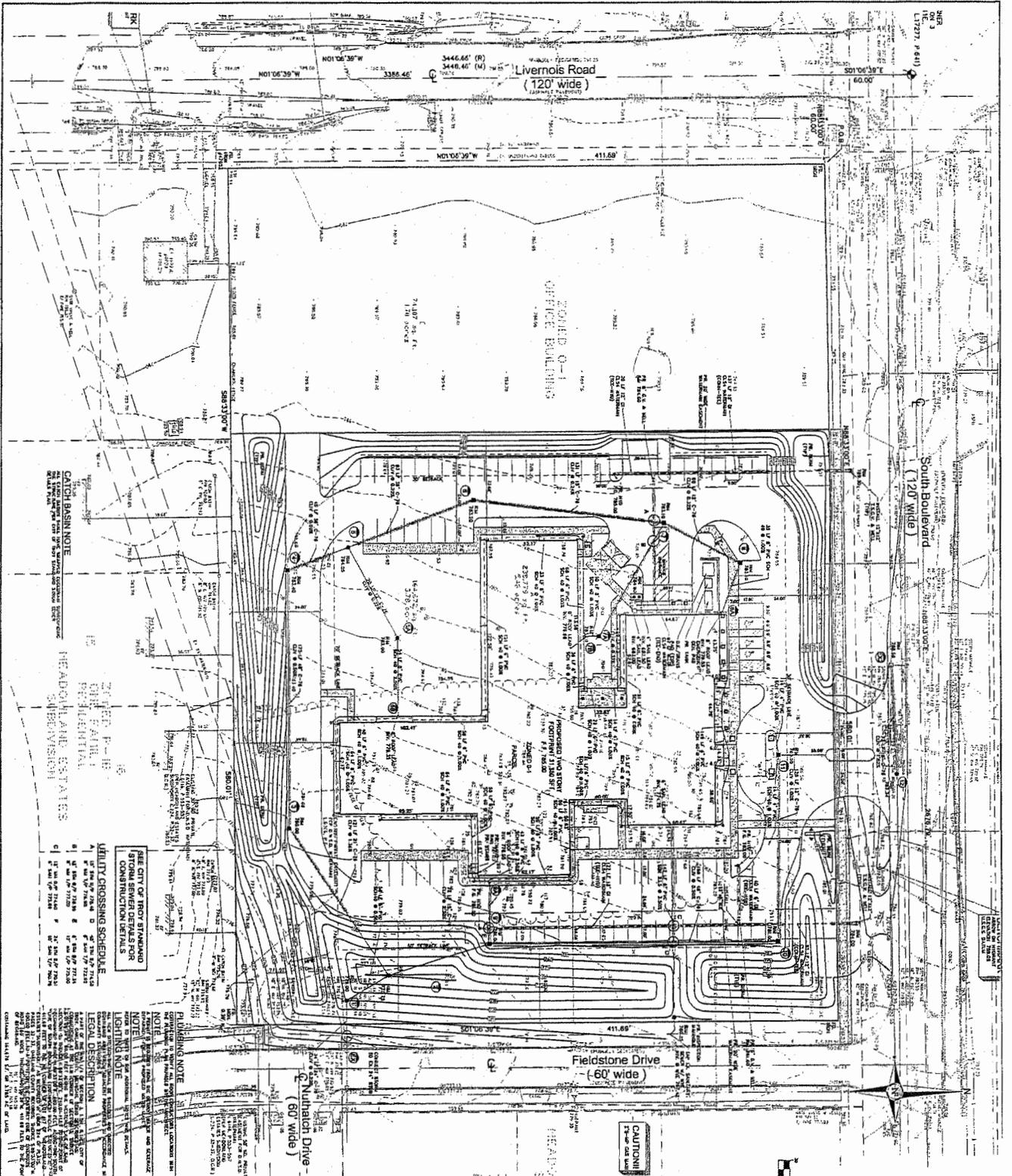
Paving (ROW)	22,984.00
Water main	53,760.00
Sanitary sewer	7,670.00

**Total Escrow Deposits: (check)** **\$ 84,414.00**

**Cash Fees:**

Review & Inspection	\$6,837.53
Engineering Review	4,648.31
Water Main Testing Fee	650.00
Street Cleaning/Road Maintenance	2,500.00
Soil Erosion Control	<u>872.07</u>

**Total Cash Fees: (check)** **\$ 15,507.91**



**CATCH BASIN NOTE**  
 1. ALL CATCH BASINS SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE CITY OF TROY STANDARD SPECIFICATIONS FOR CONSTRUCTION DETAILS.

**HEADQUARTER ESTIMATES SHEET**

**SEE CITY OF TROY STANDARD CONSTRUCTION DETAILS**

**UTILITY CROSSING SCHEDULE**

**PLUMBING NOTE**

**CAUTION**

**ESTIMATED QUANTITIES**

**STORM SEWER**

**SEWERY SEWER**

**WATERMAIN**

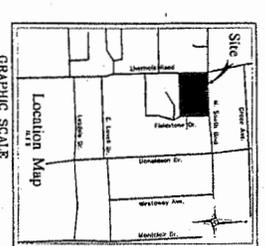
**LEGEND**

**CONTRACTOR**

**DATE**

**SCALE**

**PROJECT**



**GRAPHIC SCALE**

**1" = 100'**

**CONSULTING ENGINEERS**  
**LAND PLANNERS**

**NOWAK & FRAUS**

1310 N. Stephenson Highway  
 Royal Oak, MI 48067-1268  
 TEL: (248) 339-0485  
 FAX: (248) 339-0487

**PROJECT**  
 Headland Health Care  
 120 Bed Nursing Home

**CLIENT**  
 IICR Manor Care  
 7561 Calhoun Place,  
 Suite 300  
 Rockville, MD 20855  
 Contact: Rich Stoddy  
 Tel: (240) 453-8500

**PROJECT LOCATION**  
 Part of the NW 1/4  
 of Section 3  
 T3N, R11E,  
 City of Troy,  
 Oakland County, MI

**UTILITY PLAN**

**DATE**  
 11/20/03

**SCALE**  
 1" = 30'

**PROJECT NO.**  
 02.0313

**DATE**  
 11/20/03