



CITY COUNCIL AGENDA ITEM

Date: March 10, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer

Subject: Private Agreement – Contract for Installation of Municipal Improvements
Galleria of Troy - Phase II - Project No. 13.923.3

History

The Galleria of Troy - Phase II proposed by Galleria of Troy, LLC is located at the north west corner of Big Beaver and I-75 in section 21.

Troy Planning Commission recommended preliminary site plan approval on November 12, 2013, resolution #PC-2013-03-018.

Site grading and utility plans for this development were reviewed and recently approved by the Engineering Department. The plans include municipal improvements; water main, sanitary sewer, storm sewer, paving, sidewalks, soil erosion and landscaping, which will be constructed by Galleria of Troy, LLC on behalf of the City of Troy. The required fees and refundable escrow deposits in the form of Performance Bond and 10% Cash, that will assure completion of the municipal improvements, have been provided by Galleria of Troy, LLC (see attached Private Agreement).

Financial

See attached summary of required deposits and fees for this Private Agreement.

Recommendation

Approval of the Contract for Installation of Municipal Improvements (Private Agreement) is recommended.

City Of Troy
Contract for Installation of Municipal Improvements
(Private Agreement)

Project No.: **13.923.3**
Resolution No: _____

Project Location: **SW 1/4 Section 21**
Date of Council Approval: _____

This Contract, made and entered into this 10th day of February, 2014 by and between the City of Troy, a Michigan Municipal Corporation of the County of Oakland, Michigan, hereinafter referred to as "City" and Galleria of Troy, LLC whose address is 30500 Northwestern Hwy., Suite 525, Farmington Hills, MI 48334 and whose telephone number is 248-855-2100 hereinafter referred to as "Owners", provides as follows:

FIRST: That the City agrees to permit the installation of Water Main, Sanitary sewer, Storm sewer, Paving, Sidewalks, Soil erosion and Landscaping in accordance with plans prepared by Professional Engineering Associates whose address is 2430 Rochester Ct., Sute 100, Troy, MI 48083 and whose telephone number is 248-689-9090 and approved prior to construction by the City in accordance with City of Troy specifications.

SECOND: That the Owners agree to provide the following securities to the City prior to the start of construction, in accordance with the Detailed Summary of Required Deposits & Fees (attached hereto and incorporated herein):

Refundable escrow deposit equal to the estimated construction cost of \$ 507,364.00. This amount will be deposited with the City in the form of (check one):

- Cash
- Certificate of Deposit & 10% Cash
- Irrevocable Bank Letter of Credit & 10% Cash
- Check
- Performance Bond *10% CASH 50,736.-*

Refundable cash deposit in the amount of \$ 58,236.00. This amount will be deposited with the City in the form of (check one):

- Cash
- Check

Non-refundable cash fees in the amount of \$ 36,575.00. This amount will be paid to the City in the form of (check one):

- Cash
- Check

Said refundable escrow deposits shall be disbursed to the Owners after approval by the City. The City reserves the right to retain a minimum of ten (10) percent for each escrowed item until the entire site/development has received final inspection and final approval by all City departments. Refundable cash deposits shall be held until final approval has been issued. Disbursements shall be made by the City within a reasonable time, after request for refund of deposits is made by the Owners.

City Of Troy

Contract for Installation of Municipal Improvements (Private Agreement)

THIRD: The owners shall contract for construction of said improvement with a qualified contractor. Owners, or their agents, and contractor(s) agree to arrange for a pre-construction meeting with the City Engineer 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, in accordance with the approved plans. Revisions to approved plans required by unexpected or unknown conflicts in the field shall be made as directed by the City.

FOURTH: Owners agree that if, for any reason, the total cost of completion of such improvements shall exceed the sums detailed in Paragraph SECOND hereof, that Owners will immediately, upon notification by the City, remit such additional amounts in accordance with Paragraph SECOND hereof. In the event the total cost of completion shall be less than the sums as detailed in Paragraph SECOND hereof, City will refund to the Owners the excess funds remaining after disbursement of funds.

FIFTH: Owners agree to indemnify and save harmless 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 and/or right-of-way for such public utilities as required by the City Engineer.

City Of Troy
Contract for Installation of Municipal Improvements
(Private Agreement)

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate on this 4TH day of MARCH, 20 14.

OWNERS

CITY OF TROY

By:



By:

Galleria of Troy, LLC, Majid Koza

Please Print or Type

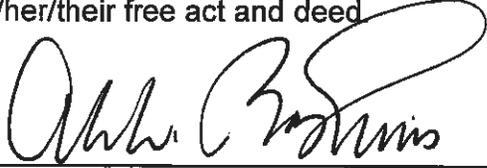
Dane M. Slater, Mayor

Please Print or Type

M. Aileen Bittner, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 4TH day of MARCH, A.D. 20 14, before me personally appeared MAJID KOZA 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.



ALAN W. BASKINS
Notary Public, State of Michigan
County of Oakland
My Commission Expires July 6, 2020
Acting in the County of OAKLAND

NOTARY PUBLIC, Oakland County, Michigan

My commission expires: 7/6/2020

**Detailed Summary of Required Deposits & Fees
Galleria of Troy - Phase II
13.923.3**

ESCROW DEPOSITS (PUBLIC):

Sanitary Sewers	\$21,233
Water Mains	\$134,446
Paving	\$8,710
Sidewalks	\$600
Deceleration and/or Passing Lane - MAJOR ROAD	\$0
Major Road Improvements (other than decel or passing lanes)	\$0
Underground Detention System/Restricted Outlet/Sewer Tap/Oil & Gas Trap	\$342,375
TOTAL ESCROW DEPOSITS (Refundable):	<u>\$507,364</u>
<i>Cash, Letter of Credit or Performance Bond & 10% Cash</i>	<i>50,736.00</i>

CASH FEES (Non-Refundable):

Engineering Review Fee (Private Improvements)(PA1)	\$13,175
Water Main Testing and Chlorination (PA 2)	\$762
Plan Review and Construction Inspection Fee (Public Improvements) (PA1)	\$35,465
Soil Erosion/Sedimentation Control Commercial Permit Fee (SUB 10)	\$0
Soil Erosion/Sedimentation Control Commercial Inspection Fee (SUB 10)	\$0
Less Initial Engineering Review Fee (Public & Private)(1.1%)	-\$12,827
TOTAL CASH FEES (Non-Refundable):	<u>\$36,575</u>

CASH DEPOSITS (Refundable):

Street Cleaning/Road Maintenance	\$5,000
Soil Erosion/Sedimentation Control Repair, Replace, or Maintenance	\$2,500
Punchlist & Restoration	\$50,736
TOTAL CASH DEPOSITS (Refundable):	<u>\$58,236</u>

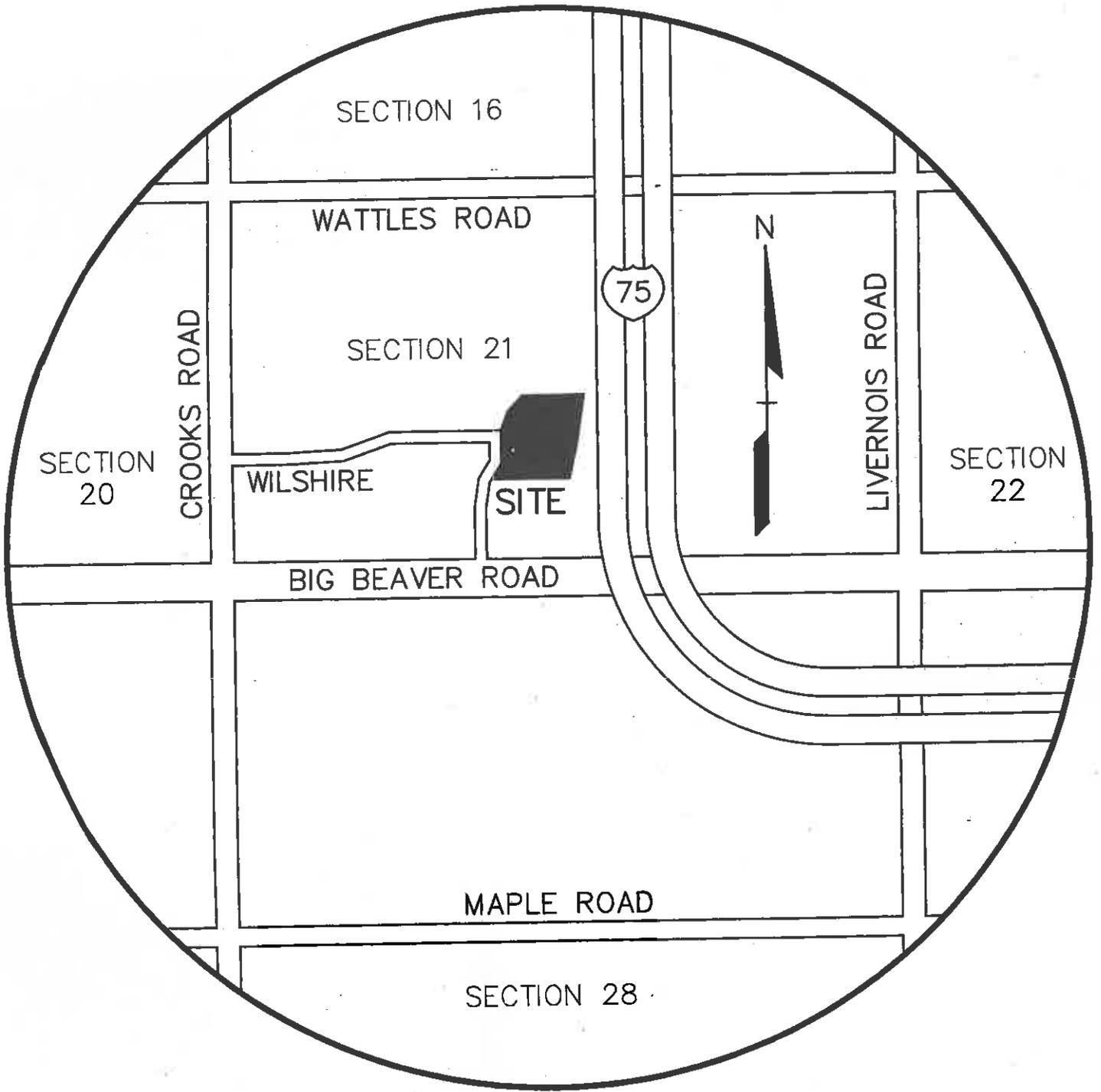
Total Escrow & Cash Deposits (Refundable): Separate Check Required	<u>\$565,600</u>
Total Cash Fees (Non-Refundable): Separate Check Required	<u>\$36,575</u>

Total Amount: **\$602,175**

PAID

MAR 06 2014

CITY OF TROY
TREASURER'S OFFICE



LOCATION MAP
NO SCALE