



FROM THE OFFICE OF THE CITY MANAGER

September 22, 2014

To: Mayor and City Council Members
From: Brian Kischnick, City Manger
Subject: City Council Member Questions and Responses

I have discussed questions advanced by Mayor and Council with Staff, and responses are attached. Thank you for asking questions in advance of the meeting.

Subject: I-04 APPROVAL OF AMTRAK LEASE AGREEMENT FOR THE TROY MULTI-MODAL TRANSIT FACILITY

Question/Response:

Section 2D, can you explain this section? What does it mean to reduce Amtrak's "proportionate share"? Is their rent reduced if we make improvements/expansions? If so, why does that make sense? Clarification of proportionate share will likely answer that.

Any improvement/expansion intended for anyone other than Amtrak and its passengers, such as to accommodate a tenant/user of the building other than Amtrak, Amtrak would stop paying 100% for O&M. The new tenant and Amtrak would start paying their proportionate shares of O&M based on occupied square footage of the Transit Facility. So if a tenant occupied 20% of the space, the proportionate share for Amtrak would be 80%.

Question/Response:

Section 5. Can we have a breakdown (yes, see attachment 1) at the meeting Monday night showing what the budgeted costs for maintenance will be (Is insurance included? Yes, under Contract Section 5a (3), if not please provide that separately if there is an increase to our current plan)? Further, is the \$12,000 (max) common area maintenance over and above facility maintenance? In other words are we talking about two different items that Amtrak is paying for? The \$12k for common area maintenance (Contract Section 5a (2)) is separate from facility maintenance (Contract Section 5a (1)), but they are both reimbursable expenses.

Question/Response:

Section 8. Can we have a breakdown of all security equipment costs (if any) not covered by the Transit center funding to date and anticipated in the near future, and what our expected ongoing security costs not covered by this Amtrak lease (according to this section) that the city of Troy will incur monthly? **All security equipment costs to date have been covered by the federal grant. There are no “uncovered costs”. Review of the security tape footage is included in the daily dispatch’s normal scope of responsibility, meaning no additional cost to the city or Amtrak.**

Subject: J-08 RATIFICATION OF REVISED MEMORANDUM OF UNDERSTANDING FOR THE JOINT LDFA AUTOMATION ALLEY SMARTZONE AND TROY-SOUTHFIELD PROPOSED 15-YEAR EXTENSION

Please Note: The MEDC has already provided written notification of approval for a 15-year extension of the Joint LDFA Automation Alley SmartZone by hosting a satellite SmartZone in the Port Huron LDFA. There is a lot of work to be done, including an agreement with the MEDC and revising the LDFA development plan and TIF plan. A timeline will be available shortly.

c: Mark Miller, Director of Economic and Community Development
Lori Grigg Bluhm, City Attorney
Table

January 16, 2013 (revised 9/19/14)

**TROY MULTI MODAL TRANSIT FACILITY
ANNUAL OPERATION AND MAINTENANCE COST ESTIMATE**

Division 1: Building, Bridge and Platform - Amtrak Lease Section 5a (1)

| Item | Quantity | Unit | Unit Price | Total Cost |
|---|----------|---------|-------------------------|-----------------|
| Building Maintenance and Custodial (based on city billing history) | 2,900 | SF | \$3.07 | \$8,903 |
| Custodial supplies (based on city billing history) | 2,900 | SF | \$0.20 | \$580 |
| Electricity, calibrated to 2,900 sf (based on city billing history) | 12 | Month | \$925.00 | \$11,100 |
| Gas Utility, calibrated to 1,600 sf of heated area (based on city billing history, | 12 | Month | \$135.00 | \$1,620 |
| Elevator Maintenance (based on average annual cost for City's elevators) | 2 | EA | \$1,875.00 | \$3,750 |
| Water & Sewer (based on city billing rates) | 4 | Quarter | \$195.00 | \$780 |
| Window Cleaning, 3yr cycle in CN ROW, 2/yr for Bldg. (based on billing history and market analysis) | 1 | EA | \$1,916.00 | \$1,916 |
| Internet/Data Connection | 12 | Month | \$460.00 | \$5,520 |
| AT&T, Elevator phones, platform and station phones | 4 | EA | \$522.00 | \$2,088 |
| CN Flagman for glass cleaning in CN ROW, 3 yr cycle (based on actual CN cost) | 1 | EA | \$431.00 | \$431 |
| Fire System Alarm Monitoring | 12 | Month | \$33.00 | \$396 |
| Snow Removal - Platform (2000sf x \$.01/SF x 30 times/yr) | 1 | EA | \$600.00 | \$600 |
| | | | Division 1 Costs | \$37,684 |

Division 2: Common Areas - Amtrak Lease Section 5a (2)

| Item | Quantity | Unit | Unit Price | Total Cost |
|--|----------|---------|-------------------------|-----------------|
| Mowing (one acre or less based on city billing history) | 21 | EA | \$28.00 | \$588 |
| Snow and Ice Removal - Parking Lot and Doyle Drive on Site (based on city billing history) 45,000 SF x \$3.20 per 1,000 SF = \$144 per removal) | 30 | EA | \$144.00 | \$4,320 |
| Snow and Ice Removal - Sidewalks (based on city billing history) (7,550 SF x \$.01 per SF = \$76 per removal x 30/year (No heated Sidewalks) | 30 | EA | \$76.00 | \$2,280 |
| Parking Lot Lights (based on energy cost per fixture, 10 yr cost cycle) | 12 | Fixture | \$200.00 | \$2,400 |
| Mulch Trees in Parking Lot (based on DPW costs) | 23 | EA | \$10.00 | \$230 |
| Pro-rata Share of Doyle Maintenance w/Grand Sakwa (based on DPW major road ave. costs) | 4 | Quarter | \$545.50 | \$2,182 |
| | | | Division 2 Costs | \$12,000 |

Division 3: Insurance - Amtrak Lease Section 5a (3)

| Item | Quantity | Unit | Unit Price | Total Cost |
|---------------------------|----------|------|-------------------------|----------------|
| Property Insurance -MMRMA | 1 | Year | \$1,101.00 | \$1,101 |
| | | | Division 3 Costs | \$1,101 |

Prepared by: Steven Vandette, P. E., City Engineer
Troy Engineering Department

Total Annual O & M Costs \$50,785