CITY COUNCIL ACTION REPORT

October 5, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Asst. City Manager/Economic Development Services
Steven J. Vandette, City Engineer

SUBJECT: Agenda Item - Private Agreement for the SECO Tool A.B. Project
Project No. 07.939.3

Background:

- The Planning Commission granted preliminary site plan approval for the above referenced project on 09/11/2007. The Engineering Department has reviewed the plans for this project and recommends approval. The plans include Water Main, Storm Sewer, and Concrete Approach & Sidewalk.

Financial Considerations:

- The owner has provided the necessary escrow deposit and paid the cash fees in accordance with the attached Private Agreement.

Legal Considerations:

- There are no legal considerations associated with this item.

Policy Considerations:

- Consistent with Goal #2 of the City of Troy 2006-2008 Goals & Objectives policy (Retain and Attract Investment While Encouraging Redevelopment).

Options:

- Council can approve or deny the recommendation.

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

Prepared by: Antonio Cicchetti, PE
G:\Projects\Projects - 2007\07.939.3 - SECO Tool\Agenda Item Memo.doc

CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS
(PRIVATE AGREEMENT)

PROJECT NO. **07.939.3**	PROJECT LOCATION: **NE 1/4 Section 26**
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 **Cunningham-Limp** whose address is **39300 W. Twelve Mile Road, Suite 200, Farmington Hills, MI 48331** and whose telephone number is **(248) 489-2300** hereinafter referred to as "Owners".

WITNESSETH, FIRST: That the City agrees to allow the installation of **Water Main, Storm Sewer, and Concrete Approach & Sidewalk** in accordance with plans prepared by **Professional Engineering Associates, Inc.** whose address is **2430 Rochester Court, Suite 100, Troy, MI 48083-1872** and whose telephone number is **(248) 689-9090**, and approved BY THE City of Troy Engineering Department.

SECOND: That the Owners agree to contribute the approximate contract price of **$141,604.00**. 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)	$	11,000.00
Engineering Review Fee (Private Improvements)	$	10,000.00
Water Main Testing Fee	$	785.00
Street Cleaning/Road Maintenance (Refundable)	$	2,500.00
TOTAL:	$	**$24,285.00**

* 7.77% (.0777) of approximate contract price

CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS

(PRIVATE AGREEMENT)

PROJECT NO. **07.939.3**	PROJECT LOCATION: **NE 1/4 Section 26**
RESOLUTION NO.	DATE OF COUNCIL APPROVAL:

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 **$ 163,389.00** 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. **07.939.3** | PROJECT LOCATION: **NE 1/4 Section 26**

RESOLUTION NO. | DATE OF COUNCIL APPROVAL:

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate on this 3RD day of October, 2007.

OWNERS

By: Robert Williams

Robert L. Williams

Please Print or Type

Please Print or Type

CITY OF TROY

By:

Louise E. Schilling, Mayor

Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 3RD day of October, A.D.2007, before me personally appeared Rob Williams 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: 9/4/2011