

September 13, 2005

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services  
Steven Vandette, City Engineer 

SUBJECT: Agenda Item - Private Agreement for Chesapeake Grove Site  
Condominiums - Project No. 04.935.3

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

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

Approval is recommended.

CC: Tonni Bartholomew, City Clerk (Original Agreement)  
James Nash, Financial Services Director  
Carol Anderson, Director of Parks and Recreation  
Mark Miller, Planning Director  
Nino Licari, City Assessor  
Timothy Richnak, Director of Public Works  
William Jawlik, Inspector Supervisor.  
Mondrain Properties

Prepared by: G. Scott Finlay, P.E.  
Civil Engineer

Enclosed Private Agreement, Detailed Summary, Sketch and Suggested Resolution

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

PROJECT NO. **04.935.3**

PROJECT LOCATION:

**SW ¼ Sec 1**

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 **Mondrain Properties Chesapeake Development LLC** whose address is **1111 W. Long Lake, Suite 103, Troy, MI 48098** and whose telephone number is **248-833-0242** hereinafter referred to as "Owners".

**WITNESSETH, FIRST:** That the City agrees to allow the installation of **Sanitary sewer, storm sewer, detention, water main, sidewalks, soil erosion, landscaping and paving.** in accordance with plans prepared by **Fenn & Associates, Inc.** whose address is **13399 West Star Dr., Shelby Twp., MI 48315** and whose telephone number is **586-254-9577** and approved prior to construction by the City specifications of the City shall be complied with for this construction.

**SECOND:** That the Owners agree to contribute the approximate contract price of **\$ 375,475.00.** 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 only upon presentation of duly executed waivers of lien and sworn statements satisfactory to the City, and after final inspection and approval by the Engineering Department for the City. In addition, the owners agree to deposit and contribute **\$95,389.00** cash fee per the attached **Detailed Summary of Required Escrow Deposits Cash Deposits and Cash Fees.**

**CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS**  
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**THIRD:** The owners may contract for construction of said improvement or may have the City advertise for bids. In the even the Owners select their own contractor, such contractor shall be subject to prior written approval by the City and completed contract documents shall be submitted to the City.

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 **\$470,864.00** 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, 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 City will disburse such additional amount in accordance with Paragraph SECOND hereof. In the event the total cost of completion shall be less than the sum deposited with City in accordance with Paragraph SECOND hereof, City will reimburse to the Owners the excess funds remaining after disbursement of funds.

**SIXTH:** 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 for such public utilities as required by the City Engineer.

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(PRIVATE AGREEMENT)**

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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:

By:

  
JOSEPH MANIACI, MEMBER  
Please Print or Type

\_\_\_\_\_  
Louise E. Schilling, Mayor

\_\_\_\_\_  
Please Print or Type

\_\_\_\_\_  
Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 7th day of SEPTEMBER, A.D. 2005, before me personally appeared JOSEPH MANIACI 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.



**ELAINE M. SIMPSON**  
Notary Public, Oakland County, MI  
My Commission Expires Dec. 25, 2007

NOTARY PUBLIC, Oakland County, Michigan

My commission expires: DEC. 25, 2007

Detailed Summary of Required Escrow Deposits or Performance Bond, Cash Fees & Deposits  
 Chesapeake Grove Site Condominium  
 26 Units - Section 3

**ESCROW DEPOSITS:**

Sanitary Sewers	\$56,330
Water Mains	\$62,880
Storm Sewers	\$42,986
Rear Yard Drains	\$31,677
Pavement - CONCRETE	\$90,800
Grading	\$10,000
Detention Basin	\$20,000
Soil Erosion Control Measures	\$10,816
Monuments and Lot Corner Irons	\$830
Deceleration and/or Passing Lane - MAJOR ROAD	\$18,000
Sidewalks - ON SITE	\$2,220
Sidewalks - OFF SITE	\$6,336
Street Light	\$7,000
Deposit for the Repair of Damage to Existing Public Streets Used for Access	\$15,600

**TOTAL ESCROW DEPOSITS (REFUNDABLE):** \$375,475

**CASH FEES (NON-REFUNDABLE):**

Water Main Testing and Chlorination (PA2)	\$695
Street Name and Traffic Signs (SUB 4)	\$696
Maintenance of Detention Basin (20 year)	\$5,450
Soil Erosion and Sedimentation Control Permits (SUB 10)	\$939
Testing Services (SUB 11)	\$5,632
Engineering Review and Inspection (PA 1)	\$27,222

**(PA 3) TOTAL CASH FEES (NON-REFUNDABLE):** \$40,634

**CASH DEPOSITS (REFUNDABLE):**

Sidewalk Closures	\$324
Wetland Mitigation	\$23,400
Deposit for Maintenance & Cleaning of Ex. Public Streets Used for Access	\$5,200
Landscape Deposit	\$10,350
Punchlist & Restoration Deposit	\$15,481

**(PA 3) TOTAL CASH DEPOSITS (REFUNDABLE):** \$54,755

Engineer: Fenn & Associates  
 Developer: Mondrian Properties Chesapeake Development LLC

