

July 25, 2005

TO: John Szerlag, City Manager

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

SUBJECT: Agenda Item - Private Agreement for Kilmer Property Splits
Project No. 03.949.3

The Engineering Department has reviewed and approved plans for this project, which includes sanitary sewer, storm sewer, water main, sidewalks, soil erosion 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
GFA Development

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. 05.905.3

PROJECT LOCATION:

SW ¼ Sec 22

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 **GFA Development** whose address is **178 Larchwood, Troy, MI 48083** and whose telephone number is **248-840-2828** hereinafter referred to as "Owners".

WITNESSETH, FIRST: That the City agrees to allow the installation of **Sanitary sewer, storm sewer, water main, paving, sidewalks and soil erosion** in accordance with plans prepared by **Hennessey Engineers**, whose address is **2674 W. Jefferson Ave, Suite 200, Trenton, MI 48183** and whose telephone number is **734-692-3300** 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 **\$ 138,366.00**. 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 **\$17,832.00** cash fee per the attached **Detailed Summary of Required Escrow Deposits Cash Deposits and Cash Fees**.

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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 **\$156,198.00** 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.

CONTRACT FOR INSTALLATION OF MUNICIPAL IMPROVEMENTS
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PROJECT NO. 05.905.3

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SW 1/4 Sec 22

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:

By:

Gary Abitheira

Please Print or Type

Louise E. Schilling, Mayor

Please Print or Type

Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 22nd day of July, A.D. 2005, before me personally appeared Gary Abitheira 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.

Pamela R. Pasternak

NOTARY PUBLIC, Oakland County, Michigan

PAMELA R. PASTERNAK
Notary Public, State of Michigan, County of Macomb
My Commission Expires September 1, 2007
Acting in the County of Oakland

My commission expires: _____

Detailed Summary of Required Escrow Deposits or Performance Bond, Cash Fees & Deposits
Kilmer Property Splits
6 Units - Section 22

ESCROW DEPOSITS or PERFORMANCE BOND:

Sanitary Sewers	\$23,510
Water Mains	\$18,045
Storm Sewers	\$31,860
Rear Yard Drains	\$17,675
Pavement - CONCRETE	\$30,720
Grading	\$4,000
Soil Erosion Control Measures	\$6,196
Monuments and Lot Corner Irons	\$360
Deposit for the Repair of Damage to Existing Public Streets Used for Access	\$6,000
TOTAL ESCROW DEPOSITS (REFUNDABLE):	\$138,366

CASH FEES (NON-REFUNDABLE):

Water Main Testing and Chlorination	\$650
Street Name and Traffic Signs	\$433
Soil Erosion and Sedimentation Control Permits	\$346
Testing Services	\$2,075
Engineering Review and Inspection	\$10,986
TOTAL CASH FEES (NON-REFUNDABLE):	\$14,490

CASH DEPOSITS (REFUNDABLE):

Sidewalk Closures	\$324
Deposit for Maintenance & Cleaning of Ex. Public Streets Used for Access	\$2,000
Topsoil, Fertilizer, Seed and Mulch - OFF SITE	\$1,018
TOTAL CASH DEPOSITS (REFUNDABLE):	\$3,342

