CITY COUNCIL ACTION REPORT

December 3, 2008

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 Andrew St. Sanitary Sewer Extension
Project No. 06.405.3

Background:

- This sanitary sewer extension will provide service to previously vacant parcel without sanitary sewer. Construction of the new house on this parcel (698 Andrew) is nearly complete. The Engineering Department has reviewed the plans for this project and recommends approval. The plans include sanitary sewer, sidewalks, and soil erosion.

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 III of the City of Troy 2008-2010 Goals & Objectives policy (Troy is rebuilding for a healthy economy reflecting the values of a unique community in a changing and interconnected world).

Options:

- Council can approve or deny the recommendation.

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

Prepared by: G. Scott Finlay, PE

City Of Troy

Contract for Installation of Municipal Improvements
(Private Agreement)

Project No.: **06.405.3**	Project Location: **NW 1/4 Section 4**
Resolution No:	Date of Council Approval:

This Contract, made and entered into this ___ day of _____, 20___ by and between the City of Troy, a Michigan Municipal Corporation of the County of Oakland, Michigan, hereinafter referred to as "City" and **George Thomas** whose address is **1715 South Blvd., Troy, MI 48098** and whose telephone number is **248-521-2400** hereinafter referred to as "Owners", provides as follows:

FIRST: That the City agrees to permit the installation of **Sanitary Sewer and Sidewalk** in accordance with plans prepared by **Nowak & Fraus** whose address is **46777 Woodward, Pontiac, MI 48342** and whose telephone number is **248-332-7931** 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 $ **19,557.00**. 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	☐

Refundable cash deposit in the amount of $ **2,000.00**. This amount will be deposited with the City in the form of (check one):

Cash ☐ Check ☒

Non-refundable cash fees in the amount of $ **1,584.00**. 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.

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 _____day of _____, 20_____.

OWNERS

By:

_____

Please Print or Type GEORGE THOMAS

_____

Please Print or Type

CITY OF TROY

By:

_____

Louise E. Schilling, Mayor

_____

Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 3d day of December, A.D.20 08, before me personally appeared George Thomas 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.

Laurel Nottage

NOTARY PUBLIC, Oakland County, Michigan
Acting in Oakland County
My commission expires: 10-12-2011

Detailed Summary of Required Deposits & Fees
Andrew St. Sanitary Sewer Extension
06.405.3

TOTAL ESCROW DEPOSITS (Refundable):	$19,557
CASH FEES (Non-Refundable):	
Water Main Testing and Chlorination	$0
Engineering Review Fee (Private Improvements)	$0
Plan Review and Construction Inspection Fee (Public Improvements)	$1,584
CASH DEPOSITS (Refundable):	
Street Cleaning/Road Maintenance	$2,000

Approval of Contract for the Installation of Municipal Improvements (Private Agreement) for Andrew St. Sanitary Sewer Extension, Project No. 06.405.3

RESOLVED, that the Contract for the Installation of Municipal Improvements (Private Agreement) between the City of Troy and George Thomas, is hereby approved for the installation of sanitary sewer, sidewalks, and soil erosion on the site and in the adjacent right of way, and the Mayor and City Clerk are authorized to execute the documents, a copy of which shall be attached to the original Minutes of this meeting.