

July 1, 2005

TO: John Szerlag, City Manager

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

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SUBJECT: Agenda Item - Private Agreement for Clark Gas Station  
Project No. 04.903.3

The Engineering Department has reviewed and approved plans for this project, which includes sanitary sewer, detention and soil erosion controls.

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

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

Enclosed Private Agreement, Detailed Summary, Sketch

G:\Projects\Projects - 2004\04.903.3 - Clark Store-Gas Station\Private Agreement Cover Letter.doc

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

PROJECT NO. **04.903.3**

PROJECT LOCATION:

**SW 1/4 Sec. 25**

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 **Majid Kesto** whose address is **6100 South Cedar, Lansing, MI <sup>48911</sup> ~~48033~~** and whose telephone number is **517-712-0061** hereinafter referred to as "Owners". 48911

**WITNESSETH, FIRST:** That the City agrees to allow the installation of **Sanitary Sewer and Detention System** in accordance with plans prepared by **Caeruleum Enviromental Design** whose address is **5603 S. Telegraph, Dearborn Heights, MI 48125** and whose telephone number is **313-299-4499**, 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 **\$46,900.00**. 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 contribute the following cash fees:

* Plan Review and Construction Inspection Fee (Public Improvements)	\$	2,860.90
Engineering Review Fee (Private Improvements)	\$	2,256.06
Soil Erosion Fee	\$	404.70
Street Cleaning/Road Maintenance (Refundable)	\$	2,500.00
<b>TOTAL:</b>	<b>\$</b>	<b>8,021.66</b>

\* 8.1% (.081) of approximate contract price

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**THIRD:** The owners may contract for construction of said improvement or may have the City advertise for bids. In the event 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 \$54,921.66 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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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:

*M. Kesto*

\_\_\_\_\_

Please Print or Type

Louise E. Schilling, Mayor

MAjid. Kesto

\_\_\_\_\_

Please Print or Type

Tonni Bartholomew, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this 23<sup>d</sup> day of June, A.D. 2005, before me personally appeared Majid Kesto 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: 10-12-11

DETAILED SUMMARY OF REQUIRED ESCROW DEPOSITS AND CASH FEES  
PRIVATE AGREEMENT FOR CLARK GAS STATION  
PROJECT NO. 04.903.3

The estimated costs of public improvements for the above-mentioned project are as follows:

**Escrow Deposits:**

Sanitary Sewer	37,500.00
Detention	9,400.00

**Total Escrow Deposits:** (Letter of Credit) **\$ 46,900.00**

**Cash Fees:**

Review & Inspection	\$2,860.90
Engineering Review	2,256.06
Soil Erosion	404.40
Water Main Testing Fee	650.00
Street Cleaning/Road Maintenance	<u>2,500.00</u>

**Total Cash Fees:** (check) **\$ 8,021.66**

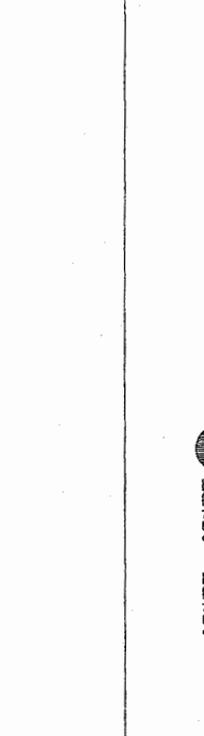
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**TRASH ENCLOSURE**  
SCALE 1/4" = 1'-0"

**BARRIER FREE PARKING SIGN**  
SCALE 1/4" = 1'-0"

**SIDE ELEVATION**  
SCALE 1/4" = 1'-0"

**GATE ELEVATION**  
SCALE 1/4" = 1'-0"



**SITE PLAN**  
SCALE 1/4" = 1'-0"

**LEGAL DESCRIPTION**  
A portion of the 1/2-37' W.D. of John R. Rd. and Maple Rd. as shown on the attached plat of record.

**PARKING AND USE**  
The site is zoned B-3 (Business Medium Density) and is suitable for the proposed use of a convenience store and gas station. The parking area is designed to accommodate 10 vehicles.

**CONTRACTOR'S NOTES**  
1. ALL WORK TO BE DONE IN ACCORDANCE WITH THE CITY OF TROY ZONING ORDINANCES AND THE MICHIGAN BUILDING CODE.  
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF TROY.  
3. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.

**ARCHITECTURAL SITE PLAN**  
**CLARK STORE #1050**  
1634 JOHN R ROAD, TROY, MICHIGAN 48063  
NEW GAS STATION / CONVENIENCE STORE

**CAERULEUM ENVIRONMENTAL DESIGN**  
5602 E. TELEGRAPH BLVD. SUITE 103, DEARBORN HEIGHTS, MICHIGAN, TEL 313-299-4499, FAX 313-299-4493

**Job No.** CED-03-083  
**Sheet No.** C-201

**Issued For:**  
[ ] Preliminary  
[ ] Final  
[ ] Construction

**72 HOURS BEFORE YOU DIG CALL MISS DIG 1-800-368-5848**

**ALL WORK TO BE COMPLETED IN ACCORDANCE WITH THE CITY OF TROY ZONING ORDINANCES AND THE MICHIGAN BUILDING CODE.**

**CAERULEUM ENVIRONMENTAL DESIGN**