

July 1, 2005

TO: John Szerlag, City Manager

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

SUBJECT: Agenda Item - Private Agreement for Hidden Forest Site Condominiums
Project No. 04.908.3

The Engineering Department has reviewed and approved plans for this project, which includes sanitary sewer, storm sewer, detention, 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
William Jawlik, Inspector Supervisor.
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. **04.908.3**

PROJECT LOCATION:

NW 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 **586-726-6700** hereinafter referred to as "Owners".

WITNESSETH, FIRST: That the City agrees to allow the installation of **Sanitary sewer, storm sewer, water main, detention, 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 **\$ 800,388.00**. 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 **\$132,731.00** 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 \$933,119.00 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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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:

[Handwritten Signature]

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 28th day of June, 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.

Laurel Nottage

NOTARY PUBLIC, Oakland County, Michigan

Acting in Oakland County

My commission expires: 10-12-11

Detailed Summary of Required Escrow Deposits, Cash Fees & Deposits
Hidden Forest Site Condominium
34 Units - Section 22

ESCROW DEPOSITS:

Sanitary Sewers	\$133,337
Water Mains	\$110,215
Storm Sewers	\$90,530
Rear Yard Drains	\$50,203
Pavement - CONCRETE	\$280,490
Grading	\$25,000
Detention Basin	\$20,000
Soil Erosion Control Measures	\$2,393
Monuments and Lot Corner Irons	\$1,690
Deceleration and/or Passing Lane - MAJOR ROAD	\$45,000
Sidewalks - ON SITE	\$11,850
Sidewalks - OFF SITE	\$2,280
Street Light	\$7,000
Deposit for the Repair of Damage to Existing Public Streets Used for Access	\$20,400
TOTAL ESCROW DEPOSITS (REFUNDABLE):	\$800,388

CASH FEES (NON-REFUNDABLE):

Water Main Testing and Chlorination	\$1,088
Street Name and Traffic Signs	\$1,426
Maintenance of Detention Basin (20 year)	\$22,800
Soil Erosion and Sedimentation Control Permits	\$1,400
Testing Services	\$12,006
Engineering Review and Inspection	\$53,946
TOTAL CASH FEES (NON-REFUNDABLE):	\$92,666

CASH DEPOSITS (REFUNDABLE):

Street Island Improvements	\$3,519
Sidewalk Closures	\$1,620
Walkway and Split Rail Fence	\$5,500
Deposit for Maintenance & Cleaning of Ex. Public Streets Used for Access	\$6,800
Landscape Deposit	\$14,959
Protection & Clean-up of Wetlands & Sturgis Drain	\$5,000
Punchlist & Restoration Deposit	\$6,186
TOTAL CASH DEPOSITS (REFUNDABLE):	\$40,065

Engineer: Hennessey Engineering
Developer: GFA Development

