



COUNCIL REPORT

October 3, 2013

TO: Honorable Mayor and City Council

FROM: Brian Kischnick, City Manager
Lori Bluhm, City Attorney
Mark Miller, Director of Economic and Community Development
Glenn Lapin, Economic Development Specialist
Steven J. Vandette, City Engineer/Project Manager

SUBJECT: Transit Center Status Report – October 2013

This memo provides an update on the status of Transit Center project.

Construction

Transit Center construction is nearly 100% complete, with only a handful of items remaining. Those items include final inspection of the elevators by the state, programming of the passenger information display inside the building and installation of the last remaining signs. The Transit Center is in the process of receiving final inspections and approvals from the Building Department, Fire Department and AMTRAK. It is estimated that all necessary approvals will be received by the end of this month.

Since the addition of the crash wall last spring there have been no major surprises. The building, bridge, platform and all other construction items proceeded smoothly and within budget. Even with the crash wall, the project is being completed ahead of the original October 31, 2013 completion date, as set under the terms of the federal grant.

As you may recall, the construction contract with Tooles/Clark is based on a guaranteed maximum price (GMP). Any cost above the GMP is born by Tooles/Clark; any cost below represents money saved. It is estimated that when the Transit Center is fully complete, the final cost will be approximately \$100,000 below the \$6.4 million dollar grant received from the FRA. The attached spreadsheet shows a remaining balance of approximately \$670,000, but additional payments are still in process and final payment to the engineers and contractor have not been made.

AMTRAK Lease

The AMTRAK Lease is nearly complete and ready for approval after many months of negotiations with AMTRAK and MDOT. Operation and Maintenance costs were the primary focus of our attention as we worked to sort out how these costs would be handled under the federal Passenger Rail Investment and Improvement Act (PRIIA). In the end we were successful with AMTRAK agreeing to reimburse the City for all operation and maintenance cost for the facility and commons area. Under

PRIIA, AMTRAK will be reimbursed these costs by MDOT. We anticipate that the lease agreement will be presented to council for approval in the near future, as soon as the AMTRAK attorneys complete their review and any last remaining details are addressed.

Funding

In September, after working through many technical details with SMART, MDOT and the Federal Transit Administration (FTA), a request by SMART to repurpose \$1.625 million in appropriations was entered into FTA's Transportation Electronic Award Management (TEAM) system. This appropriation includes \$1.3 million secured by Congressman Gary Peters for the Transit Center and a \$325,000 match from MDOT. It is requested that these funds be used if needed for land acquisition.

Status of the Lawsuit

The City has filed its application for leave to appeal to the Michigan Supreme Court. It is unknown when the Michigan Supreme Court will issue its decision.

Property Acquisition Plan

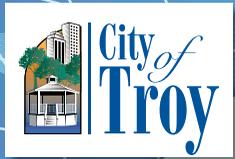
The City's legal strategies for insuring continuous ownership of the property can be discussed in a closed session.

Transit Center Business Opportunities

City Management, in partnership with the Troy Chamber of Commerce, continues to advance the business opportunity components of the Troy Transit Center. The following progress has been made in recent weeks:

- A marketing brochure has been completed. The brochure highlights demographic information, ridership data and other relevant information for potential sponsors. A copy is attached.
- Suggested sponsorship levels have been formulated to help guide interested parties. These suggested sponsorship levels include a Platinum Level for naming rights, along with Gold, Silver and Bronze levels. Our intent is to provide flexibility in order to meet the needs of the potential business sponsor and the transit center. A copy is attached.
- A sponsorship informational packet has been assembled, including the brochure, site plan, rendering and suggested sponsorship levels. These packets are being provided to interested parties.
- Both the Troy Chamber and City Management are actively contacting potential business sponsors directly to assess interest. Transit Center tours with prospective businesses have begun. These tours are being arranged to show the significant construction progress being made and to encourage sponsorship participation.
- To date, approximately 9 tours have either taken place or have been scheduled. Feedback from these tours has been very positive. Verbal commitments of approximately \$6,000 have been made to date.

Sponsorships Available

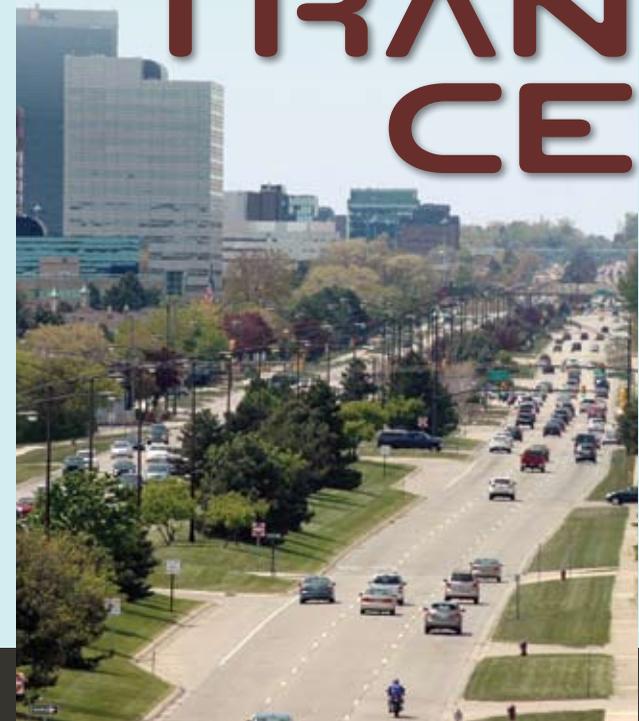


**City of Troy
Economic & Community Development Team**



**TROY
MULTI-MODAL**

TRANSIT CENTER



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Creating an Environment for Investment...



Troy is a place where families and businesses thrive. A community of more than 81,000 residents recognized for its excellent quality of life, this "safest city in Oakland County" with an A+ rated school system and city services was named by Family Circle Magazine as one of the Top Ten Best Towns for Families.

As one of Detroit's northern suburbs, Troy is home to 6,400 flourishing businesses — including some of the most advanced technology companies in the world — that employ 129,000 people. A strategic location also puts residents and visitors within easy reach of a wide variety of recreational and cultural opportunities. Troy's unique location in the heart of Oakland County, only 20 minutes from Detroit with access to I-75, I-696 and M-59, offers residents and businesses a tremendous competitive advantage, including attractive neighborhoods, excellent schools, prime shopping and employment opportunities.

>>> Learn more at www.troymi.gov

Ridership Demographics

In 2012, the AMTRAK route from Pontiac to Chicago had **495,000 passengers**. In 2011, MDOT Intercity Passenger Rail Survey indicated that at the Troy area rail station:

- The median passenger age was 44.4 years, with 61% male and 39% female ridership
- Median passenger household income was **\$81,300**
- The station generated over \$2.8 million in economic impact in 2011, with a **\$47.08 impact per passenger**



Resident and Business Population

- 81,000 Population - Largest in Oakland County
- 175,000 Daytime Population (SEMOG)
- 6,400 Businesses
- 7 Million sq ft of Retail Space
- 21 Million sq ft of Office Space
- 16 Million sq ft of Manufacturing Space

Distance to Major Markets

(Miles)

Downtown Detroit	23
Ann Arbor	51
Jackson	79
Kalamazoo	142
Michigan City, IN.....	228
Chicago, IL.....	284

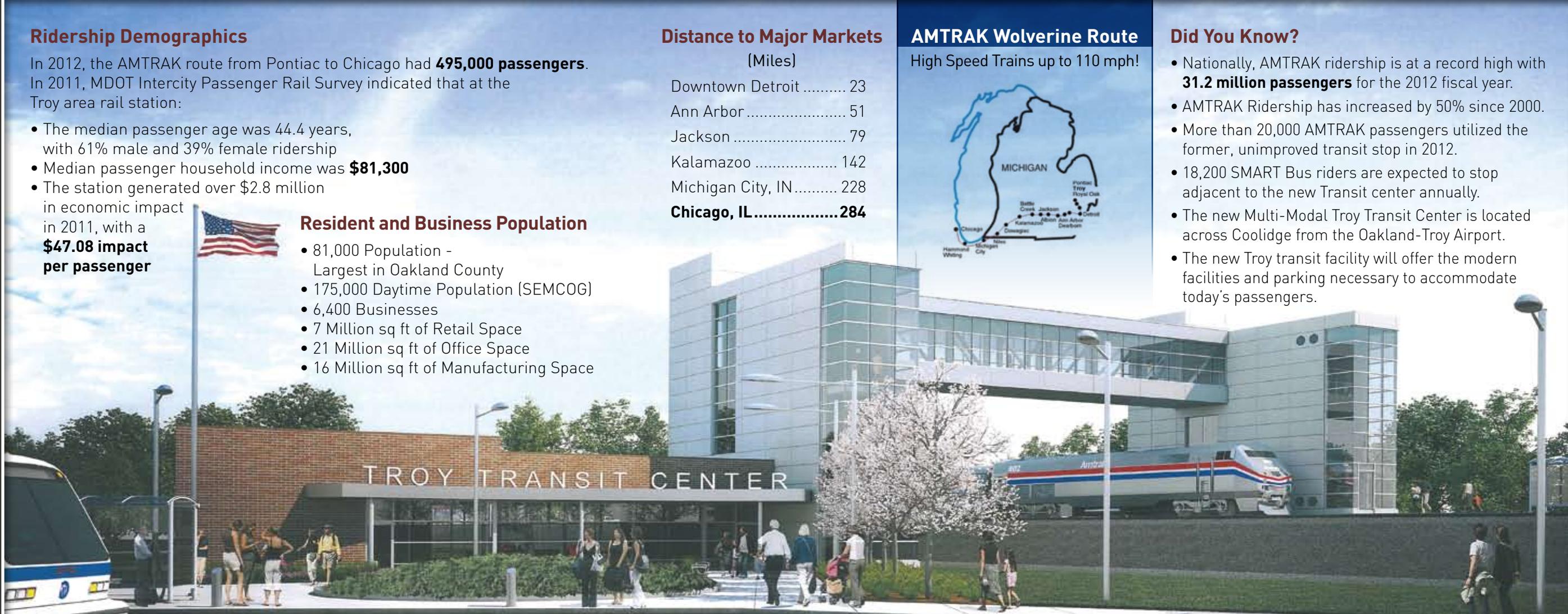
AMTRAK Wolverine Route

High Speed Trains up to 110 mph!



Did You Know?

- Nationally, AMTRAK ridership is at a record high with **31.2 million passengers** for the 2012 fiscal year.
- AMTRAK Ridership has increased by 50% since 2000.
- More than 20,000 AMTRAK passengers utilized the former, unimproved transit stop in 2012.
- 18,200 SMART Bus riders are expected to stop adjacent to the new Transit center annually.
- The new Multi-Modal Troy Transit Center is located across Coolidge from the Oakland-Troy Airport.
- The new Troy transit facility will offer the modern facilities and parking necessary to accommodate today's passengers.



TROY TRANSIT CENTER SPONSORSHIP OPPORTUNITIES

Platinum Level

- Naming Rights
- Ten-Year Opportunity
- Negotiated Terms for Signage, Recognition, Product Placement, etc.
- City Council Recognition

Gold Level

- \$5,000 per year
- Five-Year Opportunity
- Prominent Signage Placement
- Recognition on Sponsorship Wall
- Terms may be negotiated
- City Council Recognition

Silver Level

- \$2,500 per year
- Three-Year Opportunity
- Signage Placement
- Recognition on Sponsorship Wall
- Terms may be negotiated
- City Council Recognition

Bronze Level

- \$1,000 per year
- Three-Year Opportunity
- Recognition on Sponsorship Wall

Custom Level

- All terms to be negotiated

City of Troy
 Multi-Modal Transit Facility
 MDOT Contract Number 2011-0231
 MDOT Project Number 113143
 AGENDA: CAB

Reimbursement Request Number 16
 13-Sep-13

Invoice Number	Professional Services:								Construction:				Grand Total	% Comp.
	Construction Manager at Risk (CMR):							Total Professional Services	% Comp.	Owner Reimbursable				
	Architectural and Engineering	Pre Construction	General Conditions	Management Services	Consultant Fee	Total CMR	Hard Costs			Soft Costs	Total			
MDOT Contract Award							1,958,004.00			6,527,208.00			8,485,212.00	
City of Troy Project Reduction ¹							(380,410.24)			(1,484,065.76)			(1,864,476.00)	
City of Troy Contract Award ²	648,648.76	34,563.00	390,494.00	320,878.00	183,010.00	928,945.00	1,577,593.76	4,463,550.00	579,592.24	5,043,142.24			6,620,736.00	
Cost Transfer	125,454.28	-	-	-	-	-	125,454.28	-	(125,454.28)	(125,454.28)			-	
Prior Costs Incurred	730,193.44	34,518.08	305,659.18	313,335.01	148,400.00	801,912.27	1,532,105.71	3,530,476.45	245,976.31	3,776,452.76			5,308,558.47	
Current Costs:														
Hubbell Roth & Clark							-			-			-	
Transfer DTE Energy ³							-			-			-	
Tooles-Clark			22,978.76	29,194.95	22,562.00	74,735.71	74,735.71	568,434.11		568,434.11			643,169.82	
Transfer AT&T ³							-			-			-	
Transfer Ground Penetrating Radar Systems ⁴							-			-			-	
Transfer Level 3 Communications, LLC ⁵							-			-			-	
Transfer ITC Transmission ⁶							-			-			-	
Sprint PCS							-			-			-	
Consumers Energy							-			-			-	
Simplex Grinnell							-			-			-	
Total Current Costs	-	-	22,978.76	29,194.95	22,562.00	74,735.71	74,735.71	568,434.11	-	568,434.11			643,169.82	
Total Project Costs Incurred to Date	730,193.44	34,518.08	328,637.94	342,529.96	170,962.00	876,647.98	1,606,841.42	4,098,910.56	245,976.31	4,344,886.87	86.2%		5,951,728.29	89.9%
Remaining Balance	43,909.60	44.92	61,856.06	(21,651.96)	12,048.00	52,297.02	96,206.62	364,639.44	208,161.65	572,801.09			669,007.71	
Current Reimbursement													643,169.82	

¹Per Council Resolution #2012-01-009, total cost not to exceed \$6,272,500

²Not to exceed contracts

³Relocation of overhead utilities to underground

⁴GPR search for underground utilities

⁵Telecommunications facility inspection

⁶De-energize Troy-Wheeler 120kV transmission circuit