CITY of NOVI CITY COUNCIL



Agenda Item 1 January 11, 2016

SUBJECT: Approval of Community Single Use License with International Transmission Company (ITC) in connection with the City of Novi 5K Emergency Challenge Run.

SUBMITTING DEPARTMENT: Public Safety

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

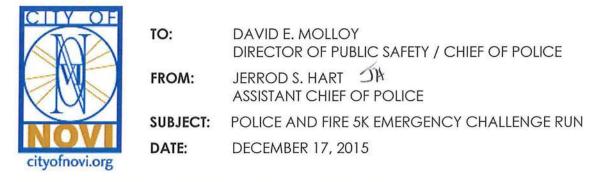
The Novi Police and Fire Departments will be hosting a 5K Emergency Challenge Run on June 11, 2016. Compared to years past when the run was held solely on the concrete ring road around St. John's Providence Park Hospital, the new route incorporates obstacles and dirt surfaces, consistent with area events. Although the new route will incorporate portions of the ring road, it necessitates the addition of two additional partners from the Novi Community School District and ITC. The Novi Community School District has already approved the inclusion of their property. ITC has tentatively approved the route which crosses their property behind, and adjacent to the Medilodge facility.

ITC requires a license for the use of its property. The Community Single Use License is generally similar to the existing license agreement with ITC and the City of Novi that created the pathway adjacent to the Medilodge development. The license was reviewed by the City Attorney who opined there was no legal impediment to enter into the License in conjunction with this race. The City Administration recommends approval and entry into the License Agreement for this event.

RECOMMENDED ACTION: Approval of Community Single Use License with International Transmission Company (ITC) in connection with the City of Novi 5K Emergency Challenge Run.

	1	2	Y	N		1	2	Y	N
Mayor Gatt					Council Member Markham				
Mayor Pro Tem Staudt					Council Member Mutch				
Council Member Burke					Council Member Wrobel				
Council Member Casey									

MEMORANDUM



Consistent with our long-standing tradition of community engagement, members of the Novi Police and Fire Departments would like to host a Novi Police and Fire 5K Emergency Challenge Run on June 11, 2016.

The first "Emergency Run" was held in May 2010 with runners circling the concrete surface of the St. John Providence Park Hospital ring road two times. Consistent with other area races, staff members proposed varying the running surfaces, utilizing obstacles to challenge runners, and holding the event during the month of June.

The proposed route requires additional partnerships with the Novi Community School District and International Transmission Corporation (ITC). The Novi Community School District has granted permission to utilize their property but ITC has a licensing mechanism in place for such events.

Staff members provided ITC with all required paperwork and they (ITC) have verbally approved the request. The final step in the process is the issuance of a "Community Single Use License" which requires the signature of Mayor Robert Gatt. Once signed, ITC will complete the license process and we can begin promoting the event through Neighborhood and Community Relations.

As with all agreements of this nature, the License was reviewed on August 13, 2015 by our City Attorney. Mr. Schultz opined there was no legal impediment to enter into the License in conjunction with this race. This item will require City Council approval.

I have attached the License, attorney review, certificate of liability insurance, proposed race flyer and route for your review.

COMMUNITY SINGLE USE LICENSE (Novi 5K Race)

Licensor:	International Transmission Company, a Michigan corporation, 27175 Energy Way, Novi, MI 48377 d/b/a ITC <i>ransmission</i> ("ITC"),
Licensee:	City of Novi 45175 West Ten Mile Road Novi, MI 48375
Premises:	Part of the SW 1/4 of Section 17, Town 1, Range 8 East, City of Novi, Oakland County, Tax ID 22-17-300-15, as shown on Attachment A&B.
Cost:	No charge
Term:	This license is effective immediately upon signature and shall be automatically terminated on June 11, 2016, unless terminated earlier by ITC.

ITC hereby grants this Community Single Use License (the "License") to Licensee to use the Premises (defined above and as shown on the aerial photograph attached as Attachment A hereto) for the purpose of a pedestrian 5K race. The Premises may be used by Licensee as part of a racecourse, on the following terms and conditions:

1. Any portion of the racecourse on the Premises must be configured to ensure that all race participants, facilitators, moderators, aids, medical teams and/or EMT workers, hydration stations, spectators and all other persons, whether invitees of Licensee or otherwise, will maintain a minimum distance of 20 feet horizontally and vertically from any tower leg, pole, conductor, wire, guy, or other utility facility. Licensee specifically acknowledges and agrees that allowing any person access closer than 20 feet vertically and/or horizontally to any utility facility may cause injury or death and Licensee has read, acknowledges and agrees to the liability provisions set forth in Paragraph 12 below.

2. No motorized equipment may be stored on the Premises. Any motorized equipment operated anywhere on the Premises shall at all times maintain a minimum vertical separation of 20 feet from any energized conductor, and a minimum horizontal separation of 20 feet from any tower leg, pole, guy, or other utility facility. If more stringent, MIOSHA standards shall be observed.

3. Licensee will not plant any trees, shrubs or other vegetation anywhere on the Premises. No forest products may be cut or removed from the Premises without ITC's prior consent. Within 3 business days after the race is completed, pursuant to this License, Licensee shall replace or restore the Premises, including but not limited to restoration of any trees and brush, landscaping, lawn areas and pavement, as nearly as possible to the condition that existed before the race occurred on the Premises. Any trash and/or refuse remaining on the Premises after that date will be subject to the terms of Paragraph 13 below.

4. **ITC must pre-approve in writing the location of any temporary fencing installed on the Premises for the race**. If ITC grants approval for any fencing, such fence must be located more than 15 feet outside the wire zone. Under no circumstances will any fencing be allowed within 15 feet of the wire zone.

5. No use of the Premises, other than those listed above, is permitted under this License.

6. No berm or other grade change may be made on the Premises without ITC's prior written approval.

7. Licensee shall not be entitled to be reimbursed for the cost of Licensee's activities or to be compensated for the value, if any, of Licensee's activities on the Premises, despite any benefit to ITC.

8. No substance that is hazardous to human health or the environment, or the storage, treatment, or disposal of which is regulated by any governmental authority, may be used, stored, or disposed of on the Premises. Licensee shall indemnify Licensor from and against any and all claims, including fines and other penalties, resulting from violation of this paragraph by Licensee or Licensee's agents, invitees, employees, or contractors, and such agreement shall survive the termination of this License.

9. The granting of this License shall in no means impair ITC's existing rights as the owner of the Premises, including ITC's right at any time to use and possess the Premises for any purpose, for example, including, but not limited to inspecting, maintaining, repairing, improving, enlarging, and removing its existing utility facilities, clearing trees and brush from the Premises, including by chemical spraying, and constructing new facilities or allowing third parties to construct new facilities on the Premises. Licensee's use of the Premises shall at all times be subordinate to ITC's use, and ITC may at any time suspend this License and temporarily evict Licensee or limit Licensee's use of the Premises without liability. Licensee assumes the risk of damage to or removal of Licensee's property or improvements on the property resulting from ITC's use of the Premises and waives all claims against ITC and agrees to hold ITC harmless for any such damage.

10. Licensee and its contractors shall maintain in force at all times while this License is in effect the liability insurance approved by ITC, insurance certificate dated 5/8/2015, which was presented to ITC when requesting this License.

11. Licensee accepts the License with the Premises in its condition at present and from time to time hereafter and waives any and all claims Licensee may at any time have against ITC related to the condition of the Premises.

12. <u>Liability</u>. To the fullest extent permitted by law, Licensee shall defend, indemnify and hold ITC, its employees, officers and directors, agents, representatives, parents, subsidiaries, corporate affiliates, or assignees (collectively, the "ITC Indemnitees"), harmless from and against any and all loss, cost, claim, liability, damage, fine, settlement or expense (including, without limitation, attorneys' fees, disbursements and out-of-pocket costs) caused by or arising out of any and all of the following:

- a) Licensee's use of the Premises during the term of this License;
- b) The personal injury, bodily injury or death of any Licensee's directors, officers, employees, subcontractors, agents, assignees, representatives, invitees, licensees or consultants, caused by, or arising out of the negligence, gross negligence, or willful misconduct of Licensee or Licensee's representatives, notwithstanding any measure of contributing or comparative negligence by ITC;
- c) The breach by Licensee and/or Licensee's representatives of its or their obligations to ITC under this Licensee;
- d) The damage, loss or destruction of any real or personal property, including ITC furnished materials and/or facilities and property of ITC on the Premises, caused by the breach of License, breach of warranty, negligence, gross negligence or willful misconduct of Licensee or Licensee's representatives;
- e) That Licensee or any of Licensee's representatives, was negligent, grossly negligent or committed an intentional act during the term of this License that caused injury to a <u>third party</u>, or caused damage to a third party's property.

Licensee agrees that Licensee's obligations as set forth in this Paragraph 12 shall survive the termination of this License.

13. Upon termination of this License, Licensee shall promptly remove Licensee's property and/or any trash or refuse from Licensee and/or any of Licensee's invitees from the Premises and cease using the Premises. Licensee will be deemed to have abandoned personal property that Licensee has not removed within 3 business days following termination. If all trash and/or refuse is not removed within 3 business days following the race, ITC will commence maintenance and cleaning of the Premises. Licensee specifically agrees to promptly pay all of ITC's costs for removal of trash and/or refuse, without dispute.

14. This License is given subject to any existing leases, licenses, easements and other interests in the Premises, whether or not of record. Licensee is responsible to give required notices, to secure necessary consents and permits from existing lessees, licensees, easement owners, and owners of other interests relating to the Premises, and to comply with other requirements of such existing leases, licenses, easements, and other instruments.

LICENSOR:

INTERNATIONAL TRANSMISSION COMPANY, a Michigan corporation, d/b/a ITC*ransmission*

By: ITC Holdings Corp., a Michigan corporation, its sole owner

By: Matthew S. Carstens

Its: Vice President and General Counsel - Utility Operations

LICENSEE:

City of Novi

By: _

[Printed Name]

Its: _

Date

Records Center File No.:

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DUCER evenson Company					CONTACT BOD B						
3422 West Oaks Drive, # 300					PHONE (248) 650-2736 FAX (A/C, No): (248) 650-2740						
ovi, Michigan 48377				E-MAIL ADDRESS: RBuck	06067@aol.c	com					
						INSURER(S) AFFO	RDING COVERAGE		NAIC#		
					INSURER A: U.S. Specialty Insurance						
URED City of Novi					INSURER B :						
45175 West Ten Mile Ro Novi, MI 48375	au				INSURER C :						
NOV1, MI 40575					INSURER D :						
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IFICATE HOLDER					CANCELLATION						
ITC Real Estate Ann: Steve Cooper Real Estate Manager 27175 Energy Way					THE EXPIRATI	ON DATE THE	DESCRIBED POLICIES BE TEREOF, NOTICE WILL CY PROVISIONS.				
Novi, MI 48377					A		/				
D25(2013/04)	Th	e AC	ORD nan	ne and logo are re			ORD CORPORATION. A	l rights re	served.		



Are you ready for the challenge?

For more information or to register, please visit cityofnovi.org/5Kchallenge













JOHNSON ROSATI SCHULTZ JOPPICH PC

27555 Executive Drive Suite 250 ~ Farmington Hills, Michigan 48331 Phone: 248.489.4100 | Fax: 248.489.1726

Thomas R. Schultz tschultz@jrsjlaw.com

www.jrsjlaw.com

August 13, 2015

Assistant Police Chief Jerrod Hart Novi Police Department 45125 West Ten Mile Road Novi, MI 48375

RE: ITC License – 5K Emergency Challenge Run

Dear Assistant Chief Hart:

You have asked us to look at a draft License Agreement provided by ITC in connection with the proposed 5K Emergency Challenge Run, to be held in Novi on October 10, 2015. The race course is primarily in the area of Providence Hospital, adjacent school property, and on area sidewalks, but in two places the runners will cross the ITC corridor.

As an initial matter, we raise the question whether, with respect to the area of the ITC corridor over which the City already has a license agreement (secured in connection with the Medilodge development), this license is even necessary. (There is a smaller area to the north of the currently licensed section over which the City clearly does not have an existing license.) As I understand it, you spoke with a representative of the ITC Legal Department, who indicated his belief that the City's existing license does not cover this sort of event. While we disagree, we do not believe that it merits a protracted legal argument back and forth with ITC.

As for the license itself, it is generally consistent with the City's existing license with ITC in the Medilodge area. There are a couple of points to note, however.

- Paragraph 1 says that you are required to maintain a minimum distance of 20 feet horizontally and vertically from their physical improvements.
- Paragraph 9 states that the grant of the license does not preclude ITC from performing any of its normal activities in the licensed area during the event. The way the language is framed, it could theoretically do so during the race, though presumably it has no intention of doing so. (Note that similar language is contained in the existing license.)
- Under paragraph 10, the City agrees to have in force the insurance coverages set forth in the attached insurance certificate. Note that these are in some respects higher than the insurance requirements in the existing license.
- The liability/indemnity language in Paragraph 12 is generally the same as in the existing license agreement, though the language is stated somewhat differently.

August 13, 2015 Page 2

Given the fact that the City has agreed to similar provisions in connection with the existing license agreement, our office sees no legal impediment to entry into this license in connection with the race.

Sincerely yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.

28 Thomas R. Schultz

TRS:jah Enclosure

cc. Pete Auger, City Manager Maryanne Cornelius, City Clerk

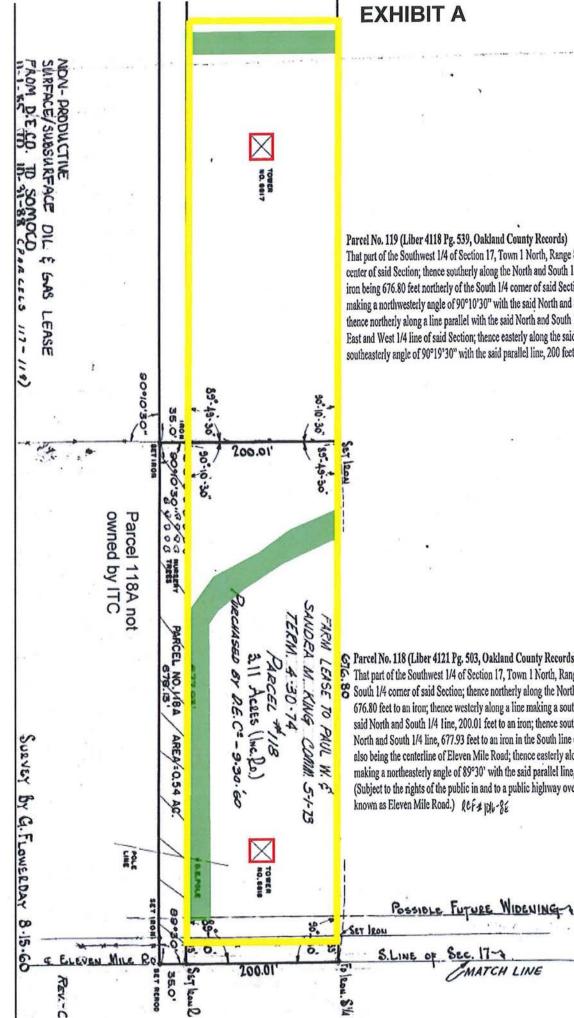


EXHIBIT A

Parcel No. 119 (Liber 4118 Pg. 539, Oakland County Records)

That part of the Southwest 1/4 of Section 17, Town 1 North, Range 8 East, described as: Beginning at the center of said Section; thence southerly along the North and South 1/4 line, 1,958.45 feet to an iron, said iron being 676.80 feet northerly of the South 1/4 corner of said Section; thence westerly along a line making a northwesterly angle of 90°10'30" with the said North and South 1/4 line, 200.01 feet to an iron; thence northerly along a line parallel with the said North and South 1/4 line, 1,957.93 feet to an iron in the East and West 1/4 line of said Section; thence easterly along the said East and West 1/4 line and making a southeasterly angle of 90°19'30" with the said parallel line, 200 feet to the point of beginning. F. 4 # 1016-80

South 1/4 corner of said Section; thence northerly along the North and Section 1/4 of Section 1/4 corner of said Section; thence northerly along the North and Section; the North and S That part of the Southwest 1/4 of Section 17, Town 1 North, Range 8 East, described as: Beginning at the South 1/4 corner of said Section; thence northerly along the North and South 1/4 line of said Section, 676.80 feet to an iron; thence westerly along a line making a southwesterly angle of 89°49' 30" with the said North and South 1/4 line, 200.01 feet to an iron; thence southerly along a line parallel to the said North and South 1/4 line, 677.93 feet to an iron in the South line of said Section, said South Section line also being the centerline of Eleven Mile Road; thence easterly along the said South Section line and making a northeasterly angle of 89°30' with the said parallel line, 200.01 feet to the point of beginning. (Subject to the rights of the public in and to a public highway over that part of the above described parcel known as Eleven Mile Road.) REF# 1016-82

EXHIBIT B



p Author: Jason Porter ate: 6/10/15 roject: Emergency Challenge Run arsion #: 1.1

Amended By: Date: Department:

MAP INTERPRETATION NOTICE

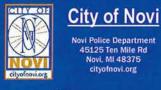
Map Legend



Route Direction



Start/Finish



Novi Police Department 45125 Ten Mile Rd Novi, MI 48375 cityofnovi.org

2,250

375 750 1,500

