



MEMORANDUM

TO: Bruce K. Walden, Chief Administrative Officer
FROM: William R. Gray, P.E., Public Works Director
Barbara H. Stiehl, Assistant to the Public Works Director
DATE: May 4, 2005
RE: Pride Oil, LLC License Agreement
1701 South Philo Road

INTRODUCTION

In March 2005, Pride Oil, LLC requested and was granted permission from the Urbana City Council to install two groundwater monitoring wells in the Philo Road right-of-way south of Florida Avenue to serve the property they own at 1701 South Philo Road.

After conducting water sampling tests around 1701 South Philo Road, the site consultant, GEOCON discovered that additional wells would be necessary to adequately monitor the site. In order for Pride Oil, LLC to install the additional monitoring wells in City right-of-way, an amended license agreement to include the Florida Avenue right-of-way east of Philo Road is necessary. Attached is Exhibit A that shows the locations for the existing (MW6 and MW7) and proposed monitoring wells. Also attached please find the draft amended agreement for use of the right-of-way, which outlines the conditions for permitting Pride Oil, LLC to occupy the public right-of-way with their monitoring wells

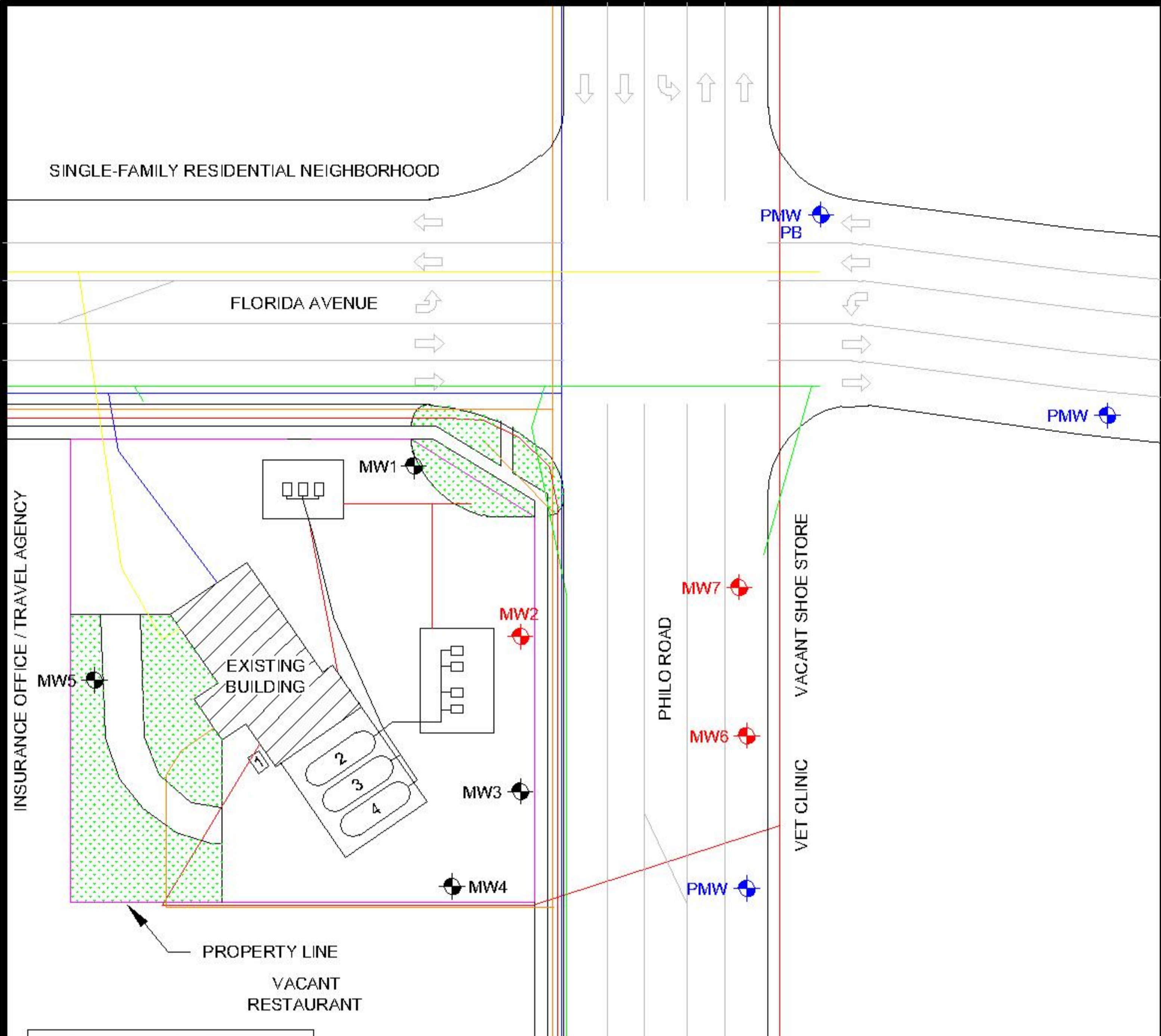
FISCAL IMPACTS

There would be no direct financial impacts to the City since the installation and maintenance for the monitoring wells are solely at Pride Oil, LLC.'s expense. Additionally, Pride Oil, LLC. is indemnifying the City against any losses, claims, etc., that may occur as a result of their monitoring well installations at these locations.

RECOMMENDATION

It is recommended that "AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE AGREEMENT FOR USE OF RIGHTS-OF-WAY" be approved.

Attachments: Exhibit A
Agreement
Ordinance



UTILITY LEGEND

- Water ————
- Underground Phone ————
- Overhead Electrical ————
- Underground Electrical ————
- Sanitary Sewer ————
- Natural Gas ————
- Storm Sewer ————

NOTE: Utility locations are approximate.

- ⊙ MW# - GROUNDWATER SAMPLE IS BELOW TIER 1 GROUNDWATER RO
- ⊙ MW# - GROUNDWATER SAMPLE EXCEEDS TIER 1 GROUNDWATER RO
- ⊙ PMW - PROPOSED MONITORING WELL

- Tank 1 - 550-gal. used motor oil UST (removed)
- Tank 2 - 8,000-gal. unleaded gasoline UST (removed 10/5/04)
- Tank 3 - 8,000-gal. unleaded gasoline UST (removed 10/5/04)
- Tank 4 - 8,000-gal. unleaded gasoline UST (removed 10/5/04)
- Tank 5 - 550-gal. used motor oil UST (removed-location unknown)

North ↑
Scale 1" = 50'

GEOCON

EXHIBIT A
PROPOSED MONITORING WELL
LOCATION DIAGRAM
Pride Oil, LLC. - 1701 Philo Road
Urbana, Champaign County, Illinois

PROJECT NO.: 41029

DATE: April 2005

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY

(1701 South Philo Road)

THIS AGREEMENT, made and entered into this _____ day of _____, 2005, by and between the CITY OF URBANA, a municipal corporation of the State of Illinois (hereinafter "City"), and Pride Oil, LLC (hereinafter "Company"),

WITNESSETH:

FOR AND IN CONSIDERATION of the mutual covenants and agreements herein contained, the City and the Company do mutually covenant and agree as follows:

A. Philo Road is an 85-foot dedicated right-of-way between the southern right-of-way of Florida Avenue and 190 feet south of the centerline of Florida Avenue. Florida Avenue is an 80-foot dedicated right-of-way between the eastern right-of-way of Philo Road and 150 feet east of the centerline of Philo Road.

B. The Company is herein granted by the City a limited right to install up to five (5) groundwater monitoring wells within the Philo Road and Florida Avenue rights-of-way (hereinafter "groundwater monitoring wells"). This limited right is wholly dependent upon the Company, its successors and assigns, fully and faithfully performing and complying with all the terms, conditions, and covenants contained within this Agreement. The Company expressly acknowledges and agrees that such limited right is immediately revocable at the option of the City in the event that the Company, its successor or assign, fails to perform or comply with any term, condition or covenant set forth within this Agreement provided that Company shall have a period to cure any such failure as otherwise set forth herein. This Agreement may be terminated at any time without notice upon the express written consent of both Parties. Either Party may terminate this Agreement for cause by giving written notice to the other Party at least forty-five (45) days prior to the proposed termination. For the purposes of this section, "for cause" means the breach of any material provision of this Agreement, which remains uncured for a period of thirty (30) days after serving the written notice thereof. A notice of termination shall specify the "cause" upon which such termination is based. Further, it is expressly understood that regardless of the existence or not of any breach, the use by the Company of the hereinabove described rights-of-way shall at all times be subordinate to the City's use of said rights-of-way. This license does not authorize the placing of any conduit, wire, fiber, poles or other appurtenances above ground, except for markers and handholes or other appurtenances that are commonly associated with installations of groundwater monitoring wells.

C. The construction and installation of said facility or any change thereof including extension, reduction or removal of the groundwater monitoring wells shall be subject to the issuance of a permit therefore by the City's Director of Public Works (hereinafter referred to as "Director"). No groundwater monitoring wells shall be laid or installed in or under any streets, alleys or other public way until the Director therefore issues a permit. Said permit shall indicate the time, manner and place of laying or installing the groundwater monitoring wells. Permit

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (cont'd.)
Between the City of Urbana and Pride Oil, LLC.
(1701 South Philo Road)

approval shall be granted if the proposed improvements are consistent with the use of the public way granted by this Agreement. The application for a permit shall be accompanied by prints, plans and maps showing the proposed location of the groundwater monitoring wells to be installed. In the event of an emergency which the Company believes poses a threat of immediate harm to the public or to any of the Company's facilities, the Company shall be permitted access to the public way to mitigate the threatened harm without the benefit of a permit, provided however the Company shall advise the Municipality of the emergency as its earliest reasonable opportunity and seek a proper permit within a reasonable period of time thereafter.

D. The purpose of the herein permitted right to construct upon such rights-of-way shall be limited solely to the installation, operation, and maintenance of the groundwater monitoring wells in the said rights-of-way, which is shown on Exhibit A, which is attached to and incorporated into this agreement, and use thereof, and for incidental uses directly related thereto. Upon cessation of such use as determined by the Director, this Agreement shall immediately lapse and terminate. If the City believes that any facilities of the Company are no longer in use by the Company or are otherwise abandoned by the Company, the City may notify the Company in writing that the City is asserting its right to declare this agreement lapsed and terminated. Such notice must give the Company at least thirty (30) days to respond. If the Company demonstrates that the facilities are still in use by the Company and are not otherwise abandoned by the Company, this Agreement shall remain in force and effect according to its terms. If the Company does not demonstrate within thirty (30) days of the notice that the facilities are in use by the Company and are not otherwise abandoned by the Company, this Agreement shall be deemed lapsed and terminated. Any additional use other than that specifically named, without the further express written consent of the City, shall be construed as a violation of this Agreement.

E. The Company, after doing any work shall, at its sole cost and expense, promptly repair and restore the site including all sidewalks, parkways or pavements disturbed by the Company to the condition in which they existed prior to the performance of the work, or nearly as practicable as determined by the City in the exercise of its reasonable discretion. In the event that any such sidewalk, parkway or pavement shall become uneven, unsettled, or otherwise requires repairing, because of such disturbance by the Company, then the Company, as soon as climatic conditions will reasonably permit shall promptly, and no more than fifteen days from receipt of notice from the City to do so, cause such sidewalk, parkway or pavement to be repaired or restored to the condition in which it existed before said sidewalk, parkway or pavement was disturbed by the Company. Such restoration shall be completed within ten (10) days after the date of commencement of such restoration work. In the event that the Company fails to commence and complete the restoration work in the manner and within the time periods prescribed herein, the City may, but shall have no obligation to, perform such work and recover from the Company any costs and expenses the City incurs. In the event that such public way or improvement cannot be so repaired, replaced or restored, the Company shall justly compensate the City. All excavations in lawns or grassy parkways shall be immediately backfilled, tamped and then restored within a reasonable time thereafter to the original condition with sod or hydroseed in accordance with the applicable provisions of this Agreement. The Company shall keep all structures which it shall construct by virtue of this Agreement, in a reasonably safe condition at all times, and shall maintain such traffic control and protection during the

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (cont'd.)
Between the City of Urbana and Pride Oil, LLC.
(1701 South Philo Road)

construction, repair or renewal work performed hereunder as will reasonably avoid danger to life, limb and property. Any damage caused by the Company to any other utility including storm and sanitary sewers and their services, street lighting, traffic signals, field tiles or any facilities from any other utility company shall, at its sole cost and expense, promptly repair and restore said damaged facility.

F. In the event of an emergency, defined as imminent peril to person or property, or when the Company has inadequately complied with an order of the Director pursuant to Paragraph (B) above, or at any other time the Director or other responsible City official in good faith deems the procedures of Paragraph (B) impracticable under the circumstances present, the Company consents and agrees that the City or its duly authorized agent may remove the groundwater monitoring wells, or any portion thereof, and charge all costs and expenses incurred in such removal, disposal, and restoration to the Company. Should the Company fail in any way to make timely payment to the City for such costs and expenses, the Company agrees to pay, in addition to any amount so owed, reasonable attorneys' fees and court costs incurred in the collection of such amount.

G. The Company agrees to defend the City from and against any claims, suits, or actions for death or injury to persons or damage to property or breach of the contract brought against the City arising from any alleged claims, acts, or omissions in connection with this Agreement, including the installation of the groundwater monitoring wells, whether or not suit is filed unless such claim, suit, or cause of action was based solely or partially upon the negligence of the City, its employees, agents, or contractors. Additionally, the Company shall indemnify the City for any sums the City becomes obligated to pay as damages arising out of the Company's negligence except to the extent such damages are due to the negligence of the City, its employees, agents, or contractors.

H. The Company acknowledges that it shall be fully responsible and bear all costs associated with any and all maintenance or repair of the groundwater monitoring wells.

I. The Company shall provide as-built plans to the City, upon completion of the installation of the groundwater monitoring wells, in an electronic format compatible with the City's Geographic Information System.

J. The license granted pursuant to this article may not be transferred without the express written consent of the City, provided that such consent shall not be unreasonably withheld.

K. This license shall be non-exclusive. No license granted under this authority shall confer any exclusive right, privilege, or license to occupy the rights-of-way for any purpose.

L. No license granted under this authority shall convey any right, title, or interest in rights-of-way but shall be deemed a license only to use and occupy the rights-of-way for the limited purposes and term stated on the grant. No license granted under this authority shall be construed as any warranty of title.

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (cont'd.)
Between the City of Urbana and Pride Oil, LLC.
(1701 South Philo Road)

M. This Agreement shall be expressly binding upon both parties, their successors and assigns. This Agreement shall be valid only upon being duly recorded by the Recorder of Deeds for Champaign County, Illinois.

N. Notices transmitted to either party to this Agreement shall be addressed as follows. All notices required under this agreement shall be in writing. Notices shall be personally hand delivered or mailed by certified U.S. mail, return receipt requested, addressed to the address of the respective Party as stated below, or to any changed address either Party may have fixed by notice. Notice shall be deemed effective upon actual receipt of the notice, or, if certified mail delivery is not accomplished, notice shall be deemed given on the date of the mailing.

<u>To the City:</u>	Mayor City of Urbana 400 South Vine Street Urbana, Illinois 61801	Chief Administrative Officer City of Urbana 400 South Vine Street Urbana, Illinois 61801
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To the Company: Pride Oil, LLC.
Attention: Mr. Randy Meyer
1505 W. Main Street
Teutopolis, Illinois 62467

Either party may designate by written notice a different address to which notices shall be sent.

O. The Company shall not be excused from complying with any of the terms and conditions of this Agreement by any failure of the City upon any one or more occasions to insist upon or to seek compliance with any such terms or conditions.

P. The initial term of this Agreement shall be twenty (20) years from the date of execution. Upon expiration of the initial term or any renewal term, this Agreement shall automatically renew for a subsequent term of five (5) additional years, unless, no less than 90 days prior to the expiration of the current term, either party provides written notice to the other party of the intent not to renew.

Q. The Company shall comply with all ordinances of the City of Urbana, including but not limited to all generally-applicable provisions regarding rights-of-way, as such ordinances are now or hereafter amended, except to the extent that such ordinances directly and irreconcilably conflict with an express provision of this Agreement. The Company shall comply with all conditions of permits issued to it.

R. In the event any one or more of the provisions contained in this Agreement shall be determined to be invalid, illegal, or unenforceable in any respect by a Court of competent jurisdiction, such provision shall be deemed severed from this Agreement, and the validity, legality, or enforceability of the remaining provisions of this Agreement or any other application

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (cont'd.)
Between the City of Urbana and Pride Oil, LLC.
(1701 South Philo Road)

thereof shall not be affected or impaired thereby, and shall, therefore, remain in full force and effect.

S. This Agreement and any written exhibits or addenda to it constitute the entire Agreement between the Parties, and may be changed, modified or amended only by mutual written agreement executed by them.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective as of the day and year first above written.

CITY OF URBANA, ILLINOIS

By: _____
Laurel Lunt Prussing, Mayor

ATTEST:

Phyllis D. Clark, City Clerk

* * *

PRIDE OIL, LLC.

By: _____
(Signature)

(Print Name & Title)

ATTEST:

(Signature)

(Print Name & Title)

AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (cont'd.)
Between the *City of Urbana and Pride Oil, LLC.*
(1701 South Philo Road)

Prepared by and please return recorded copy to:

*Jack Waaler, City Attorney
City of Urbana, Illinois
400 South Vine Street
Urbana, Illinois 61801*

ORDINANCE NO. 2005-05-066

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE AN AMENDED AGREEMENT FOR USE OF RIGHTS-OF-WAY (1701 South Philo Road)

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Agreement for Use of Rights-of-Way (Philo Road between the southern right-of-way of Florida Avenue and 190 feet south of the centerline of Florida Avenue and Florida Avenue between the eastern right-of-way of Philo Road and 150 feet east of the centerline of Philo Road) between the City of Urbana and Pride Oil, LLC, in the form of a copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____, 2005.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2005.

Laurel Lunt Prussing, Mayor