



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 1
September 16, 2013

SUBJECT: Approval of Master Agreements for Municipal Street Lighting and corresponding Purchase Agreements with the Detroit Edison Company for the Town Center Area Street Lighting Replacement Project in the amounts of \$182,893 (Phase I: Crescent Boulevard, Town Center Drive, Ingersol Drive, and Crowe Drive) and \$283,857 (Phase II: Novi Road and Grand River Avenue).

SUBMITTING DEPARTMENT: Department of Public Services, Field Operations Division *RGH*

CITY MANAGER APPROVAL: *[Signature]*

| | |
|-------------------------------|---------------------------|
| EXPENDITURE REQUIRED | \$466,750 |
| AMOUNT BUDGETED | \$487,000 |
| APPROPRIATION REQUIRED | \$0 |
| LINE ITEM NUMBER | 856-000.00-390.000 |

BACKGROUND INFORMATION:

In FY 12/13, City Council allocated \$487,000 for the replacement of the aged Town Center lighting system, which is funded by Special Assessment District (SAD) 108. The need for the project is based on the findings of a 2011 study that determined complete replacement of the system was required, and that energy-efficient, light-emitting diode (LED) fixtures would provide optimal lighting at low energy costs. Subsequently, The Detroit Edison Company (DTE) worked with DPS to develop a project scope and ultimately provided a cost proposal through its Community Lighting Program. (See memoranda at the back of this packet for additional background information.)

DTE Energy is proposing a phased plan that would achieve an overall goal of designing, installing, and then operating and maintaining the system for perpetuity. The attached DTE cost summary reflects the removal of 56 structures along Town Center Drive, Crescent Boulevard, Ingersol Drive, and Crowe Drive (Phase I); and another 32 structures along Novi Road and Grand River Avenue (Phase II) that are all contained in the SAD. Based on the proposed DTE plan, the original 88 structures would be replaced with 69 energy efficient LED luminaires, poles, bases, and wiring for a total project cost of \$466,750, as presented in the attached June 17, 2013 cost proposal summary (\$20,250 lower than the budgeted amount). The system requires an annual SAD operating expenditure of \$22,890, which covers all energy, maintenance, and liability costs associated with what will become a DTE-owned system.

The proposed fixtures along Town Center Drive, Crescent Boulevard, Ingersol Drive, and Crowe Drive will be square, thin, and black; placed on a straight vertical black pole (see attached example photo). The luminaire will be a black "shoe box" style fixture. Lighting along Novi Road and Grand River Avenue will be placed on a standard black DTE pole accented with a decorative black clamshell base. The black LED luminaires will match the

design of the existing acorn style intersection lights, but are designed to prevent light from being emitted upward (see attached example photo).

DTE recently proposed an alternate system that would add decorative banner arms and electrical outlets to each new pole (see attached DTE cost proposal summary dated August 23, 2013). However, adding these amenities would require DTE to use custom/non-stock poles that would result in an additional expenditure in the amount of \$485,377. For this reason, staff recommends that the City proceed with the scope contained in DTE's original cost proposal in the amount of \$466,750.

The City Attorney has reviewed and recommends approval of the four attached agreements (a Master Agreement and Purchase Agreement for Phase 1: Crescent Boulevard, Town Center Drive, Ingersol Drive and Crowe Drive; and a Master Agreement and Purchase Agreement for Phase 2: Grand River Avenue and Novi Road). Upon execution, the agreements would transition all removal, installation, operation, and maintenance responsibilities to DTE (see Beth Saarela's September 9, 2013 letter, attached). Please note that Item #7 of each phase's Purchase Agreement requires payment in full upon execution of the agreements.

Work is tentatively scheduled to begin in early January and be completed within 60 days thereafter. Coordination of installation with all SAD members in the Town Center area would be initiated once the agreements have been executed.

RECOMMENDED ACTION: Approval of Master Agreements for Municipal Street Lighting and corresponding Purchase Agreements with the Detroit Edison Company for the Town Center Area Street Lighting Replacement Project in the amounts of \$182,893 (Phase I: Crescent Boulevard, Town Center Drive, Ingersol Drive, and Crowe Drive) and \$283,857 (Phase II: Novi Road and Grand River Avenue).

| | 1 | 2 | Y | N |
|-------------------------------|---|---|---|---|
| Mayor Gatt | | | | |
| Mayor Pro Tem Staudt | | | | |
| Council Member Casey | | | | |
| Council Member Fischer | | | | |

| | 1 | 2 | Y | N |
|--------------------------------|---|---|---|---|
| Council Member Margolis | | | | |
| Council Member Mutch | | | | |
| Council Member Wrobel | | | | |

SAD 108 - Town Center Area Streetlighting

I-96



Map Author: Hayes
 Date: 9/10/13
 Project: TC Streetlighting Replacement
 Version #: 1.0

Amended By:
 Date:
 Department:

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



Map Legend

▭ Parcels_in_SAD_108



City of Novi
 Engineering Division
 Department of Public Services
 26300 Lee BeGole Drive
 Novi, MI 48375
cityofnovi.org



1 inch = 323 feet

DTE COST SUMMARY AND SUPPORTING LETTERS
June 2013

City of Novi Cost Proposals

6/17/2013

Town Center and Crescent Blvd

Remove 56 Existing Lights

Install 48 Lights and 48 Posts

| | | | | |
|--|----|-------------|-------------|--------------|
| Removal Cost - Foundations broken up below grade | \$ | 56,916.00 | | |
| Install 48 Lums and 48 Posts - DTE Estimate | \$ | 270,813.00 | | |
| SOM Spare (2) Posts | | | | |
| Install Transformer | \$ | 3,644.00 | | |
| Total Cost Phase I | \$ | 331,373.00 | | |
| Revenue Credit | \$ | (47,516.00) | Annual Cost | \$ 15,839.00 |
| Final Cost | \$ | 283,857.00 | | |

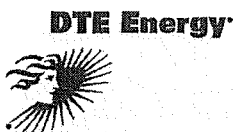
Novi Rd and Grand River

Remove 32 Existing Lights

Install 21 Lights and 21 Posts

| | | | | |
|---|-----------|-------------------|---------------------|---------------------|
| Removal Costs - Foundations broken up below grade | \$ | 31,421.00 | | |
| Install 21 Lums and 21 Posts - DTE Estimate | \$ | 172,623.00 | | |
| SOM Spares 2 lums and 2 clamshells | | | | |
| Total Cost Phase II | \$ | 204,044.00 | | |
| Revenue Credit | \$ | (21,151.00) | Annual Cost | \$ 7,051.00 |
| Final Cost | \$ | 182,893.00 | | |
| final Project Cost, Phase I and II | \$ | 466,750.00 | Total Annual | \$ 22,890.00 |

Western Wayne Center
8001 Haggerty Rd., Belleville, MI 48111



June 20, 2013

City of Novi
Matt Wiktorowski
26300 Lee Begole Drive
Novi, MI 48375

Re: Proposed Street Lighting on Crescent Blvd and Town Center Drive

We have completed our review of your request for proposed lighting and have prepared a cost estimate for the removal of the existing lighting and installation of streetlights on Crescent Blvd and Town Center Drive, City of Novi, Oakland County. We are recommending the installation of 48 – 135w LED fixtures on 30' steel square tapered posts.

The costs are based on the Edison Option I rate, where Detroit Edison installs, owns, and maintains the lighting system. The rate requires a portion of the construction cost be paid by the customer, which is determined by the following formula.

Crescent Blvd and Town Center Drive 48 Fixtures and 48 Posts

| | |
|-------------------------------------|--------------|
| Cost to construct | \$331,373.00 |
| Minus 3yrs revenue | \$47,516.00 |
| Contribution from (City of Novi) | \$283,857.00 |
| Annual operating cost | \$15,839.00 |

The price quoted herein shall be in effect for period of six months from the date hereof. After installation the total cost for additional modification, relocation or removal will be the responsibility of requesting party. The sum of \$283,857.00 will be made prior to the actual start of construction.

Please request an agreement for Municipal Street Lighting if you would like us to proceed with the installation and feel free to call me on 734-397-4027 should you have any questions.

Sincerely,

Debra J. Cain
Account Manager
Community Lighting

COST ESTIMATE

PHASE I INSTALL
LOCATIONS 1 THRU 48
 IN: CODE 019 POST
 IN: CODE 98 FOUNDATION
 IN: 135 WATT LT COBRA LUMINAIRE

EXISTING 150 KVA
 4.8 X 13.2 460V
 H-2804-12

RE-FEED EXISTING CUSTOMER OWNED STREET LIGHTS.

135 WATT LED
 COBRA LUMINAIRE

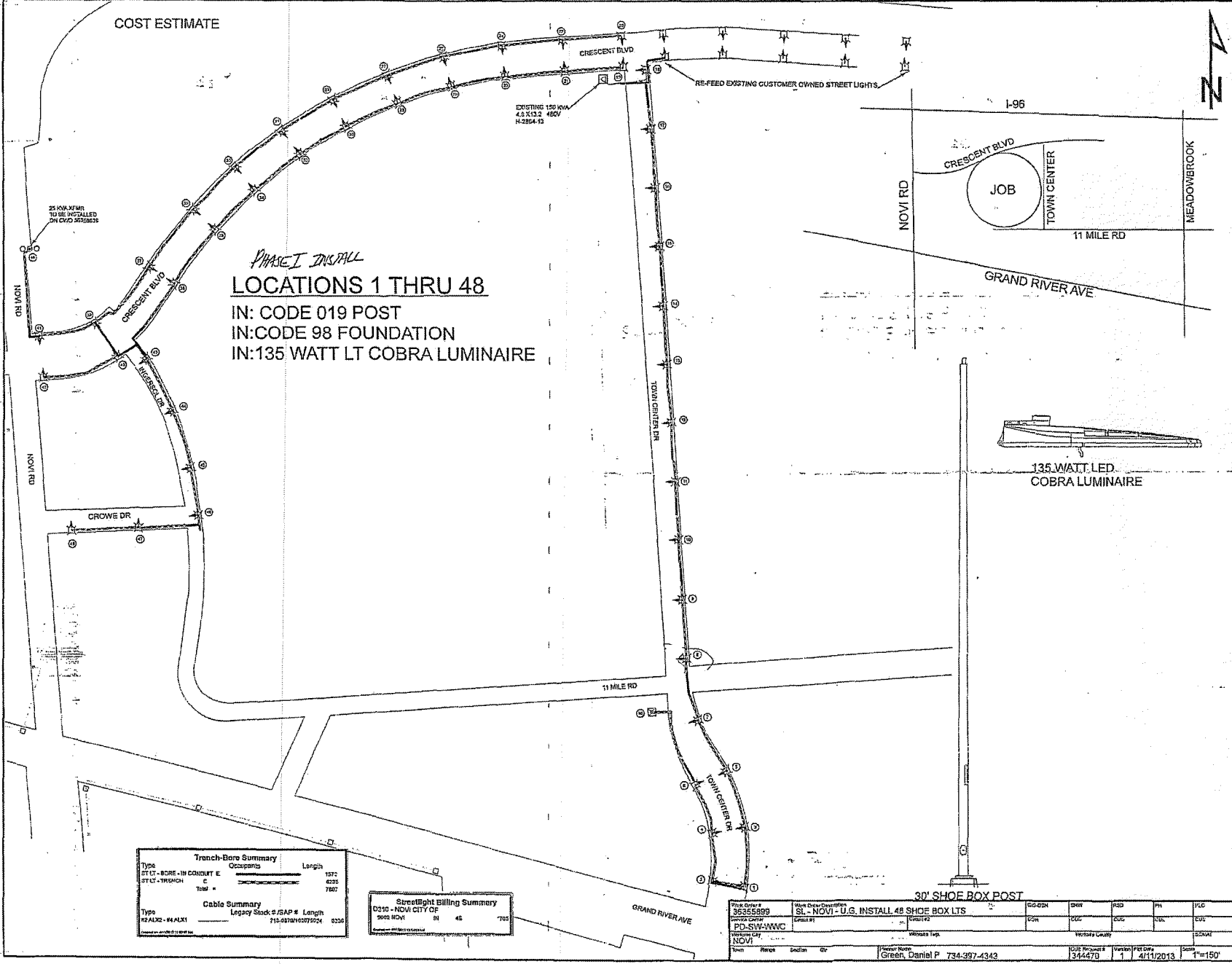
30' SHOE BOX POST

| Trench-Bore Summary | | |
|-----------------------------|----------|-------------|
| Type | Quantity | Length |
| ST LT - BORE - IN CONDUIT E | | 1572 |
| ST LT - TRENCH | | 6235 |
| Total # | | 7807 |

| Cable Summary | | |
|-----------------|------------------------|-----------------------|
| Type | Legacy Stock # / SAP # | Length |
| #2ALX2 - #4ALX1 | | 715-587910375924 8236 |

| Streetlight Billing Summary | | | |
|-----------------------------|------|-----|-------|
| City | Code | Qty | Value |
| 0210 - NOVI CITY OF | | 48 | 705 |

| | | | | | | |
|--------------------------|---|----------------------|-----------------------------------|-------------------|-----|-----|
| Work Order # 35555899 | Work Order Category SI - NOVI - U.G. INSTALL 48 SHOE BOX LTS | GG-DRN | SHW | POD | PH | PLC |
| Contract # PD-SW-MWG | Contract #1 | CON | LOC | CCR | ULB | EXP |
| Version/Rev NOVI | Project File # | McRady Leary | | ECON | | |
| Drawn Green, Daniel P | Scale 734-397-4343 | Job Number 344470 | Version/Print Date 1 4/11/2013 | Sheet 1 of 150 | | |



Western Wayne Center
8001 Haggerty Rd., Belleville, MI 48111



May 14th, 2013

City of Novi
Matt Wiktorowski
26300 Lee Begole Drive
Novi, MI 48375

Re: Proposed Street Lighting on ES of Novi Road and NS of Grand River

We have completed our review of your request for proposed lighting and have prepared a cost estimate for the removal of the existing lighting and installation of streetlights on ES Novi Road and NS Grand River, City of Novi, Oakland County. We are recommending the installation of 21- 150w LED fixtures on the Code 06 - 30' steel post with decorative clamshell.

The costs are based on the Edison Option I rate, where Detroit Edison installs, owns, and maintains the lighting system. The rate requires a portion of the construction cost be paid by the customer, which is determined by the following formula.

ES of Novi Road and NS of Grand River 21 Fixtures and 21 Posts

| | |
|-------------------------------------|---------------------|
| Cost to construct | \$204,044.00 |
| Minus 3yrs revenue | \$21,151.00 |
| Contribution from (City of Novi) | \$182,893.00 |
| Annual operating cost | \$7,051.00 |

The price quoted herein shall be in effect for period of six months from the date hereof. After installation the total cost for additional modification, relocation or removal will be the responsibility of requesting party. The sum of \$182,893.00 will be made prior to the actual start of construction.

Please request an agreement for Municipal Street Lighting if you would like us to proceed with the installation and feel free to call me on 734-397-4027 should you have any questions.

Sincerely,

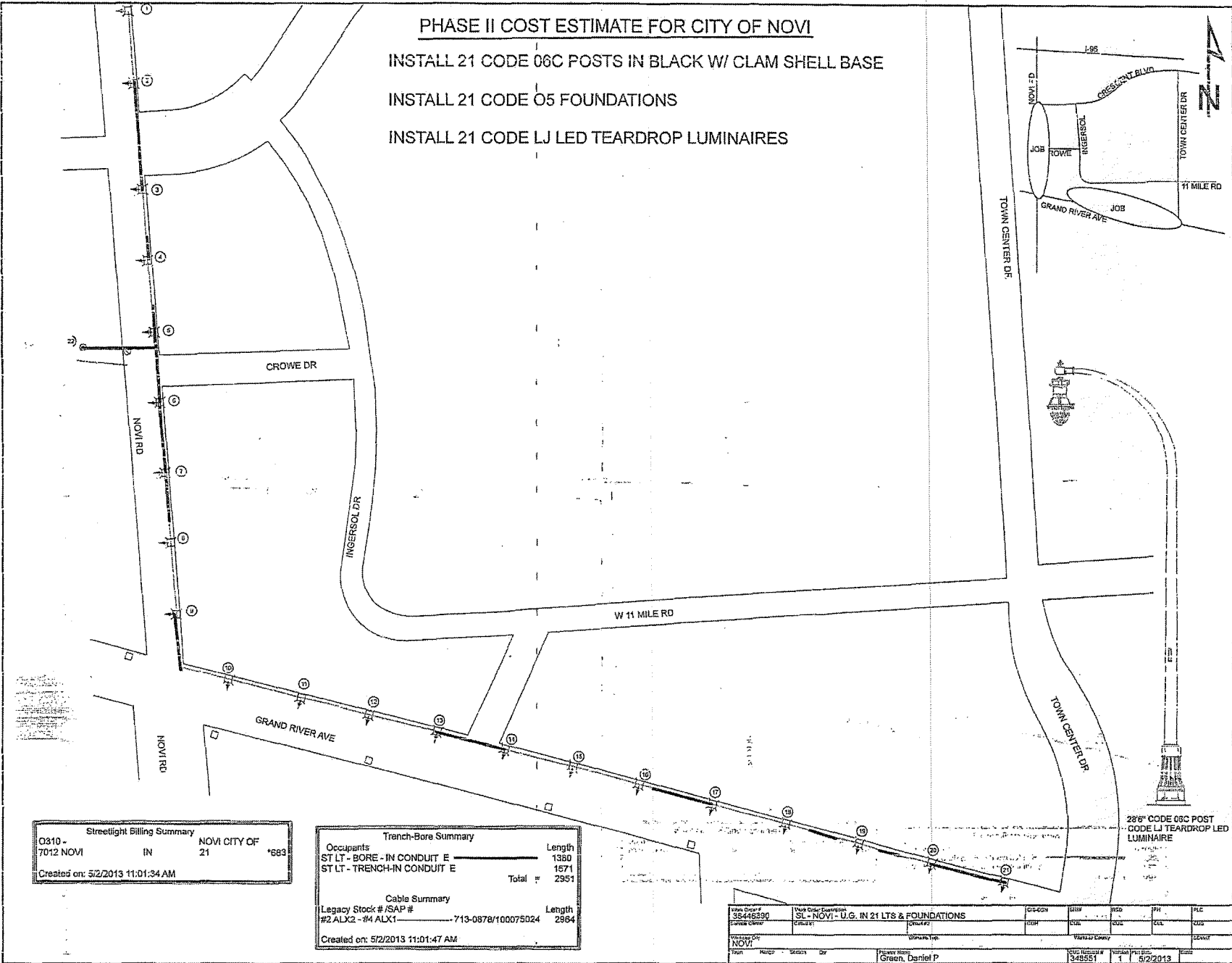
Debra J. Cain
Account Manager
Community Lighting

PHASE II COST ESTIMATE FOR CITY OF NOVI

INSTALL 21 CODE 06C POSTS IN BLACK W/ CLAM SHELL BASE

INSTALL 21 CODE O5 FOUNDATIONS

INSTALL 21 CODE LJ LED TEARDROP LUMINAIRES



| Streetlight Billing Summary | | | |
|----------------------------------|--------------|--------------|------|
| O310 - | NOVI CITY OF | NOVI CITY OF | *683 |
| 7012 NOVI | IN | 21 | |
| Created on: 5/2/2013 11:01:34 AM | | | |

| Trench-Bore Summary | | Length |
|-----------------------------|-------|--------|
| Occupants | | |
| ST LT - BORE - IN CONDUIT E | | 1360 |
| ST LT - TRENCH-IN CONDUIT E | | 1571 |
| | Total | 2931 |

| Cable Summary | | Length |
|----------------------------------|--------------------|--------|
| Legacy Stock # /SAP # | | |
| #2 ALX2 - #4 ALX1 | 713-0878/100075024 | 2984 |
| Created on: 5/2/2013 11:01:47 AM | | |

| | | | | | | |
|--------------|--|---------------------|---------------------|-------------------|-----------------|-----------------|
| Work Order # | Work Order Description | DIS-CDN | SRV | REQ | PH | PLC |
| 384462390 | SL - NOVI - U.G. IN 21 LTS & FOUNDATIONS | | | | | |
| Contract # | Contract | SRV | CDN | REQ | PH | PLC |
| | | | | | | |
| Issued On | Work Order Type | Work Order Category | Work Order Priority | Work Order Status | Work Order Date | Work Order Time |
| NOVI | | | | | | |
| Author | Reviewer | Checker | Dr | Project Manager | Customer | Created |
| | Green, Daniel P | | | | | |
| Work Order # | Work Order Description | Work Order Category | Work Order Priority | Work Order Status | Work Order Date | Work Order Time |
| 348551 | | | | | 5/2/2013 | |

community lighting

DTE Energy's Streetlighting Advantages

DTE Energy's Community Lighting group has designed, installed and maintained outdoor lighting systems for more than 100 years.

- DTE Energy provides all design work and re-works at no cost to customer.
- City receives a contribution in aid of construction credit towards the cost to build the lighting system. The credit is based on the wattage and the number of lights installed. In the case of Phases I and II please see attached.
- DTE Energy will own and maintain the lighting system.

All repairs will be done at no charge to the City. Including:

Lamp/Bulb changes
Luminarie changes
Ballast repair/change
Cable breaks/cuts
Post knockdowns

There is a charge for non-stock materials.

The streetlights installed on this project will be part of a routine maintenance program that includes fixture and post inspections. If it is determined that posts need paint and or replacement, work is done at no cost.

DTE Energy assumes all liability associated with the streetlighting system

DTE Energy will pay taxes on all of these assets annually.

EXAMPLE PHOTOGRAPHS
Depicting Proposed Lighting Styles

Proposed Phase I Street Lighting

Town Center Drive, Crescent Boulevard, Ingersol Drive, Crowe Drive



Proposed Phase II Street Lighting

Novi Road and Grand River Avenue



ALTERNATE DTE COST SUMMARY AND SUPPORTING LETTERS
Adding Pole Amenities
August 2013

City of Novi Cost Proposals

8/23/2013

Town Center and Crescent Blvd

Remove 56 Existing Lights

Install 48 Lights and 48 Posts

| | | |
|--|----|------------|
| Removal Cost - Foundations broken up below grade | \$ | 56,916.00 |
| Install 48 Lums and 48 Posts - DTE Estimate | \$ | 605,607.00 |
| SOM Spare (4) Posts | \$ | 34,704.00 |
| Install Transformer | \$ | 3,644.00 |

| | | |
|--------------------|----|------------|
| Total Cost Phase I | \$ | 700,871.00 |
|--------------------|----|------------|

| | | | | | |
|----------------|----|-------------|-------------|----|-----------|
| Revenue Credit | \$ | (47,516.00) | Annual Cost | \$ | 15,839.00 |
|----------------|----|-------------|-------------|----|-----------|

| | | |
|------------|----|------------|
| Final Cost | \$ | 653,355.00 |
|------------|----|------------|

Novi Rd and Grand River

Remove 32 Existing Lights

Install 21 Lights and 21 Posts

| | | |
|---|----|------------|
| Removal Costs - Foundations broken up below grade | \$ | 31,421.00 |
| Install 21 Lums and 21 Posts - DTE Estimate | \$ | 291,560.00 |
| SOM 2 Spare assemblies | \$ | 17,352.00 |
| Total Cost Phase II | \$ | 340,333.00 |

| | | | | | |
|----------------|----|-------------|-------------|----|----------|
| Revenue Credit | \$ | (21,151.00) | Annual Cost | \$ | 7,051.00 |
|----------------|----|-------------|-------------|----|----------|

| | | |
|------------|----|------------|
| Final Cost | \$ | 319,182.00 |
|------------|----|------------|

| | | | | | |
|------------------------------------|----|------------|--------------|----|-----------|
| Final Project Cost, Phase I and II | \$ | 972,537.00 | Total Annual | \$ | 22,890.00 |
|------------------------------------|----|------------|--------------|----|-----------|

Western Wayne Center
8001 Haggerty Rd., Belleville, MI 48111

DTE Energy



July 24, 2013

City of Novi
Matt Wiktorowski
26300 Lee Begole Drive
Novi, MI 48375

Re: Proposed Street Lighting on ES of Novi Road and NS of Grand River

We have completed our review of your request for proposed lighting and have prepared a cost estimate for the removal of the existing lighting and installation of streetlights on ES Novi Road and NS Grand River, City of Novi, Oakland County. We are recommending the installation of 21- 150w LED fixtures on a 30' round tapered steel decorative post with banner arm, receptacles and decorative clamshell.

The costs are based on the Edison Option I rate, where Detroit Edison installs, owns, and maintains the lighting system. The rate requires a portion of the construction cost be paid by the customer, which is determined by the following formula.

ES of Novi Road and NS of Grand River 21 Fixtures and 21 Posts

| | |
|-------------------------------------|---------------------|
| Cost to construct | \$340,333.00 |
| Minus 3yrs revenue | \$21,151.00 |
| Contribution from (City of Novi) | \$319,182.00 |
| Annual operating cost | \$7,051.00 |

The price quoted herein shall be in effect for period of six months from the date hereof. After installation the total cost for additional modification, relocation or removal will be the responsibility of requesting party. The sum of \$319,182.00 will be made prior to the actual start of construction.

Please request an agreement for Municipal Street Lighting if you would like us to proceed with the installation and feel free to call me on 734-397-4027 should you have any questions.

Sincerely,

Debra J. Cain

Debra J. Cain
Account Manager
Community Lighting



September 3, 2013

City of Novi
Matt Wiktorowski
26300 Lee Begole Drive
Novi, MI 48375

Re: Proposed Street Lighting on Crescent Blvd and Town Center Drive

We have completed our review of your request for proposed lighting and have prepared a cost estimate for the removal of the existing lighting and installation of streetlights on Crescent Blvd and Town Center Drive, City of Novi, Oakland County. We are recommending the installation of 48 – 135w LED fixtures on 30' round tapered fluted steel post with banner arms, GFI receptacles and clam shell bases.

The costs are based on the Edison Option I rate, where Detroit Edison installs, owns, and maintains the lighting system. The rate requires a portion of the construction cost be paid by the customer, which is determined by the following formula.

Crescent Blvd and Town Center Drive 48 Fixtures and 48 Posts

| | |
|-------------------------------------|---------------------|
| Cost to construct | \$700,871.00 |
| Minus 3yrs revenue | \$47,516.00 |
| Contribution from (City of Novi) | \$653,355.00 |
| Annual operating cost | \$15,839.00 |

The price quoted herein shall be in effect for period of six months from the date hereof. After installation the total cost for additional modification, relocation or removal will be the responsibility of requesting party. The sum of \$653,355.00 will be made prior to the actual start of construction.

Please request an agreement for Municipal Street Lighting if you would like us to proceed with the installation and feel free to call me on 734-397-4027 should you have any questions.

Sincerely,

Debra J. Cain
Account Manager
Community Lighting

JRSJ REVIEW LETTER
September 9, 2013



JOHNSON ROSATI SCHULTZ JOPPICH PC

34405 W. Twelve Mile Road, Suite 200 ~ Farmington Hills, Michigan 48331-5627
Phone: 248.489.4100 | Fax: 248.489.1726

Elizabeth Kudla Saarela
esaarela@jrsjlaw.com

www.johnsonrosati.com

September 9, 2013

Matt Wiktorowski, Senior Manager
Field Operations Division
CITY OF NOVI
Field Services Complex
26300 Lee BeGole Drive
Novi, Michigan 48375

Re: Town Center Lighting (SAD 108) – Master Agreement for Municipal Street Lighting and Purchase Agreement

Dear Mr. Wiktorowski:

We have received and reviewed the following revised documents for the Town Center Lighting Project:

1. Master Agreement for Municipal Street Lighting and Purchase Agreement (Work Order 36605292)
2. Master Agreement for Municipal Street Lighting and Purchase Agreement (Work Order 35965222)

As explained in our initial review report dated June 26, 2013, the Master Agreement for Municipal Street Lighting ("Master Agreement") and corresponding Purchase Agreement are standard form agreements prepared by The Detroit Edison Company ("DTE") for use in projects for installation and maintenance of new street lighting. The Master Agreement controls the terms of installation and maintenance, generally, such as terms of payment, rates, maintenance responsibilities, term, liability, warranties and general contract provisions, including such things as choice of law and notices.

The Purchase Agreement includes the more specific information relating to each particular project, including total estimated project cost, project location, project specifications, and special order information.

Matt Wiktorowski
September 9, 2013
Page 2

The terms of the Master Agreement have been revised to satisfactorily address the liability provision as discussed in our initial review report. The liability provision now provides that DTE can be held liable for damages up to the CIAC amounts set forth in each Purchase Agreement, regardless of whether the City was found to have some responsibility for the damage. Though liability for DTE for the contracts is capped at \$ 182,893 and 283,857, respectively, the previous version protected DTE from paying *any* damages if the City was found in any part responsible for the damage or injury. The revised Master Agreements provide more protection to the City for damages occurring at the construction site than the initial draft.

Based on the inclusion of the revised liability provision, we see no legal impediment to the City entering into the Agreements with DTE.

Please feel free to contact me with any questions or concerns in regard to this matter.

Very truly yours,

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



Elizabeth Kudla Saarela

EKS

Enclosures

C: Maryanne Cornelius, Clerk (w/Enclosures)
Rob Hayes, Public Services Director (w/Enclosures)
Thomas R. Schultz, Esquire (w/Enclosures)

MASTER AGREEMENT AND PURCHASE AGREEMENT
Phase I: Crescent, Town Center, Ingersol, Crowe

MASTER AGREEMENT FOR MUNICIPAL STREET LIGHTING

This Master Agreement For Municipal Street Lighting ("Master Agreement") is made between The Detroit Edison Company ("Company") and the City of Novi ("Customer") as of September 16, 2013.

RECITALS

A. Customer may, from time to time, request the Company to furnish, install, operate and/or maintain street lighting equipment for Customer.

B. Company may provide such services, subject to the terms of this Master Agreement.

Therefore, in consideration of the foregoing, Company and Customer hereby agree as follows:

AGREEMENT

1. Master Agreement. This Master Agreement sets forth the basic terms and conditions under which Company may furnish, install, operate and/or maintain street lighting equipment for Customer. Upon the Parties agreement as to the terms of a specific street lighting transaction, the parties shall execute and deliver a Purchase Agreement in the form of the attached Exhibit A (a "Purchase Agreement"). In the event of an inconsistency between this Agreement and any Purchase Agreement, the terms of the Purchase Agreement shall control.

2. Rules Governing Installation of Equipment and Electric Service. Installation of street light facilities and the extension of electric service to serve those facilities are subject to the provisions of the Company's Rate Book for Electric Service (the "Tariff"), Rule C 6.1, Extension of Service (or any other successor provision), as approved by the The Michigan Public Service Commission ("MPSC") from time to time.

3. Contribution in Aid of Construction. In connection with each Purchase Agreement and in accordance with the applicable Orders of the MPSC, Customer shall pay to Company a contribution in aid of construction ("CIAC") for the cost of installing Equipment ("as defined in the applicable Purchase Agreement") and recovery of costs associated with the removal of existing equipment, if any. The amount of the CIAC (the "CIAC Amount") shall be an amount equal to the total construction cost (including all labor, materials and overhead charges), less an amount equal to three years revenue expected from such new equipment. The CIAC Amount will be as set forth on the applicable Purchase Agreement. The CIAC Amount does not include charges for any additional cost or expense for unforeseen underground objects, or unusual conditions encountered in the construction and installation of Equipment. If Company encounters any such unforeseen or unusual conditions, which would increase the CIAC Amount, it will suspend the construction and installation of Equipment and give notice of such conditions to the Customer. The Customer will either pay additional costs or modify the work to be performed. If the work is modified, the CIAC Amount will be adjusted to account for such modification. Upon any such

suspension and/or subsequent modification of the work, the schedule for completion of the work shall also be appropriately modified.

4. Payment of CIAC Amount. Customer shall pay the CIAC Amount to Company as set forth in the applicable Purchase Agreement. Failure to pay the CIAC Amount when due shall relieve Company of its obligations to perform the work required herein until the CIAC Amount is paid.

5. Modifications. Subject to written permission of the respective municipality, after installation of the Equipment, any cost for additional modifications, relocations or removals will be the responsibility of the requesting party.

6. Maintenance, Replacement and Removal of Equipment. In accordance with the applicable Orders of the MPSC, under the Municipal Street Lighting Rate (as defined below), Company shall provide the necessary maintenance of the Equipment, including such replacement material and equipment as may be necessary. Customer may not remove any Equipment without the prior written consent of Company.

7. Street Lighting Service Rate.

a. Upon the installation of the Equipment, the Company will provide street lighting service to Customer under Option 1 of the Municipal Street Lighting Rate set forth in the Tariff, as approved by the MPSC from time to time, the terms of which are incorporated herein by reference.

b. The provision of street lighting service is also governed by rules for electric service established in MPSC Case Number U-6400. The Street Lighting Rate is subject to change from time to time by orders issued by the MPSC.

8. Contract Term. This Agreement shall commence upon execution and terminate on the later of (a) five (5) years from the date hereof or (b) the date on which the final Purchase Agreement entered into under this Master Agreement is terminated. Upon expiration of the initial term, this Agreement shall continue on a month-to-month basis until terminated by mutual written consent of the parties or by either party with twelve (12) months prior written notice to the other party.

9. Design Responsibility for Street Light Installation. The Company installs municipal street lighting installations following Illuminating Engineering Society of North America ("IESNA") recommended practices. If the Customer submits its own street lighting design for the street light installation or if the street lighting installation requested by Customer does not meet the IESNA recommended practices, Customer acknowledges the Company is not responsible for lighting design standards.

10. New Subdivisions. Company agrees to install street lights in new subdivisions when subdivision occupancy reaches a minimum of 80%. If Customer wishes to have installation occur prior to 80% occupancy, then Customer acknowledges it will be financially

responsible for all damages (knockdowns, etc.) and requests for modifications (movements due to modified curb cuts from original design, etc.).

11. Force Majeure. The obligation of Company to perform this Agreement shall be suspended or excused to the extent such performance is prevented or delayed because of acts beyond Company's reasonable control, including without limitation acts of God, fires, adverse weather conditions (including severe storms and blizzards), malicious mischief, strikes and other labor disturbances, compliance with any directives of any government authority, including but not limited to obtaining permits, and force majeure events affecting suppliers or subcontractors.

12. Subcontractors. Company may sub-contract in whole or in part its obligations under this Agreement to install the Equipment and any replacement Equipment.

13. Waiver; Limitation of Liability. To the maximum extent allowed by law, Customer hereby waives, releases and fully discharges Company from and against any and all claims, causes of action, rights, liabilities or damages whatsoever, including attorney's fees, arising out of the installation of the Equipment and/or any replacement Equipment, including claims for bodily injury or death and property damage, except to the extent such matter is caused by or arises as a result of the negligence of Company and/or its subcontractors. Company shall not be liable under this Agreement for any special, incidental or consequential damages, including loss of business or profits, whether based upon breach of warranty, breach of contract, negligence, strict liability, tort or any other legal theory, and whether or not Company has been advised of the possibility of such damages. In no event will Company's liability to Customer for any and all claims related to or arising out of this Agreement exceed the CIAC Amount set forth in the Purchase Order to which the claim relates.

14. Notices. All notices required by the Agreement shall be in writing. Such notices shall be sent to Company at The Detroit Edison Company, Community Lighting Group, 8001 Haggerty Rd, Belleville, MI 48111 and to Customer at the address set forth on the applicable Purchase Agreement. Notice shall be deemed given hereunder upon personal delivery to the addresses set forth above or, if properly addressed, on the date sent by certified mail, return receipt requested, or the date such notice is placed in the custody of a nationally recognized overnight delivery service. A party may change its address for notices by giving notice of such change of address in the manner set forth herein.

15. Representations and Warranties. Company and Customer each represent and warrant that: (a) it has full corporate or public, as applicable, power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement; (b) the execution and delivery of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all necessary corporate or public, as applicable, action required on the part of such party; and (c) this Agreement constitutes a legal, valid, and binding agreement of such party.

16. Miscellaneous.

a. This Agreement is the entire agreement of the parties concerning the subject matter hereof and supersedes all prior agreements and understandings. Any amendment or modification to this Agreement must be in writing and signed by both parties.

b. Customer may not assign its rights or obligations under this Agreement without the prior written consent of Company. This Agreement shall be binding upon and shall inure to the benefit of the parties' respective successors and permitted assigns. This Agreement is made solely for the benefit of Company, Customer and their respective successors and permitted assigns and no other party shall have any rights to enforce or rely upon this Agreement.

c. A waiver of any provision of this Agreement must be made in writing and signed by the party against whom the waiver is enforced. Failure of any party to strictly enforce the terms of this Agreement shall not be deemed a waiver of such party's rights hereunder.

d. The section headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation thereof.

e. This Agreement shall be construed in accordance with the laws of the State of Michigan, without regard to any conflicts of law principles. The parties agree that any action with respect to this Agreement shall be brought in the courts of the State of Michigan and each party hereby submits itself to the exclusive jurisdiction of such courts.

f. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

g. The invalidity of any provision of this Agreement shall not invalidate the remaining provisions of the Agreement.

Company and Customer have executed this Purchase Agreement as of the date first written above.

Company:

The Detroit Edison Company

By: _____

Name: _____

Title: _____

Customer:

[City of Novi]

By: _____

Name: _____

Title: _____

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of [September 11, 2013] between The Detroit Edison Company ("Company") and [City of Novi] ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated [INSERT DATE OF MASTER AGREEMENT] (the "Master Agreement") between Company and Customer. All of the terms of the Master Agreement are incorporated herein by reference. In the event of an inconsistency between this Agreement and the Master Agreement, the terms of this Agreement shall control.

Customer requests the Company to furnish, install, operate and maintain street lighting equipment as set forth below:

| | |
|--|---|
| 1. DTE Work Order Number: | [35965222] If this is a conversion or replacement, indicate the Work Order Number for current installed equipment: [##### or N/A] |
| 2. Location where Equipment will be installed: | [On Crescent Rd east of Novi Rd and on Town Center Rd between Crescent and Grand River, as more fully described on the map attached hereto as <u>Attachment 1</u> . |
| 3. Total number of lights to be installed: | [48] |
| 4. Description of Equipment to be installed (the " <u>Equipment</u> "): | [Installing 48 – 135w LED fixtures on 48- 30' steel posts] |
| 5. Estimated Total Annual Lamp Charges | \$15,839.00 _____ |
| 6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ") | Total estimated construction cost, including labor, materials, and overhead: \$331,373.00 _____ |
| | Credit for 3 years of lamp charges: \$47,516.00 _____ |
| | CIAC Amount (cost minus revenue) \$283,857.00 _____ |
| 7. Payment of CIAC Amount: | Due promptly upon execution of this Agreement |
| 8. Term of Agreement | 5 years. Upon expiration of the initial term, this Agreement shall continue on a month-to-month basis until terminated by mutual written consent of the parties or by either party with twelve (12) months prior written notice to the other party. |
| 9. Does the requested Customer lighting design meet IESNA recommended practices? | (Check One) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If "No", Customer must sign below and acknowledge that the lighting design does not meet IESNA recommended practices _____ |
| 10. Customer Address for Notices: | [26300 Lee BeGole] [Novi, MI 48375] [Matt Wiktorowski] |

11. Special Order Material Terms:

All or a portion of the Equipment consists of special order material: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. Customer acknowledges that all or a portion of the Equipment is special order materials ("SOM") and not Company's standard stock. Customer will purchase and stock replacement SOM and spare parts. When replacement equipment or spare parts are installed from Customer's inventory, the Company will credit Customer in the amount of the then current material cost of Company standard street lighting equipment.

B. Customer will maintain an initial inventory of at least 0_ posts and 0_ luminaires and any other materials agreed to by Company and Customer, and will replenish the stock as the same are drawn from inventory. Costs of initial inventory are included in this Agreement. The Customer agrees to work with the Company to adjust inventory levels from time to time to correspond to actual replacement material needs. If Customer fails to maintain the required inventory, Company, after 30 days' notice to Customer, may (but is not required to) order replacement SOM and Customer will reimburse Company for such costs. Customer's acknowledges that failure to maintain required inventory could result in extended outages due to SOM lead times.

C. The inventory will be stored at _N/A_. Access to the Customers inventory site must be provided between the hours of 9:00 am to 4:00 pm, Monday through Friday with the exceptions of federal Holidays. Customer shall name an authorized representative to contact regarding inventory: levels, access, usage, transactions, and provide the following contact information to the Company:

Name: _____ Title: _____

Phone Number: _____ Email: _____

The Customer will notify the Company of any changes in the Authorized Customer Representative. The Customer must comply with SOM manufacturer's recommended inventory storage guidelines and practices. Damaged SOM will not be installed by the Company.

D. In the event that SOM is damaged by a third party, the Company may (but is not required to) pursue a damage claim against such third party for collection of all labor and stock replacement value associated with the damage claim. Company will promptly notify Customer as to whether Company will pursue such claim.

E. In the event that SOM becomes obsolete or no longer manufactured, the Customer will be allowed to select new alternate SOM that is compatible with the Company's existing infrastructure.

F. Should the Customer experience excessive LED equipment failures, not supported by LED manufacturer warrantees, the Company will replace the LED equipment with other Company supported Solid State or High Intensity Discharge luminaires at the Company's discretion. The full cost to complete these replacements to standard street lighting equipment will be the responsibility of the Customer.

12. Experimental Emerging Lighting Technology ("EELT") Terms:

All or a portion of the Equipment consists of EELT: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. The annual billing lamp charges for the EELT equipment has been calculated by the Company are based upon the estimated energy and maintenance cost expected with the Customer's specific pilot project EELT equipment. .

B. Upon the approval of any future MPSC Option I tariff for EELT street lighting equipment, the approved rate schedules will automatically apply for service continuation to the Customer under Option 1 Municipal Street Lighting Rate, as approved by the MPSC. The terms of this paragraph B replace in its entirety Section 7 of the Master Agreement with respect to any EELT equipment purchased under this Agreement.

Company and Customer have executed this Purchase Agreement as of the date first written above.

Company:

Customer:

The Detroit Edison Company

[City of Novi]

By: _____

By: _____

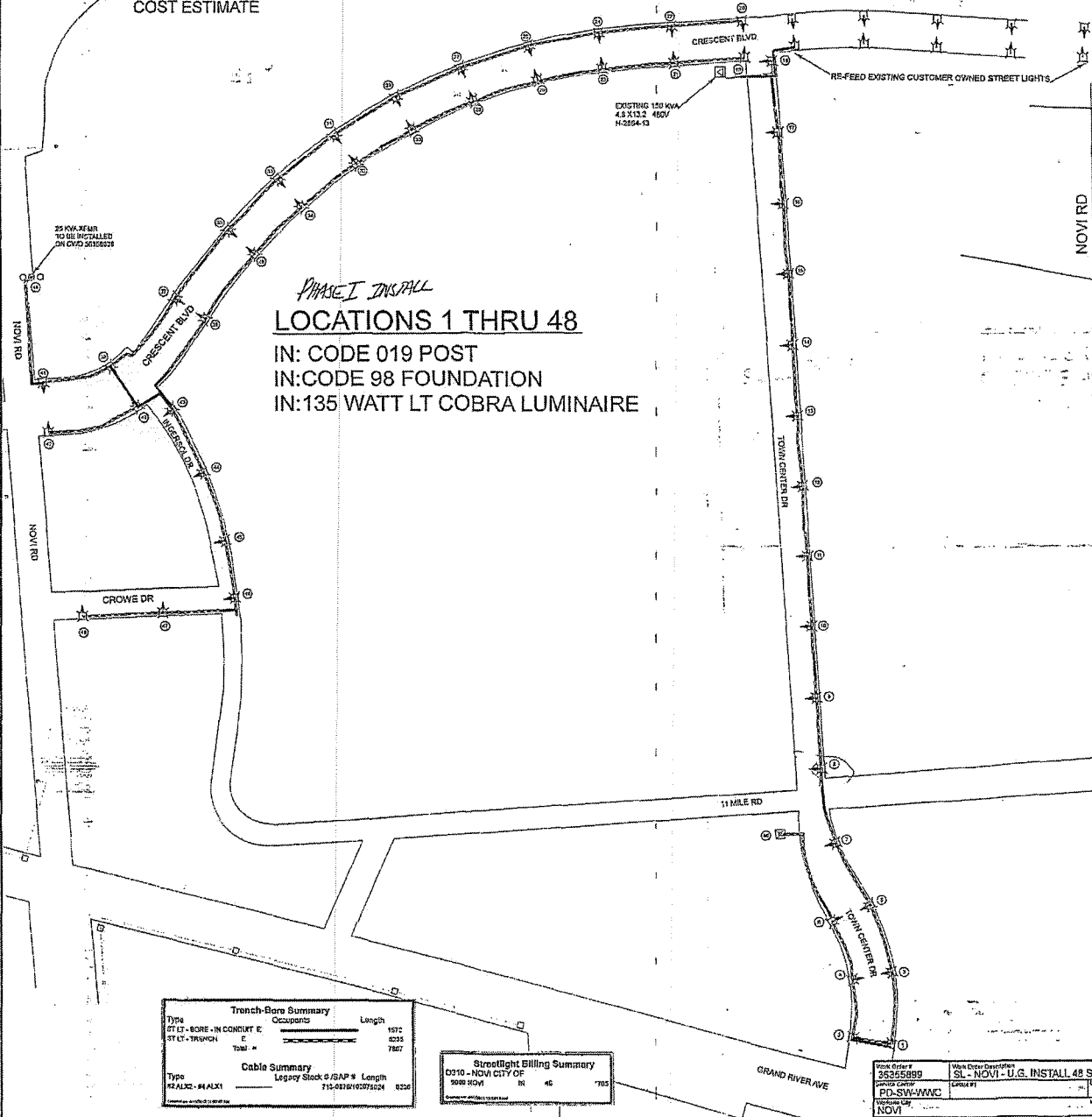
Name: _____

Name: _____

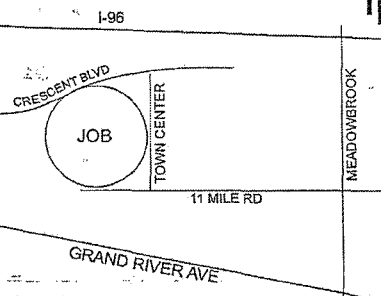
Title: _____

Title: _____

COST ESTIMATE



PHASE I INSTALL
LOCATIONS 1 THRU 48
 IN: CODE 019 POST
 IN: CODE 98 FOUNDATION
 IN: 135 WATT LT COBRA LUMINAIRE



135 WATT LED COBRA LUMINAIRE

30" SHOE BOX POST

| Trench-Bore Summary | | |
|-----------------------------|----------|-------------|
| Type | Quantity | Length |
| ST LT - BORE - IN CONDUIT E | | 1572 |
| ST LT - TRENCH | | 8235 |
| TOTAL | | 7667 |

| Streetlight Billing Summary | | | |
|-----------------------------|----------|-------|--------|
| Code | Quantity | Rate | Total |
| 0310 - NOVI CITY OF | | | |
| 9000 HGV | 48 | 15.42 | 739.36 |

| | | | | | | | | |
|---------------|-----------------|------------------------|--|--------------|------|--------------|------|--------------|
| Work Order # | 35245889 | Work Order Description | SL - NOVI - U.G. INSTALL 48 SHOE BOX LTS | CC-OWN | SRV | REQ | PH | PLC |
| Customer | PD-SW-WWC | Location #1 | | CON | TECH | DATE | DATE | DATE |
| Customer City | NOVI | Location #2 | | WORKS LEADY | | | | STATUS |
| Work Order # | | Work Order # | | Work Order # | | Work Order # | | Work Order # |
| Created By | Green, Daniel P | 734-397-4343 | | 344470 | 1 | 4/11/2013 | | 1"=150' |

MASTER AGREEMENT AND PURCHASE AGREEMENT
Phase II: Grand River and Novi Road

MASTER AGREEMENT FOR MUNICIPAL STREET LIGHTING

This Master Agreement For Municipal Street Lighting ("Master Agreement") is made between The Detroit Edison Company ("Company") and the City of Novi ("Customer") as of September 16, 2013.

RECITALS

A. Customer may, from time to time, request the Company to furnish, install, operate and/or maintain street lighting equipment for Customer.

B. Company may provide such services, subject to the terms of this Master Agreement.

Therefore, in consideration of the foregoing, Company and Customer hereby agree as follows:

AGREEMENT

1. Master Agreement. This Master Agreement sets forth the basic terms and conditions under which Company may furnish, install, operate and/or maintain street lighting equipment for Customer. Upon the Parties agreement as to the terms of a specific street lighting transaction, the parties shall execute and deliver a Purchase Agreement in the form of the attached Exhibit A (a "Purchase Agreement"). In the event of an inconsistency between this Agreement and any Purchase Agreement, the terms of the Purchase Agreement shall control.

2. Rules Governing Installation of Equipment and Electric Service. Installation of street light facilities and the extension of electric service to serve those facilities are subject to the provisions of the Company's Rate Book for Electric Service (the "Tariff"), Rule C 6.1, Extension of Service (or any other successor provision), as approved by the The Michigan Public Service Commission ("MPSC") from time to time.

3. Contribution in Aid of Construction. In connection with each Purchase Agreement and in accordance with the applicable Orders of the MPSC, Customer shall pay to Company a contribution in aid of construction ("CIAC") for the cost of installing Equipment ("as defined in the applicable Purchase Agreement") and recovery of costs associated with the removal of existing equipment, if any. The amount of the CIAC (the "CIAC Amount") shall be an amount equal to the total construction cost (including all labor, materials and overhead charges), less an amount equal to three years revenue expected from such new equipment. The CIAC Amount will be as set forth on the applicable Purchase Agreement. The CIAC Amount does not include charges for any additional cost or expense for unforeseen underground objects, or unusual conditions encountered in the construction and installation of Equipment. If Company encounters any such unforeseen or unusual conditions, which would increase the CIAC Amount, it will suspend the construction and installation of Equipment and give notice of such conditions to the Customer. The Customer will either pay additional costs or modify the work to be performed. If the work is modified, the CIAC Amount will be adjusted to account for such modification. Upon any such

suspension and/or subsequent modification of the work, the schedule for completion of the work shall also be appropriately modified.

4. Payment of CIAC Amount. Customer shall pay the CIAC Amount to Company as set forth in the applicable Purchase Agreement. Failure to pay the CIAC Amount when due shall relieve Company of its obligations to perform the work required herein until the CIAC Amount is paid.

5. Modifications. Subject to written permission of the respective municipality, after installation of the Equipment, any cost for additional modifications, relocations or removals will be the responsibility of the requesting party.

6. Maintenance, Replacement and Removal of Equipment. In accordance with the applicable Orders of the MPSC, under the Municipal Street Lighting Rate (as defined below), Company shall provide the necessary maintenance of the Equipment, including such replacement material and equipment as may be necessary. Customer may not remove any Equipment without the prior written consent of Company.

7. Street Lighting Service Rate.

a. Upon the installation of the Equipment, the Company will provide street lighting service to Customer under Option 1 of the Municipal Street Lighting Rate set forth in the Tariff, as approved by the MPSC from time to time, the terms of which are incorporated herein by reference.

b. The provision of street lighting service is also governed by rules for electric service established in MPSC Case Number U-6400. The Street Lighting Rate is subject to change from time to time by orders issued by the MPSC.

8. Contract Term. This Agreement shall commence upon execution and terminate on the later of (a) five (5) years from the date hereof or (b) the date on which the final Purchase Agreement entered into under this Master Agreement is terminated. Upon expiration of the initial term, this Agreement shall continue on a month-to-month basis until terminated by mutual written consent of the parties or by either party with twelve (12) months prior written notice to the other party.

9. Design Responsibility for Street Light Installation. The Company installs municipal street lighting installations following Illuminating Engineering Society of North America ("IESNA") recommended practices. If the Customer submits its own street lighting design for the street light installation or if the street lighting installation requested by Customer does not meet the IESNA recommended practices, Customer acknowledges the Company is not responsible for lighting design standards.

10. New Subdivisions. Company agrees to install street lights in new subdivisions when subdivision occupancy reaches a minimum of 80%. If Customer wishes to have installation occur prior to 80% occupancy, then Customer acknowledges it will be financially

responsible for all damages (knockdowns, etc.) and requests for modifications (movements due to modified curb cuts from original design, etc.).

11. Force Majeure. The obligation of Company to perform this Agreement shall be suspended or excused to the extent such performance is prevented or delayed because of acts beyond Company's reasonable control, including without limitation acts of God, fires, adverse weather conditions (including severe storms and blizzards), malicious mischief, strikes and other labor disturbances, compliance with any directives of any government authority, including but not limited to obtaining permits, and force majeure events affecting suppliers or subcontractors.

12. Subcontractors. Company may sub-contract in whole or in part its obligations under this Agreement to install the Equipment and any replacement Equipment.

13. Waiver; Limitation of Liability. To the maximum extent allowed by law, Customer hereby waives, releases and fully discharges Company from and against any and all claims, causes of action, rights, liabilities or damages whatsoever, including attorney's fees, arising out of the installation of the Equipment and/or any replacement Equipment, including claims for bodily injury or death and property damage, except to the extent such matter is caused by or arises as a result of the negligence of Company and/or its subcontractors. Company shall not be liable under this Agreement for any special, incidental or consequential damages, including loss of business or profits, whether based upon breach of warranty, breach of contract, negligence, strict liability, tort or any other legal theory, and whether or not Company has been advised of the possibility of such damages. In no event will Company's liability to Customer for any and all claims related to or arising out of this Agreement exceed the CIAC Amount set forth in the Purchase Order to which the claim relates.

14. Notices. All notices required by the Agreement shall be in writing. Such notices shall be sent to Company at The Detroit Edison Company, Community Lighting Group, 8001 Haggerty Rd, Belleville, MI 48111 and to Customer at the address set forth on the applicable Purchase Agreement. Notice shall be deemed given hereunder upon personal delivery to the addresses set forth above or, if properly addressed, on the date sent by certified mail, return receipt requested, or the date such notice is placed in the custody of a nationally recognized overnight delivery service. A party may change its address for notices by giving notice of such change of address in the manner set forth herein.

15. Representations and Warranties. Company and Customer each represent and warrant that: (a) it has full corporate or public, as applicable, power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement; (b) the execution and delivery of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all necessary corporate or public, as applicable, action required on the part of such party; and (c) this Agreement constitutes a legal, valid, and binding agreement of such party.

16. Miscellaneous.

a. This Agreement is the entire agreement of the parties concerning the subject matter hereof and supersedes all prior agreements and understandings. Any amendment or modification to this Agreement must be in writing and signed by both parties.

b. Customer may not assign its rights or obligations under this Agreement without the prior written consent of Company. This Agreement shall be binding upon and shall inure to the benefit of the parties' respective successors and permitted assigns. This Agreement is made solely for the benefit of Company, Customer and their respective successors and permitted assigns and no other party shall have any rights to enforce or rely upon this Agreement.

c. A waiver of any provision of this Agreement must be made in writing and signed by the party against whom the waiver is enforced. Failure of any party to strictly enforce the terms of this Agreement shall not be deemed a waiver of such party's rights hereunder.

d. The section headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation thereof.

e. This Agreement shall be construed in accordance with the laws of the State of Michigan, without regard to any conflicts of law principles. The parties agree that any action with respect to this Agreement shall be brought in the courts of the State of Michigan and each party hereby submits itself to the exclusive jurisdiction of such courts.

f. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

g. The invalidity of any provision of this Agreement shall not invalidate the remaining provisions of the Agreement.

Company and Customer have executed this Purchase Agreement as of the date first written above.

Company:

The Detroit Edison Company

By: _____

Name: _____

Title: _____

Customer:

[City of Novi]

By: _____

Name: _____

Title: _____

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of [September 11 , 2013] between The Detroit Edison Company ("Company") and [City of Novi] ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated [INSERT DATE OF MASTER AGREEMENT] (the "Master Agreement") between Company and Customer. All of the terms of the Master Agreement are incorporated herein by reference. In the event of an inconsistency between this Agreement and the Master Agreement, the terms of this Agreement shall control.

Customer requests the Company to furnish, install, operate and maintain street lighting equipment as set forth below:

| | |
|--|---|
| 1. DTE Work Order Number: | [36605292] If this is a conversion or replacement, indicate the Work Order Number for current installed equipment: [##### or N/A] |
| 2. Location where Equipment will be installed: | [On Novi Rd and on Grand River, as more fully described on the map attached hereto as <u>Attachment 1</u> . |
| 3. Total number of lights to be installed: | [21] |
| 4. Description of Equipment to be installed (the " <u>Equipment</u> "): | [Installing 21 – 150w LED fixtures on 21-Code 06 posts, teardrop fixture and clamshell base] |
| 5. Estimated Total Annual Lamp Charges | \$7,051.00 _____ |
| 6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ") | Total estimated construction cost, including labor, materials, and overhead: \$204,044.00 _____ |
| | Credit for 3 years of lamp charges: \$21,151.00 _____ |
| | CIAC Amount (cost minus revenue) \$182,893.00 _____ |
| 7. Payment of CIAC Amount: | Due promptly upon execution of this Agreement |
| 8. Term of Agreement | 5 years. Upon expiration of the initial term, this Agreement shall continue on a month-to-month basis until terminated by mutual written consent of the parties or by either party with twelve (12) months prior written notice to the other party. |
| 9. Does the requested Customer lighting design meet IESNA recommended practices? | (Check One) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If "No", Customer must sign below and acknowledge that the lighting design does not meet IESNA recommended practices _____ |
| 10. Customer Address for Notices: | [26300 Lee BeGole] [Novi, MI 48375] [Matt Wiktorowski] |

11. Special Order Material Terms:

All or a portion of the Equipment consists of special order material: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. Customer acknowledges that all or a portion of the Equipment is special order materials ("SOM") and not Company's standard stock. Customer will purchase and stock replacement SOM and spare parts. When replacement equipment or spare parts are installed from Customer's inventory, the Company will credit Customer in the amount of the then current material cost of Company standard street lighting equipment.

B. Customer will maintain an initial inventory of at least 2_ clamshells and 2_ luminaires and any other materials agreed to by Company and Customer, and will replenish the stock as the same are drawn from inventory. Costs of initial inventory are included in this Agreement. The Customer agrees to work with the Company to adjust inventory levels from time to time to correspond to actual replacement material needs. If Customer fails to maintain the required inventory, Company, after 30 days' notice to Customer, may (but is not required to) order replacement SOM and Customer will reimburse Company for such costs. Customer's acknowledges that failure to maintain required inventory could result in extended outages due to SOM lead times.

C. The inventory will be stored at Field Services Complex, 26300 Lee BeGole Dr. Access to the Customers inventory site must be provided between the hours of 9:00 am to 4:00 pm, Monday through Friday with the exceptions of federal Holidays. Customer shall name an authorized representative to contact regarding inventory: levels, access, usage, transactions, and provide the following contact information to the Company:

Name: Matt Wiktorowski Title:FieldOperationsSeniorManager

Number:248-735-5640___ Email: mwiktorowski@cityofnovi.org

The Customer will notify the Company of any changes in the Authorized Customer Representative. The Customer must comply with SOM manufacturer's recommended inventory storage guidelines and practices. Damaged SOM will not be installed by the Company.

D. In the event that SOM is damaged by a third party, the Company may (but is not required to) pursue a damage claim against such third party for collection of all labor and stock replacement value associated with the damage claim. Company will promptly notify Customer as to whether Company will pursue such claim.

E. In the event that SOM becomes obsolete or no longer manufactured, the Customer will be allowed to select new alternate SOM that is compatible with the Company's existing infrastructure.

F. Should the Customer experience excessive LED equipment failures, not supported by LED manufacturer warrantees, the Company will replace the LED equipment with other Company supported Solid State or High Intensity Discharge luminaires at the Company's discretion. The full cost to complete these replacements to standard street lighting equipment will be the responsibility of the Customer.

12. Experimental Emerging Lighting Technology ("EELT") Terms:

All or a portion of the Equipment consists of EELT: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. The annual billing lamp charges for the EELT equipment has been calculated by the Company are based upon the estimated energy and maintenance cost expected with the Customer's specific pilot project EELT equipment. .

B. Upon the approval of any future MPSC Option I tariff for EELT street lighting equipment, the approved rate schedules will automatically apply for service continuation to the Customer under Option 1 Municipal Street Lighting Rate, as approved by the MPSC. The terms of this paragraph B replace in its entirety Section 7 of the Master Agreement with respect to any EELT equipment purchased under this Agreement.

Company and Customer have executed this Purchase Agreement as of the date first written above.

Company:

Customer:

The Detroit Edison Company

[City of Novi]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

PROJECT MEMORANDUM
September 5, 2013

MEMORANDUM



TO: ROB HAYES, DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER *RH*
FROM: MATT WIKTOROWSKI, FIELD OPERATIONS SENIOR MANAGER *MW*
SUBJECT: REVISED PROPOSAL FOR TOWN CENTER AREA STREET LIGHTING
DATE: SEPTEMBER 5, 2013

*9/5/13
 To Mayor & City Council Members*

*DTE giving us exhibit
 cost for lights w/ added features. Looks like we can't do at all. Only possibly at Ph. II.*

On June 27, the attached memorandum was shared regarding rehabilitation of the Town Center street lighting system, known as Special Assessment District 108. DPS was later tasked with investigating two additional amenities (banner arms and electrical outlets for each pole) that could enhance the overall functionality of the upgraded Town Center system.

The project scope is divided into two phases that correspond to different parts of the Town Center area: Phase I would remove 56 existing structures and replace them with 48 new energy efficient units along Town Center Drive, Crescent Boulevard, Ingersol Drive, and Crowe Drive; Phase II would remove 32 existing structures and replace them with 21 new decorative energy efficient lighting structures along Novi Road and Grand River Avenue.

Over the past couple of months DPS has worked with DTE Energy on an alternative proposal for each of the project phases (revised DTE proposal dated 8/23/13 is attached). Table 1 below illustrates the costs associated with the original proposal discussed in the June 27 memorandum against the cost of upgrading the system to encompass the additional amenities (the budgeted amount for this project is \$487,000):

Table 1:

| | Original Proposal (Dated 6/17/13) * | Revised Proposal (Dated 8/23/13) | Price Difference between Proposals |
|-----------------|--|-------------------------------------|---------------------------------------|
| Phase I | \$283,857 | \$653,355 | \$369,498 |
| Phase II | \$182,893 | \$319,182 | \$136,289 |
| Total | \$466,750 | \$972,537 | \$505,778 |
| | | | |
| Budget Variance | \$20,250 | (\$485,537) ! | |

The price difference above reflects the need for custom poles, bases and wiring that would accommodate the additional items. Under DTE's original proposal, much of the material is considered stock, and is therefore readily available and easily installed.

Either of DTE's proposed systems would require an annual SAD operating expenditure of \$22,890. This cost covers all energy and maintenance costs associated with what will become a DTE-owned system.

Because SAD 108's current unaudited fund balance is approximately \$499,265, I recommend that only the work under the original proposal be awarded. If the budget can be supplemented by another fund, then I would recommend adding the amenities to Phase II only (i.e., Novi Road/Grand River) for the additional amount of \$136,289 listed above.

Concur

As previously presented, the project would be a sole source design/build DTE project. Once the final agreements are reviewed by the City Attorney, our plan is to bring this matter to City Council for action at the September 16, 2013 regular meeting. Upon approval, work would begin in early January 2014 (after the holiday shopping season), and reach substantial completion within 30 days of the start. All restoration would be completed in the spring of 2014.

Please contact me with any questions or concerns relating to this project.

- C: Kristen Kapelanski, Planner
- Barb McBeth, Deputy Community Development Director
- Charles Boulard, Community Development Director
- Sue Morianti, Purchasing Manager
- Victor Cardenas, Assistant City Manager

Specialty poles to be installed if alternate bid pricing is acceptable for either Phase I (Town Center, Crescent, Ingersol, Crowe), Phase II (Novi Road or Grand River Avenue) or both. They include banner arms and brackets and electrical outlets.



PROJECT MEMORANDUM
June 25, 2013

6/26/13

To: Mayor and City Council members
Forthcoming fix for problematic existing street lighting system around Town Center, to be funded by existing SAD.
Clay



MEMORANDUM

TO: ROB HAYES, DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER
FROM: MATT WIKTOROWSKI, FIELD OPERATIONS SENIOR MANAGER
SUBJECT: → REPLACEMENT OF TOWN CENTER AREA STREET LIGHTING
DATE: JUNE 25, 2013

In May 2011, the City of Novi commissioned DiClemente Siegel Design, Inc. to evaluate the unreliable 26 year old Town Center street lighting system as known as Special Assessment District 108. This district contains two different types of structures: 30-foot tall street lights and 12-foot tall pathway lights with high intensity discharge (HID) luminaires. The study evaluated five system criteria: 1) remaining service life, 2) unit replacement cost, 3) total replacement cost for the district, 4) maintenance cost for the next five years, and 5) energy costs for the next five years. Based on the results of this study, DPS was able to develop a plan of action that will install a new system and eliminate all future City maintenance responsibility. The study recommended replacement of the HID lamps with Light Emitting Diode (LED) technology, new poles, new bases, and new underground infrastructure (conduits, wiring, ballasts, etc.). City Council subsequently allocated \$487,000 for the replacement of the aged Town Center lighting system using LED technology as part of the FY 12/13 budget.

Over the past several months, DPS has worked with DTE Energy on a plan that achieves an overall goal of designing, installing, and then maintaining the system for perpetuity. The attached DTE cost summary schedule reflects the removal of 56 structures along Town Center Drive and Crescent Boulevard and another 32 structures along Novi Road and Grand River Avenue that are all contained in the SAD. Based on the proposed DTE plan, the original 88 structures would be replaced with 69 energy efficient LED luminaires, poles, bases and wiring for a total project cost of \$466,750 (a \$20,250 savings from the budgeted amount). Please note that the attached DTE photometric plan depicts fully illuminated coverage even though 19 fewer structures are proposed.

If DTE's system is installed, it will require an annual SAD operating expenditure of \$22,890, compared to as much as \$23,222 per year to operate and maintain the current system. This cost covers all energy and maintenance costs associated with what will become a DTE-owned system. The proposed LED roadway fixtures along Town Center Drive and Crescent Boulevard will be square, thin, and black, placed on a straight vertical black pole (see Photo No. 1, attached). All remaining lighting along Novi Road and Grand River Avenue will be placed on a standard black DTE pole accented with a decorative black clamshell base. The black LED luminaires placed along these two County roads will match the design of the acorn style intersection lights, but are designed to prevent light from being emitted upward (see Photo No. 2, attached).

The Community Development Department has worked closely with DPS and DTE throughout the process thus far. Currently, the City Attorney is reviewing the two attached draft agreements (one for Phase 1: Crescent and Town Center; one for Phase 2: Grand River and Novi Rd.) that would transition all installation and maintenance responsibilities to DTE.

If we were to proceed with implementing DTE's proposal, it would be a sole source design/build project. Once the agreements are reviewed, our plan would be to bring this matter for Council action at a future meeting. If City Council approves the sole source expenditure, DTE indicates that a new system could be installed and operational in approximately 30 days thereafter. Coordination with all property management groups and owners would be initiated once the system is approved.

Please contact me with any questions or concerns.

c: Kristen Kapelanski, Planner
Barb McBeth, Deputy Community Development Director
Charles Boulard, Community Development Director
Sue Morianti, Purchasing Manager
Neverus Nazarko, Finance Director

City of Novi Cost Proposals

6/17/2013

Town Center and Crescent Blvd

Remove 56 Existing Lights

Install 48 Lights and 48 Posts

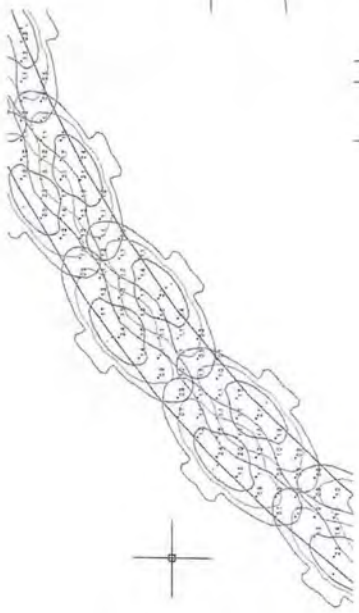
| | | | | |
|--|----|-------------|-------------|--------------|
| Removal Cost - Foundations broken up below grade | \$ | 56,916.00 | | |
| Install 48 Lums and 48 Posts - DTE Estimate | \$ | 270,813.00 | | |
| SOM Spare (2) Posts | | | | |
| Install Transformer | \$ | 3,644.00 | | |
| Total Cost Phase I | \$ | 331,373.00 | | |
| Revenue Credit | \$ | (47,516.00) | Annual Cost | \$ 15,839.00 |
| Final Cost | \$ | 283,857.00 | | |

Novi Rd and Grand River

Remove 32 Existing Lights

Install 21 Lights and 21 Posts

| | | | | |
|---|-----------|-------------------|---------------------|---------------------|
| Removal Costs - Foundations broken up below grade | \$ | 31,421.00 | | |
| Install 21 Lums and 21 Posts - DTE Estimate | \$ | 172,623.00 | | |
| SOM Spares 2 lums and 2 clamshells | | | | |
| Total Cost Phase II | \$ | 204,044.00 | | |
| Revenue Credit | \$ | (21,151.00) | Annual Cost | \$ 7,051.00 |
| Final Cost | \$ | 182,893.00 | | |
| final Project Cost, Phase I and II | \$ | 466,750.00 | Total Annual | \$ 22,890.00 |



NOTES
 1. All fixture quantities are as shown on attached sheets.
 2. Shop 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

| Description | Quantity | Unit | Area | Area | Area | Area | Area | Area |
|---------------------|----------|--------|--------|------|------|------|------|------|
| Direct Illumination | 4 | 1.2 ft | 3.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Down | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Up | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Side | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed End | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Corner | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Wall | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Ceiling | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Floor | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Stair | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Elevator | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Mechanical | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Electrical | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Plumbing | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Fire | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Security | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |
| Recessed Other | 1 | 0.4 ft | 1.2 ft | 0.11 | 0.11 | 0.11 | 0.11 | 0.11 |

LUMINAIRE SCHEDULE

| Symbol | Label | Qty | Description | Manufacturer | Model | Power | Beam | Height | Notes |
|--------|-------|-----|---------------------|--------------|----------|-------|------|--------|-----------|
| A | 11 | 1 | RECESSED DOWN | OSRAM | OSRAM 11 | 100W | 120° | 10' | See Notes |
| B | 12 | 1 | RECESSED UP | OSRAM | OSRAM 12 | 100W | 120° | 10' | See Notes |
| C | 13 | 1 | RECESSED SIDE | OSRAM | OSRAM 13 | 100W | 120° | 10' | See Notes |
| D | 14 | 1 | RECESSED END | OSRAM | OSRAM 14 | 100W | 120° | 10' | See Notes |
| E | 15 | 1 | RECESSED CORNER | OSRAM | OSRAM 15 | 100W | 120° | 10' | See Notes |
| F | 16 | 1 | RECESSED WALL | OSRAM | OSRAM 16 | 100W | 120° | 10' | See Notes |
| G | 17 | 1 | RECESSED CEILING | OSRAM | OSRAM 17 | 100W | 120° | 10' | See Notes |
| H | 18 | 1 | RECESSED FLOOR | OSRAM | OSRAM 18 | 100W | 120° | 10' | See Notes |
| I | 19 | 1 | RECESSED STAIR | OSRAM | OSRAM 19 | 100W | 120° | 10' | See Notes |
| J | 20 | 1 | RECESSED ELEVATOR | OSRAM | OSRAM 20 | 100W | 120° | 10' | See Notes |
| K | 21 | 1 | RECESSED MECHANICAL | OSRAM | OSRAM 21 | 100W | 120° | 10' | See Notes |
| L | 22 | 1 | RECESSED ELECTRICAL | OSRAM | OSRAM 22 | 100W | 120° | 10' | See Notes |
| M | 23 | 1 | RECESSED PLUMBING | OSRAM | OSRAM 23 | 100W | 120° | 10' | See Notes |
| N | 24 | 1 | RECESSED FIRE | OSRAM | OSRAM 24 | 100W | 120° | 10' | See Notes |
| O | 25 | 1 | RECESSED SECURITY | OSRAM | OSRAM 25 | 100W | 120° | 10' | See Notes |
| P | 26 | 1 | RECESSED OTHER | OSRAM | OSRAM 26 | 100W | 120° | 10' | See Notes |

Photo No. 1



Photo No. 2

