



CITY of NOVI CITY COUNCIL

Agenda Item P
November 14, 2016

SUBJECT: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation costs of one street light near the intersection of Bethany Way and 10 Mile Road to serve the Willowbrook Farm development; and approval of an agreement with the Willowbrook Farm Homeowners Association for the sharing of installation costs per the City's Street Lighting Policy.

SUBMITTING DEPARTMENT: Department of Public Services, Engineering Division **GDM**

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 2,469.25 (Street Light Installations) \$ 165.31 (Street Light Operating Costs) \$ 2,634.56 TOTAL
AMOUNT BUDGETED	\$ 60,000.00 (Street Light Installations) \$ 151,000.00 (Street Light Operating Costs)
LINE ITEM NUMBER	101-442.00-924.050 (Street Light Installations) 101-442.00-924.000 (Street Light Operating Costs)

BACKGROUND INFORMATION:

The Willowbrook Farm Homeowners Association (HOA) is requesting the replacement of the existing overhead street lights within the City's right-of-way with standard overhead street lighting. The proposed standard overhead street light will replace existing street light at 10 Mile Road and Bethany Way.

The Resolution for Amended Street Light Policy adopted September 24, 2012 states that the City will provide a standard street light in the public right-of-way at major road entrances of residential developments, such as Willowbrook Farm, to enhance public safety.

Engineering staff worked with Detroit Edison and the Association to determine the appropriate locations for street lights and to obtain estimated installation and ongoing operation costs. The new street light will be a underground fed standard cobra head fixture.

In order to facilitate installation of the street lights, Detroit Edison Company is requesting approval and execution of the attached Purchase Agreement. The Detroit Edison agreement requires the City to pay the total installation cost of \$2,469.25 and an ongoing annual lamp charge of \$165.31 for operation and maintenance of the street light. As with all other street light installations the City pays Detroit Edison directly. A second agreement between the City and the Association is also provided for consideration to formalize the installation.

The agreements have been reviewed and recommended for approval by Engineering staff and the City Attorney.

RECOMMENDED ACTION: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation costs of a street light near the intersection of Bethany Way and 10 Mile Road a to serve the Willowbrook Farm development; and approval of an agreement with Willowbrook Farm Homeowners Association for the sharing of installation costs per the City’s Street Lighting Policy.

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

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				

AGREEMENT

This Agreement is entered into this ___ day of _____, 20___, by and between the CITY OF NOVI, a Michigan municipal corporation, whose address is 45175 W. Ten Mile Road, Novi, Michigan 48375 (the "City"), and Willowbrook Farm Homeowners Association, a Michigan non-profit corporation, ("Association") whose address is 24487 Bethany Way, PO Box 169, Novi, MI 48376.

RECITATIONS:

The Association is the entity designated by the By-laws of the Willowbrook Farm Association to administer the affairs of said subdivision.

The Association has requested the City to assist it in making a certain local public improvement consisting of the installation of a street light at 10 Mile Road and Bethany Way, as described and depicted on the attached Exhibit A hereto.

The Board of the Association has authorized the president of the Association to execute this Agreement.

The City has obtained from the Detroit Edison Company ("DTE") an estimate for the installation and annual operation of said streetlight of \$2,469.25 and an operating cost for the first year in the amount of \$165.31 ("Annual Operating Cost").

The City has agreed to assist the Association in facilitating the installation and operation of said street light with DTE.

Due to the location of the proposed street light within the public right-of-way under the jurisdiction of the Road Commission for Oakland County, DTE requires that the City be billed for the Annual Operating Cost.

The parties desire to enter into this Agreement to provide for the payment to the City by the Association of the Annual Operating Cost, for which the City will be billed by DTE directly.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. To the extent that DTE may require, the City shall contract with DTE for the installation and operation of the proposed streetlight.

2. Upon execution of this Agreement, the City shall pay \$165.31, representing the estimated Annual Operating Cost for the street light.

3. The execution of this Agreement by the President of the Association constitutes affirmative representation of the members of the Board of the Association that he has been granted the power by the by-laws of the Association to act on behalf of the co-owners of the condominium to enter into this Agreement.

4. This Agreement contains the entire agreement between the parties, and to statement, promises, or inducement made by either party or agent of either party that is not contained in this written contract shall be valid or binding; and this contract may not be enlarged, modified or altered except in writing signed by both parties and endorsed hereon.

5. The term of this Agreement shall be for thirty-five (35) years, and shall automatically renew for additional five (5) years periods thereafter, until such time as either party shall notify the other in writing of its intent not to renew. Such notice of intent not to renew shall be given not less than one year prior to the expiration of the original and any renewal terms. If the Association decides to terminate the agreement, the City may direct the removal of the street light and the Association shall pay all costs associated with the removal.

6. This Agreement shall be binding on all heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first written above.

[SIGNATURES BEGIN ON THE NEXT PAGE]

CITY OF NOVI, a Michigan municipal
Corporation

By: Robert J. Gatt
Its: Mayor

By: Cortney Hanson
Its: Clerk

WILLOWBROOK FARM
HOMEOWNERS ASSOCIATION, a
Michigan non-profit corporation

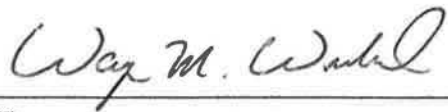

By: _____
Its: PRESIDENT

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of October 18, 2016 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 March 4, 2013 (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:	45845829	
	If this is a conversion or replacement, indicate the Work Order Number for current installed equipment: N/A	
2. Location where Equipment will be installed:	At the entrance to Willowbrook Farms located at W 10 Mile Rd & Bethany Way, as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	1	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	Remove (1) existing 175W Mercury Vapor suspension light, suspension wire, and suspension pole at the entrance of Willowbrook Farms.	
	Install (1) stock 135 watt Autobahn LED fixture with gray housing mounted on a steel Code 48 arm attached to an existing wood pole.	
5. Estimated Total Annual Lamp Charges	\$165.31	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$2,469.25
	Credit for 3 years of lamp charges:	N/A
	CIAC Amount (cost minus revenue)	\$2,469.25
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 thirty (30) days prior written notice to the other party.	
9. Does the requested Customer lighting design meet IESNA recommended practices?	(Check One) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "No", Customer must sign below and acknowledge that the lighting design does not meet IESNA recommended practices Signature: _____	
10. Customer Address for Notices:	City of Novi 26300 Lee Begole Dr Novi, MI 48375 Attn: Jeremy Miller	

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 _____.
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: _____

Attachment 1 to Purchase Agreement

Map of Location

[To be attached]



September 20, 2016

City of Novi
 Attn: Jeremy Miller
 26300 Lee BeGole Drive
 Novi, MI 48375

Re: Proposed Street Lighting – Entrance to Willowbrook Farms at W 10 Mile Rd & Bethany Way

We have completed our review of your request for street lighting and have prepared a cost estimate for the replacement of one street light at the intersection of W 10 Mile Rd & Bethany Way. This proposal includes the removal of the existing 175 watt Mercury Vapor suspension light and suspension light pole on the south side of W 10 Mile Rd. The proposal also includes installation of a new 135 watt Autobahn LED fixture mounted on a steel arm attached to an existing wood pole on the north side of W 10 Mile Rd.

The costs are based on the Option 1 Municipal Street Light rate, where DTE Energy 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.

1 Street Light Fixture Mounted on 1 Existing Wood Pole

Annual Operating Cost	\$165.31
Cost to construct	\$2,469.25
Three year revenue credit	N/A
Contribution from City of Novi	\$2,469.25

The price quoted shall be in effect for a period of six months from the date of this letter, after which these costs will no longer be valid. After installation the total cost for additional modification, relocation or removal will be the responsibility of the requesting party. Payment for the customer contribution must be made prior to the actual start of construction.

Please contact me for a Street Lighting Purchase Agreement if you would like to proceed with the above installation. If you have questions please call me at 734-397-4188.

Regards,

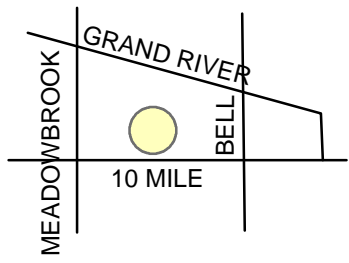
Lance Alley

Lance Alley
 Account Manager
 DTE Energy - Community Lighting

LEGEND

- EXISTING DECO POLE
- PROPOSED POLE
- FOREIGN POLE
- EXISTING ANCHOR
- PROPOSED ANCHOR
- ☁ TREE
- 120/240 V LINE
- 4.8 KV LINE
- 13.2 KV LINE
- 40 KV LINE

MISS DIG: LOC # 1 IS 25' SOUTH OF C/L 10 MILE AND 92' WEST OF C/L BETHANY WAY



WL 1: 238482-353765
 RM: 40 5 PINE 1/1/1967
 RM: Foreign Pole 40ft

WL 2:
 IN: MULTIPLE LED 135 LT COBRA
 IN: OH CODE S48
 RM: MULTIPLE MV 175 CM COBRA
 RM: 140 FT SPAN
 RM: PC12L
 IN: PCLL
 L 135 W2773 -- 9000 NOVI -- O310 -- 701

Streetlight Billing Summary
 O310 - NOVI CITY OF

9000 NOVI	IN	1	*701
UNASSIGNED	RM	1	*071

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NOTES: TRUCK ACCESSIBLE. WAYNE COUNTY ROAD COMMISSION PERMIT REQUIRED.

PWO# 45845829 8 1/2 X 11



DTE Energy									
DTE Electric - Distribution Engineering and Planning									
Service Planner					Work Order Description				
O'Dea, Charlotte A					CWO SL - NBUS - 1 OH - W 10 Mile Rd & Bethany Way - Novi				
Phone		Work Order #		GIS-DSN		COH		PLC	
734.397.4307		45882779		45657317		45657327			
Supervisor					Circuit #1		Circuit #2		PH
Mark A Slater					AKRON9015				SCMAT
Service Center		Worksite City		Worksip Twp		County		RSD	
WWS		NOVI		NOV		Oakland			
Phone					JU Work to be Performed				
734.397.4055									
Planning Engineer			JU Company		Contact		Email		Phone
Phone			JU Company		Contact		Email		Phone
CUE Number		Ver	Plot Date		Scale		Town	Range	Section
659833		1	8/20/2016		NTS		01N	08E	24