



**CITY OF NOVI CITY COUNCIL  
JUNE 8, 2026**

**SUBJECT:** Consideration of approval of Method of Service (MOS) Response Agreement with DTE to relocate underground facilities along Lee BeGole Drive and 11 Mile Road for the estimated amount of \$2,315,813.

**SUBMITTING DEPARTMENT:** Department of Public Works, Engineering Division

**KEY HIGHLIGHTS:**

- The agreement includes the design and relocation costs of DTE infrastructure along Lee BeGole Drive and 11 Mile Road.
- The scope includes undergrounding the existing overhead distribution facilities along the new road alignment and relocating underground facilities conflicting with the proposed Public Safety Headquarters building footprint.
- Total costs are lower than the budgeted \$3.7M as part of the road project
- Everything included in this agreement pertains to work north of 11 Mile Road
- Utilities/power lines south of 11 Mile Road **will not** be buried

**FINANCIAL IMPACT**

	<b>FY 2025/26</b>
<b>EXPENDITURE REQUIRED</b>	<b>\$ 2,315,813.06</b>
<b>BUDGET</b>	
<b>Public Safety Building Fund 464-446.00-975.952</b>	<b>\$ 3,710,00.00</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$ 0</b>
<b>FUND BALANCE IMPACT</b>	<b>\$ 0</b>

**A total of \$18M is budgeted for all costs related to the road and infrastructure improvements (engineering services, construction, utilities, and contingency). The \$3.71M for utility relocation and improvements is included in the total budget.**

## **BACKGROUND INFORMATION:**

The current alignment of BeGole Drive includes DTE's overhead lines, poles, and associated joint users and a below-grade primary duct bank. This conflicts with the location of the new Police and Fire headquarters buildings; therefore, the infrastructure needs to be relocated.

The proposed realignment of the roadway (Lee BeGole Drive) will be reconstructed in three distinct phases; see attached (Lee BeGole Drive Reconstruction and Extension).

- The first phase will entail a connection at Crescent Boulevard, to the north, near the existing roundabout at Crescent Boulevard and Town Center Drive. Then, proceeding east and south across the I-96 drain, and stopping in between the existing DPW entrances.
- The second phase will connect where the first phase left off and continue south over the Bishop Creek, into an S-curve to the east which increases the 11 Mile Road frontage for the future public safety buildings and constructing a new roundabout at 11 Mile Road.
- The third phase will be to connect Lee BeGole Drive via 11 Mile Road and Grand River Avenue.

Before DTE's field construction work can begin, the City must enter a 'Method of Service Response Agreement' and provide a full payment in the amount of \$2,315,813 to DTE Energy. This will give DTE's internal teams the green light to move forward with the final design phase and create an invoice. After receiving the payment, DTE anticipates approximately 12 months to complete the work. The removal and relocation of DTE's existing underground and overhead facilities are attached as the 'DTE Scope and Plan of Infrastructure Relocation'.

The City Attorney has reviewed the agreement favorably (Beth Saarela, June 1, 2026).

**RECOMMENDED ACTION:** Approval of a Method of Service (MOS) Response Agreement with DTE to relocate underground facilities along Lee BeGole Drive and 11 Mile Road for the estimated amount of \$2,315,813.

ELIZABETH KUDLA SAARELA  
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ROSATI | SCHULTZ  
JOPPICH | AMTSBUECHLER

June 1, 2026

Jeffrey Herczeg, Director of Public Works  
City of Novi  
45175 Ten Mile Road  
Novi, MI 48375-3024

**Re: DTE Energy - Method of Service (MOS) Document - 11 Mile and Lee BeGole.**

Dear Mr. Herczeg:

We have received and reviewed the Method of Service (MOS) document provided by DTE Energy that summarizes DTE Energy's scope, estimated cost, conditions, easement requirements, and schedule considerations for the city of Novi's proposed roadway and construction of two public service buildings near 11 Mile Road and Lee BeGole Drive.

The document is in the form of a Memorandum of Understanding setting out the expected scope of work for DTE to install electrical services for the City's Project. The MOS indicates that the price quote and may change based on the specific conditions encountered during the project. The MOS is required in order to allow DTE to complete design of the project and to proceed forward. Although the terms and conditions of payment are not detailed in the MOS, it is our understanding that payment is required prior to work being initiated.

Generally, this document is very general in terms and scope and should be treated only as an authorization to move forward based on the cost estimate provided. I would expect DTE to provide a detailed invoice with payment obligations and procedure.

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

Jeffrey Herczeg, Director of Public Works  
City of Novi  
June 1, 2026  
Page 2

Very truly yours,

ROSATI SCHULTZ JOPPICH  
& AMTSBUECHLER PC



Elizabeth Kudla Saarela

EKS

Enclosures

C: Cortney Hanson, Clerk  
Ben Croy, City Engineer  
Thomas R. Schultz, Esquire



Date: April 24, 2026

Jeffery Herczeg  
Director of Public Works  
City of Novi  
26300 Lee BeGole Dr.  
Novi, MI 48375

**Subject: Method of Service Response for: Removals and Relocations of DTE Infrastructure in the Area of 11 Mile Road and Le BeGole Drive**

### **Project Overview**

This Method of Service (MOS) response summarizes DTE Energy's scope, estimated cost, conditions, easement requirements, and schedule considerations for the city of Novi's proposed roadway and construction of two public service buildings near 11 Mile Road and Lee BeGole Drive. The work requires relocating existing electrical infrastructure while maintaining safe, reliable service. The city has requested that DTE underground existing overhead distribution facilities (Distribution Circuit: AKRON8980) along the new road alignment and relocate underground facilities that conflict with the proposed building footprints. Three existing underground circuit cables (DCs: AKRON9033, AKRON9047, and AKRON8971T) currently installed in the existing conduit system require relocation. The new underground system will be constructed within or adjacent to the proposed roadway corridor. Construction of the northern segment of the new road is anticipated to begin in late 2026, with a target conduit removal date of June 2027.

### **Scope of Work**

The following are the steps foreseen to accommodate the project:

- Install approximately 1,350 ft of concrete-encased conduit
- Remove approximately 720 ft of concrete-encased conduit
- Install approximately 6,800 ft of system cable (AKRON8971, AKRON9033, AKRON9047, and AKRON8980)
- Remove approximately 2,250 ft of system cable (AKRON8971, AKRON9033, and AKRON9047)
- Install approximately 3,500 ft of URD cable (AKRON8980)
- Remove approximately 2,000 ft of URD cable
- Install approximately 600 ft of overhead primary (AKRON8980)
- Remove approximately 2,400 ft of overhead primary (AKRON8980)

Quantities shown above are approximate totals for the overall project.

**Notes on the Scope of Work**

This estimate excludes removals or relocations for joint use/third-party utilities; the city must coordinate directly with those companies.

**Cost and Conditions**

The estimated cost associated with the work described above is:

System Work Required for Removals and Relocations	\$2,315,813.06
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**Easements**

The city will be required to provide easements for any DTE facilities installed on City property. The city is also responsible for assisting DTE with obtaining easements from other property owners where DTE facilities must be installed to support the project, if applicable. If easements are not obtained, alternate routes must be evaluated and approved, which may affect schedule and cost. Work cannot begin until required easements are drafted and recorded with Oakland County.

In addition, the city is responsible for any bonds or escrows required by municipalities where DTE facilities must be installed to support the project, if applicable. DTE shall not be liable for any damages, costs, or expenses related to (1) obtaining any bond/escrow and (2) any claims against, or draws on, such bond/escrow related to restoration or repair work. The city agrees to defend, indemnify, and hold DTE harmless from any such claim or draw.

**Construction Lead Time**

The work described above is estimated to require approximately 12 months to complete. Final duration is subject to design completion, equipment lead times, and crew availability; therefore, DTE cannot guarantee delivery or in-service dates. Any timeframes provided are general estimates only and do not account for inclement weather, supply-chain constraints, or other factors that may affect progress and coordination among participating parties. Design and construction duration will begin after DTE receives written authorization (the “Go-Ahead”) and payment is received, reviewed, and approved. This work is contingent upon receipt of all necessary permits, private easements, and rights-of-way.

**Expiration Date and Acceptance**

The information contained in this memo is valid for 90 days. Work orders will not be issued until an official written authorization (the “Go-Ahead”) is received.

To move forward with this project, please sign below to indicate acceptance. Once accepted, I will instruct our engineer to initiate design. DTE will then issue an invoice separately for payment. Design and construction duration will begin after written authorization (the “Go-Ahead”) is received and payment is received, reviewed, and approved.

We are looking forward to hearing from you. Should you have any questions, please feel free to contact me.

Sincerely,

Paul G. Cramer

Principal Account Manager  
DTE Energy - Major Account Services  
C: 313-460-4043  
Paul.Cramer@dteenergy.com

Please sign and date below to acknowledge acceptance of the terms and conditions in this MOS proposal and to authorize DTE Energy to proceed.

**Accepted By:**

Name: \_\_\_\_\_

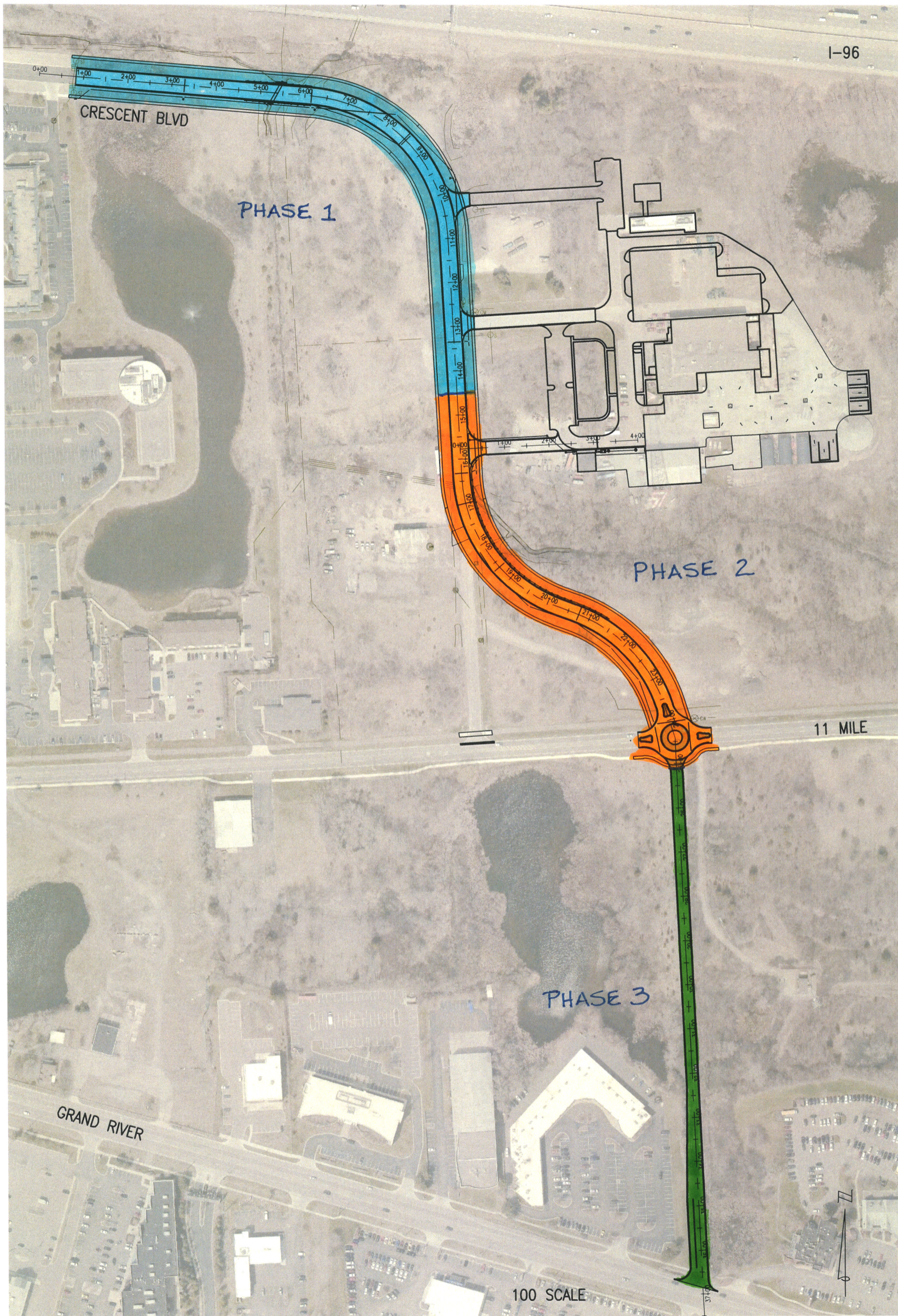
Title: \_\_\_\_\_

Company: City of Novi

Date: \_\_\_\_\_

# Crescent Blvd/ Lee BeGole Drive Road Construction Plan

DRAWING PATH: P:\0126\_01650163190010\_Lee\_BeGole\_Drive\Drawings\Civil\Ref190019SE.dwg Jun 06, 2019 - 10:20am



SHEET	DATE	PROJ NUMBER	ENG	PROJ MGR	CADD	COUNTY	CITY/VILLAGE/TOWNSHIP	SCALE	HORIZ DATUM	VERT DATUM
1 OF 1	05/06/19	0163-19-0019	ARP	TJU	ARP	OKLAND	CITY OF NOVI	H: 1"=100' V: N/A	NAD 83	NAVD 1988
<p><b>CITY OF NOVI</b>  <b>LEE BEGOLE DRIVE RECONSTRUCTION AND EXTENSION</b>  <b>EXHIBIT</b></p>										

REVISIONS:

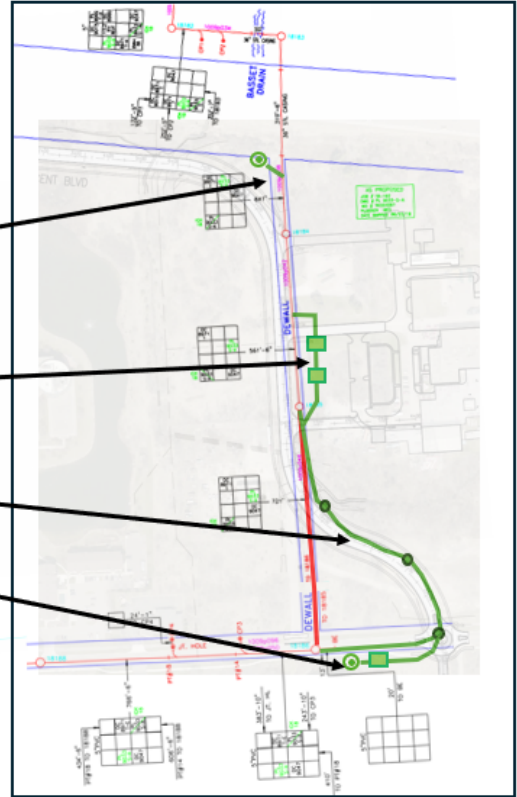


# DTE SCOPE AND PLAN FOR INFRASTRUCTURE RELOCATION

## Project Scope: System Conduit

System conduit scope:

- IN 3 PSC
- Duct break-in
- Sweep to primary main CP
- Duct break-in
- Sweep to PSC-PSC to new duct run
- IN new 1,350 FT 12-5" duct bank
- IN 2-3 MH's
- Sweep from New MH to PSC to primary main CP
- RM 721FT 12-5" conduit



## Project Scope: AKRON8980

Overhead scope:

- IN 2 primary main cable poles
- IN 600 FT OH
- RM 2,430 FT OH
- RM 5 cable poles

System cable scope:

- IN 2,530 FT of 1000 EPR

URD scope (preliminary):

- IN ~3,500 FT URD cable.

- RP 5 UG XFMR's if necessary

Notes:

- the two new XFMR's feeding the new public service buildings will be sized by service planning based on customer's load sheets



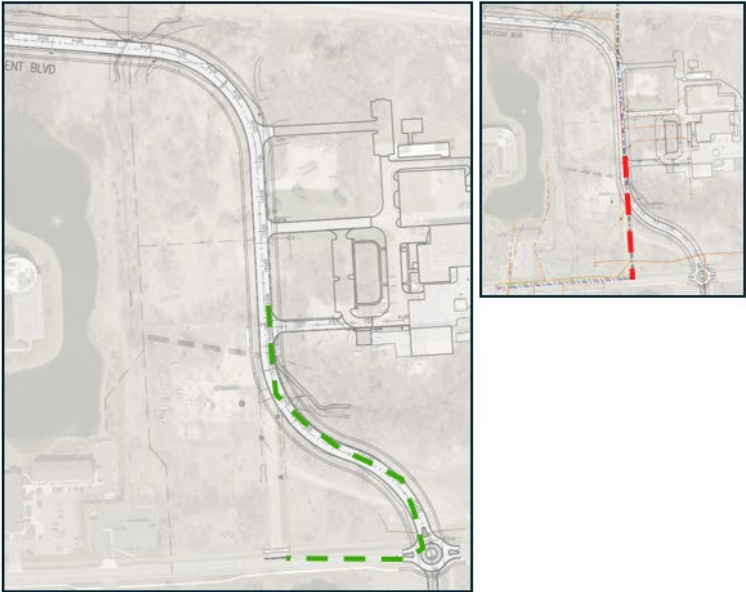
- RM 2,430 FT OH
- RM 5 cable poles

# DTE SCOPE AND PLAN FOR INFRASTRUCTURE RELOCATION

**Project Scope:** AKRON9033, 9047, and 8971T

System Cable scope:

- - - RM 2,250 FT 1000 XLAL
- - - IN ~4,300 FT 1000 EPR





Date: April 24, 2026

Jeffery Herczeg  
Director of Public Works  
City of Novi  
26300 Lee BeGole Dr.  
Novi, MI 48375

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Sincerely,

Paul G. Cramer

Principal Account Manager  
DTE Energy - Major Account Services  
C: 313-460-4043  
Paul.Cramer@dteenergy.com

Please sign and date below to acknowledge acceptance of the terms and conditions in this MOS proposal and to authorize DTE Energy to proceed.

**Accepted By:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: City of Novi

Date: \_\_\_\_\_