



**CITY of NOVI CITY COUNCIL**

**Agenda Item D  
May 18, 2015**

**SUBJECT:** Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation costs of street lights at the proposed mid-block pedestrian crossing of Beck Road north of Cheltenham Drive in the amount of \$4,899 for installation and \$624 annually for operating costs.

**SUBMITTING DEPARTMENT:** Department of Public Services, Engineering Division *BTC RA*

**CITY MANAGER APPROVAL:** *[Signature]*

<b>EXPENDITURE REQUIRED</b>	<b>\$ 4,899 (Installation)</b> <b>\$ 624 (Annual Operating Costs)</b>
<b>AMOUNT BUDGETED</b>	<b>\$ 254,742 (Beck Mid-Block Pedestrian Crossing)</b> <b>\$ 147,514 (Street Lighting)</b>
<b>LINE ITEM NUMBER</b>	<b>204-204.00-974.437 (Beck Mid-Block Pedestrian Crossing)</b> <b>101-442.00-924.000 (Street Lighting)</b>

**BACKGROUND INFORMATION:**

Construction of a mid-block pedestrian crossing of Beck Road north of Cheltenham Drive is proposed for award elsewhere on this agenda. The *City of Novi Non-Motorized Master Plan 2011* identified several locations for potential development of non-motorized crossings of major roads within the City, referred to as mid-block crossings. One of these locations was identified and funded in the FY13-14 budget on Beck Road between Cheltenham Drive and White Pines Drive. This location is also part of a future east-west regional pathway north of Nine Mile Road (see attached map). The *Non-Motorized Master Plan* along with engineering standards call for the installation of street lights at mid-block crossings. Therefore, Detroit Edison will install two new 30-foot poles at the intersection with LED fixtures to light the crossing.

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 \$4,899 and an ongoing annual lamp charge of \$624 for operation and maintenance of the two street lights. The proposed agreement has been reviewed and recommended for approval by Engineering staff and the City Attorney (Beth Saarela's letter is attached).

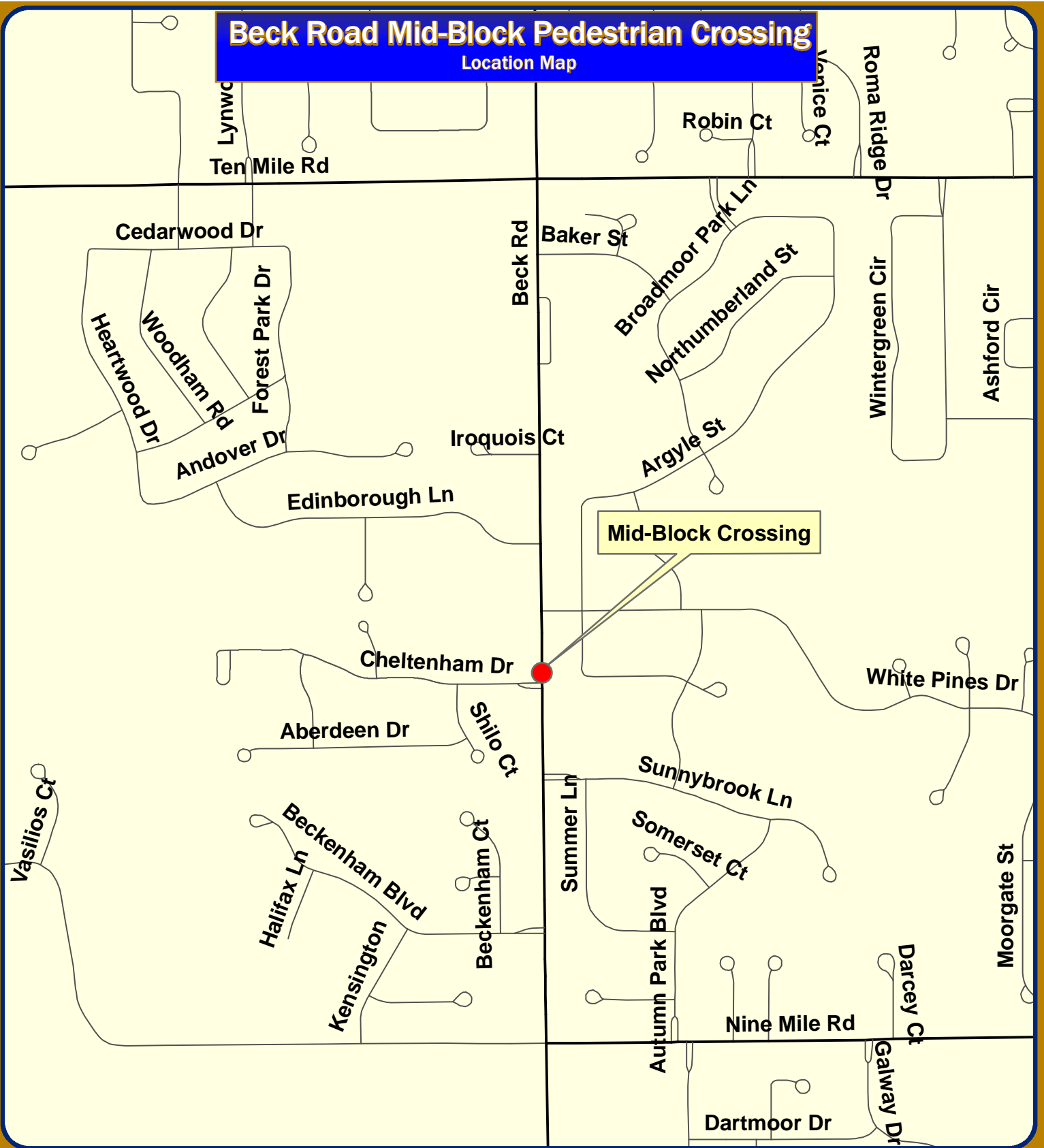
**RECOMMENDED ACTION:** Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation costs of street lights at the proposed mid-block pedestrian crossing of Beck Road north of Cheltenham Drive in the amount of \$4,899 for installation and \$624 annually for operating costs.

	1	2	Y	N
<b>Mayor Gatt</b>				
<b>Mayor Pro Tem Staudt</b>				
<b>Council Member Casey</b>				
<b>Council Member Poupard</b>				

	1	2	Y	N
<b>Council Member Markham</b>				
<b>Council Member Mutch</b>				
<b>Council Member Wrobel</b>				

# Beck Road Mid-Block Pedestrian Crossing

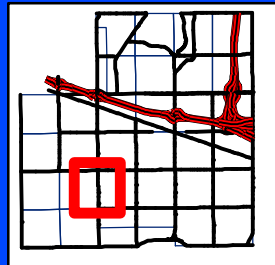
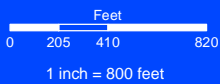
Location Map



Map Author: Croy  
Date: 5/7/15  
Project: Beck Mid-Block Crossing  
Version #: v2

#### 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.



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



JOHNSON ROSATI SCHULTZ JOPPICH PC

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Phone: 248.489.4100 | Fax: 248.489.1726

Elizabeth Kudla Saarela  
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[www.johnsonrosati.com](http://www.johnsonrosati.com)

May 12, 2015

Brian Coburn, Engineering Manager  
City of Novi  
Public Services  
Field Services Complex  
26300 Lee BeGole Drive  
Novi, MI 48375

**Re: DTE Energy - Purchase Agreement for Municipal Street Lighting**

Dear Mr. Coburn:

We have received and reviewed the Purchase Agreement for Municipal Street Lighting (Work Order 42373786) for an entranceway light at the intersection of Beck Road and Cheltenham Drive. The project has been initiated at the City's request and the installation will be completed at the City's cost.

The Purchase Agreement is a standard form agreement prepared by The Detroit Edison Company ("DTE") for use in projects for installation and maintenance of new street lighting. It references and incorporates the terms of the Master Agreement for Municipal Street Lighting entered into between the City and DTE Energy on March 4, 2013, 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.

The terms of the Master Agreement apply to each Purchase Agreement for individual projects. The Master Agreement was previously revised to satisfactorily address an issue we raised with the liability provisions in the Agreement.

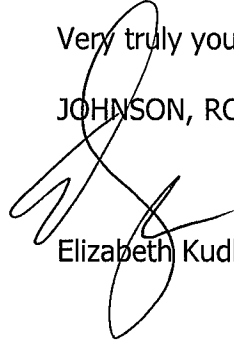
Brian Coburn, Engineering Manager  
May 12, 2015  
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The Purchase Agreement and Master Street Lighting Agreement are in DTE's standard format and we see no legal impediment to approval of the agreements.

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)


**Exhibit A to Master Agreement**

**Purchase Agreement**

This Purchase Agreement (this "Agreement") is dated as of [April 20, 2015] 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:	[42373786]	
	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:	[Beck and Cheltenham, As more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	[Two]	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	[135w black LED fixtures on Code 06B Black 30' steel posts. ]	
5. Estimated Total Annual Lamp Charges	\$624.00	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$6,771.00
	Credit for 3 years of lamp charges:	\$1,872.00
	<b>CIAC Amount (cost minus revenue)</b>	<b>\$4,899.00</b>
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 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  	
10. Customer Address for Notices:	[26300 Lee Begole Drive] [Novi, MI 48375] [Ben Croy]	

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 warranties, 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 C 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**

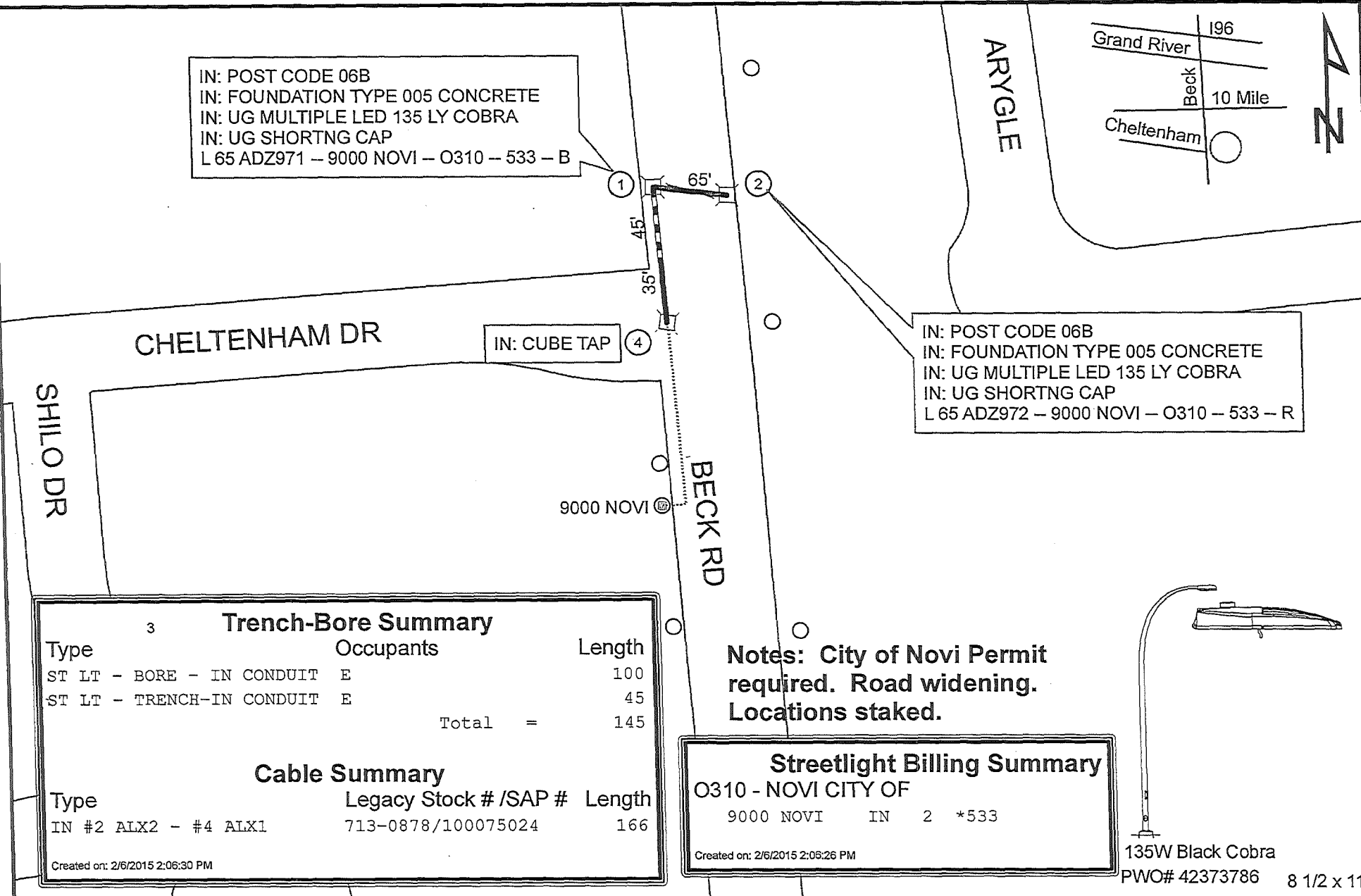
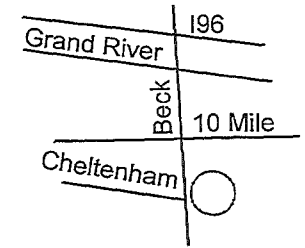
[To be attached]



IN: POST CODE 06B  
 IN: FOUNDATION TYPE 005 CONCRETE  
 IN: UG MULTIPLE LED 135 LY COBRA  
 IN: UG SHORTNG CAP  
 L 65 ADZ971 - 9000 NOVI - 0310 - 533 - B

IN: POST CODE 06B  
 IN: FOUNDATION TYPE 005 CONCRETE  
 IN: UG MULTIPLE LED 135 LY COBRA  
 IN: UG SHORTNG CAP  
 L 65 ADZ972 - 9000 NOVI - 0310 - 533 - R

IN: CUBE TAP



Notes: City of Novi Permit required. Road widening. Locations staked.

3 Trench-Bore Summary		
Type	Occupants	Length
ST LT - BORE - IN CONDUIT	E	100
ST LT - TRENCH-IN CONDUIT	E	45
Total =		145

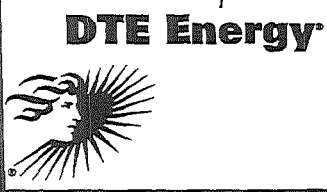
Cable Summary		
Type	Legacy Stock # /SAP #	Length
IN #2 ALX2 - #4 ALX1	713-0878/100075024	166

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Streetlight Billing Summary			
O310 - NOVI CITY OF			
9000 NOVI	IN	2	*533

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135W Black Cobra  
 PWO# 42373786 8 1/2 x 11



Work Order # 42406421	Work Order Description NBUS 2 UG - Beck and Cheltenham - Novi	GIS-DSN 42406423	SRW	RSD	PH	PLC			
Service Center WWS	Circuit #1 TAHOE9510	COH	COS	CUG	CUL 42406432	CUS			
Worksite City Novi city, Oakland County	Worksite Twp.	Worksite County				SCMAT 42406431			
Town 01N08E28	Range 01N08E28	Section 01N08E28	Qtr	Planner Name O'Dea, Charlotte A	734-397-4307	CUE Request # 506228	Version 1	Plot Date 4/22/2015	Scale None