



CITY OF NOVI CITY COUNCIL
JULY 10, 2023

SUBJECT: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation cost of seven (7) standard streetlights at six (6) intersections along Ten Mile Road between Meadowbrook Road and Haggerty Road.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

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|-------------------------------|---|
| EXPENDITURE REQUIRED | \$ 31,048.08 Installation cost (Municipal Street Fund) \$ 2,542.61 Annual operating cost (General Fund) \$ 33,590.69 Total |
| AMOUNT BUDGETED | \$ 31,050.00 Street Light Installation (Municipal Street Fund) \$ 180,000.00 Street Light Operations (General Fund) |
| APPROPRIATION REQUIRED | \$ 0 |
| LINE ITEM NUMBER | 204-446.00-975.187 ENG060 10 Mile Rd & Oper Enhance RCOC 101-441.20-924.000 Street Light Operations (General Fund) |

BACKGROUND INFORMATION:

The Road Commission of Oakland County (RCOC) is completing paving work on Ten Mile Road between Meadowbrook Road and Haggerty Road. Novi and RCOC staff worked with DTE Energy (Detroit Edison Company) to determine appropriate locations for street light replacements and obtained a purchase agreement for the installation and ongoing operation cost for seven (7) standard streetlights. The streetlights will consist of 136-watt LED lights in black housing on 30-foot direct buried fiberglass posts.

In order to facilitate installation of the streetlights, DTE Energy is requesting approval and execution of the attached Purchase Agreement. The DTE Energy agreement requires the City to pay the total installation cost of \$31,048.08 and an ongoing annual lamp charge of \$2,542.61 for operation and maintenance of the streetlights.

The proposed agreement has been reviewed and is recommended for approval by Engineering staff and the City Attorney (Beth Saarela, June 28, 2023). The streetlights will be scheduled for installation following approval of the purchase agreement.

RECOMMENDED ACTION: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation cost of seven (7) standard streetlights at six (6) intersections along Ten Mile Road between Meadowbrook Road and Haggerty Road.

DTE Streetlight Replacements

10 Mile Rd, Meadowbrook Rd to Haggerty Rd

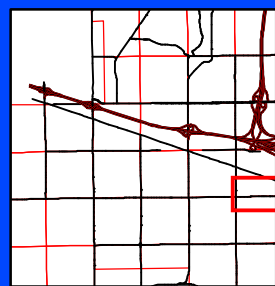


Map Author: Runkel
 Date: June 29, 2023
 Project: 10 Mile Rd
 Version #: 1.0

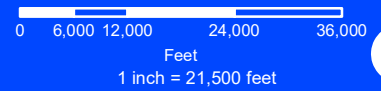
MAP INTERPRETATION NOTICE

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.

● Streetlight Replacements



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ROSATI | SCHULTZ
JOPPICH | AMTSBUECHLER

June 28, 2023

Rebecca Runkel, Project Engineer
City of Novi
Field Services Complex
26300 Lee BeGole Drive
Novi, MI 48375

Re: Ten Mile Reconstruction – DTE Energy Purchase Agreement

Dear Ms. Runkel:

We have received and reviewed the following documents for the installation of seven 30' direct buried fiberglass posts and seven 136w LED luminaires with black housing along 10 Mile, between Meadowbrook and Haggerty:

- Master Agreement for Municipal Street Lighting dated April 11, 2022,
- Purchase Agreement (Work Order Number 68799705).

Master Agreement and Purchase Agreement

The Master Agreement for Municipal Street Lighting (“Master Agreement”) and corresponding Purchase Agreement are standard form agreements prepared by DTE Energy 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 Master Agreement is DTE’s standard agreement and typically cannot be changed. Generally, there are no objectionable provisions in the Agreement. To the extent that the Master Agreement limits DTE’s liability to the City for damages to no greater than the CIAC amount for the particular agreement – in this case, the CIAC amount is only \$31,048.08, this only limits DTE’s liability with respect to the City and not third parties, therefore if anyone is injured by DTE’s actions, the provision will not preclude them from recovering from DTE directly. As such, the City risk is low with respect to injured third parties.

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 City should be aware that the cost provided in the Purchase Agreement is an estimate and may increase based upon conditions found underground at the time of construction, pursuant to the Master Agreement.

Rebecca Runkel, Project Engineer
City of Novi
June 28, 2023
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The terms of the Master Agreement and Purchase Agreement generally are acceptable and are in part, subject to rates and other rules imposed by the Michigan Public Services Commission. We see no legal impediment to entering into the Purchase Agreement as proposed for the Ten Mile Road Reconstruction.

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

Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC



Elizabeth Kudla Saarela

EKS

Enclosures

C: Cortney Hanson, Clerk (w/Enclosures)
Jeff Herczeg, DPW Director (w/Enclosures)
Megan Mikus, Deputy DPW Director (w/Enclosures)
Ben Croy, City Engineer (w/Enclosures)
Thomas R. Schultz, Esquire (w/Enclosures)