

**CITY OF NOVI CITY COUNCIL
DECEMBER 9, 2019**

SUBJECT: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation cost of two (2) GFI outlets on the existing street light posts at the entrance of Valencia Circle and Beck Road.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

BACKGROUND INFORMATION: Valencia Estates is requesting the installation of two (2) GFI outlets; one on each of the existing street light posts at the Valencia Circle entrance on Beck Road in order to put up holiday lighting.

In order to facilitate installation of the street lights, Detroit Edison Company (DTE Energy) is requesting approval and execution of the attached Purchase Agreement. Valencia Estates Homeowner's Association will be responsible for the cost of installing the outlets and the additional annual charges resulting from the use of the outlets. The Purchase Agreement has been reviewed and is recommended for approval by Engineering staff and the City Attorney (Beth Saarela, November 12, 2019).

RECOMMENDED ACTION: Approval of a Purchase Agreement with Detroit Edison Company for the installation and ongoing operation cost of two (2) GFI outlets on the existing street light posts at the entrance of Valencia Circle and Beck Road.

Location Map

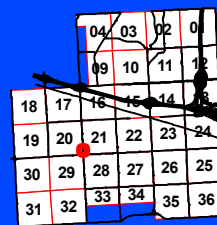


Map Author: Rebecca Runkel
 Date: 11-21-19
 Project:
 Version #: 1.0

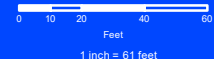
 Outlet Install

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 Works
 26300 Lee BeGole Drive
 Novi, MI 48375
 cityofnovi.org



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ROSATI | SCHULTZ
JOPPICH | AMTSBUECHLER

November 12, 2019

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

Re: Valencia Circle GFI Installation– Master Agreement for Municipal Street Lighting, DTE Energy Purchase Agreement

Dear Ms. Runkel:

We have received and reviewed the following documents for the installation of GFI's on the existing posts at the entrance of Valencia Circle and Beck Road:

- Master Agreement for Municipal Street Lighting dated September 16, 2013, and Purchase Agreement (Work Order Number 55694128).

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.

In this case, the Valencia Homeowner's Association will be responsible for the cost of installing the GFI's on the existing posts. The annual charges of \$558,72, resulting from the use of the GFI's on the existing posts, will be passed on to the Association pursuant to the City's existing Agreement with the Association for the payment of ongoing energy cost. The Agreement appears to satisfactory for this purpose, as provided.

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

Rebecca Runkel, Engineering Technician
City of Novi
November 12, 2019
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Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC



Elizabeth Kudla Saarela

EKS

Enclosure

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



November 4, 2019

City of Novi
26300 Lee BeGole Dr
Novi, MI 48375
Attn: Rebecca Runkel

Re: City of Novi- GFI Install at Valencia Circle @ Beck Rd Entrance

Attached is the agreement for the work to be performed in the budget letter was sent on November 4, 2019. A detailed description of the project is outlined in the agreements. Please print **TWO** copies. Please sign **BOTH** copies in the designated areas. A check in the amount of **\$0.00** is also required at this time. Payment (\$500.00) to be made by Valencia HOA. Please return **BOTH** signed agreements (as well as check or Purchase Order...made payable to **DTE Energy**) to the following address:

DTE Energy
8001 Haggerty Rd.
Belleville, MI 48111
140 WWSC-Brandon Faron

Upon receipt of BOTH signed copies (and payment), we (DTE Energy) will then sign BOTH copies and return ONE original back to you.

Please call if you have questions, 734-397-4017.

Sincerely,

Brandon R. Faron

Brandon R. Faron
Account Manager
Community Lighting


Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of November 4, 2019 between DTE Electric Company ("Company") and City of Novi ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated September 16, 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: | 55694128 | |
| | 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: | [Valencia Circle @ Beck Rd], as more fully described on the map attached hereto as <u>Attachment 1</u> . | |
| 3. Total number of lights to be installed: | 2 | |
| 4. Description of Equipment to be installed (the " <u>Equipment</u> "): | Install two (2) total GFIs on the existing posts at the entrance of Valencia Circle and Beck Rd | |
| 5. Estimated Total Annual Lamp Charges | \$558.72 | |
| 6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ") | Total estimated construction cost, including labor, materials, and overhead: | \$500.00 |
| | Credit for 3 years of lamp charges: New Installations Only | \$0.00 |
| | CIAC Amount to be paid by Valencia HOA | \$500.00 |
| 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 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 _____  | |
| 10. Customer Address for Notices: | City of Novi 26300 Lee BeGole Dr Novi, MI 48375 Attn: Rebecca Runkel | |

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 N/A posts and N/A 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: N/A Title: N/A

Phone Number: N/A Email: N/A

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.

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

Company:

DTE Electric Company

By: _____

Name: _____

Title: _____

Customer:

City of Novi

By: _____

Name: _____

Title: _____



Attachment 1 to Purchase Agreement

Map of Location

[To be attached]

