



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 1
October 8, 2012

SUBJECT: Approval of a resolution to terminate the street lighting agreement with Arrowon Pines Homeowners' Association, resulting in elimination of the requirement for the Association to pay ongoing electrical costs for its single entryway street light.

SUBMITTING DEPARTMENT: Department of Public Services *RAH*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

City Council approved the attached street lighting agreement with the Arrowon Pines Homeowners' Association in 2007. The agreement stipulated that the City would facilitate installation of a single decorative street light at the residential development's Novi Road entrance (see attached photograph), and the Association would pay for the installation cost as well as energy costs for perpetuity.

The City's longstanding practice - formalized in the updated street light policy adopted on September 24, 2012 - is to have the petitioner pay for a decorative light's installation cost, while the City would bear the future energy costs to operate the light.

Termination of the agreement would relieve the Association of perpetual electrical costs and uniformly apply the City's policy in terms of all other residential developments that have a single entryway street light, whether standard or decorative, on a major road. Currently, the Association pays approximately \$300 annually to operate the light.

RECOMMENDED ACTION: Approval of a resolution to terminate the street lighting agreement with Arrowon Pines Homeowners' Association, resulting in elimination of the requirement for the Association to pay ongoing electrical costs for its single entryway street light.

| | 1 | 2 | Y | N |
|------------------------|---|---|---|---|
| Mayor Gatt | | | | |
| Mayor Pro Tem Staudt | | | | |
| Council Member Casey | | | | |
| Council Member Fischer | | | | |

| | 1 | 2 | Y | N |
|-------------------------|---|---|---|---|
| Council Member Margolis | | | | |
| Council Member Mutch | | | | |
| Council Member Wrobel | | | | |

Arrowon Pines Condos

Entryway Street Light at Algonquin & Novi Rd



Map Author:
Date:
Project:
Version #:

Amended By:
Date:
Department:

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.

Map Legend

- Road Classification Novi Tax Parcel BSA
- Major Streets Novi 2010 Aerial Photograph
- Minor Streets RGB
- Red: Band_1
- Green: Band_2
- Blue: Band_3



City of Novi

Department of Public Services
Division:
26300 Delwal Drive
Novi, MI 48375
cityofnovi.org



1 inch = 650 feet

AGREEMENT

This Agreement is entered into this 17th day of August, 2007, 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 the ARROWON PINES HOMEOWNERS' ASSOCIATION, a Michigan non-profit corporation ("Association"), whose address is 43531 Algonquin Drive, Novi, MI 48375.

RECITATIONS:

The Association is the entity designated by the By-laws of the Arrowon Pines Homeowners 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 the entrance to the subdivision at the intersection of Algonquin Drive and Novi Road, 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, requiring an initial construction cost of \$2,953.00 and an annual operating cost of \$289.49 ("Annual Operating Cost").

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

The Association hereby acknowledges that the proposed streetlight is being installed at the request of and mainly for the benefit of Arrowon Pines residents, and therefore, agrees that the Annual Operating Cost of the streetlight is and shall be its sole responsibility.

Due to the location of the proposed street light within 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, or when requested by DTE, whichever occurs later, the Association shall pay directly to DTE the initial construction cost of \$2,953.00, or such other amount as DTE shall require for installation of the proposed street light.

3. Commencing January 1, 2008, and annually on the same date thereafter, the Association shall pay to the City the amount of \$289.49, representing the annual operating cost for the proposed streetlight.

4. The parties acknowledge that the payments are based upon estimates of charges imposed by DTE for the lighting service provided, and that the charges imposed by DTE may increase due to unforeseen circumstances and due to the increase of energy costs over time. The Association hereby agrees to pay the Annual Operating Cost as it may be revised due to such increases. The Association agrees that the Annual Operating Cost shall be a debt to the City from the Association.

5. 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.

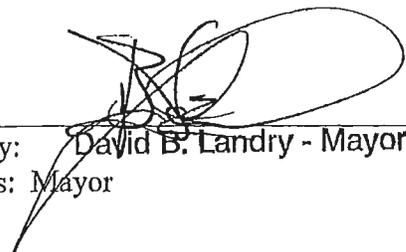
6. This Agreement contains the entire agreement between the parties, and to statement, promises, or inducements made by either party or agent of either party that is not contained in this written contract shall be valid or binding; and this contract may not be enlarged, modified or altered except in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

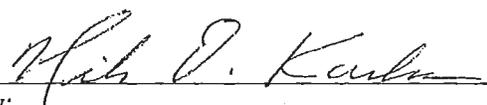
6. This Agreement shall be binding on all heirs, executors, administrators, successors and assigns of the parties hereto.

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

CITY OF NOVI, a Michigan municipal Corporation

ARROWON PINES HOMEOWNERS ASSOCIATION, a Michigan non-profit corporation


By: David B. Landry - Mayor
Its: Mayor


By: Mich. J. Kaula
Its: President

RESOLUTION TO TERMINATE STREET LIGHT AGREEMENT
October 8, 2012

City of Novi
County of Oakland, Michigan

Minutes of a regular Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall in said City on October 8, 2012, at 7:00 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers: Gatt, Staudt, Casey, Fischer, Margolis, Mutch, Wrobel

ABSENT: Councilmembers: None

The following preamble and Resolution were offered by Councilmember _____
_____ and supported by Councilmember _____.

WHEREAS, on August 27, 2007, Novi City Council entered into an Agreement with the Arrowon Pines Homeowners' Association to facilitate installation of and define payment for a single decorative entryway street light at its Novi Road entrance; and,

WHEREAS, said Agreement required the Association to pay for the decorative street light's installation cost and ongoing operating costs; and,

WHEREAS, the City's established practice has been to bear the cost of electricity to operate all single residential entryway street lights, whether decorative or not, that are located along major roads; and,

WHEREAS, on September 24, 2102, City Council adopted an updated Street Light Policy that calls for the City to pay for the operating costs of street lights located at residential entrances along major roads.

NOW, THEREFORE, BE IT RESOLVED, that the City of Novi City Council hereby effectively terminates the August 27, 2007 street light agreement with the Arrowon Pines Homeowners' Association to relieve the Association of the burden of perpetual electrical costs, and to uniformly apply the City's Street Light Policy.

AYES: Councilmembers _____

NAYES: Councilmembers _____

RESOLUTION DECLARED ADOPTED.

MARYANNE CORNELIUS, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi at a regular meeting held this 8th day of October, 2012.

MARYANNE CORNELIUS, City Clerk