



CITY OF NOVI CITY COUNCIL
OCTOBER 26, 2026

SUBJECT: Approval of a Street Light Purchase Agreement with DTE Energy for streetlights along Lee BeGole Drive between Crescent Boulevard and Grand River Avenue in the amount of \$160,351.40, subject to final form and approval by the City Manager's and City Attorney's offices.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- The purchase agreement covers street lighting for the entirety of the Lee BeGole Drive/Crescent Boulevard extension project.
- The road construction is part of the Public Safety Facilities Bond to construct the new Public Safety Building off Lee BeGole Drive.

FINANCIAL IMPACT

	FY 2026/27
EXPENDITURE REQUIRED	\$ 148,075.40 Installation Cost \$ 12,276.00 Annual Operating Cost \$ 160,351.40 TOTAL
BUDGET Public Safety Building Fund 464-446.00-975.952 (Road- Installation) General Fund 101-441.20-924.000	\$ 13,524,636.00 TOTAL PROJECT- DESIGN & CONSTRUCTION \$ 12,394,072.23 TOTAL CONSTRUCTION \$ 230,0000 Operating Costs
APPROPRIATION REQUIRED	\$ 0
FUND BALANCE IMPACT	\$ 0

BACKGROUND INFORMATION:

City staff worked with DTE on the number and locations of streetlights needed to provide adequate lighting along Lee BeGole Drive following the construction of the Lee BeGole Drive/Crescent Boulevard extension. The road construction is part of the Public Safety Facilities Bond to construct the new Public Safety Building off Lee BeGole Drive.

DTE's proposal includes thirty (30) thirty-foot direct buried fiberglass posts with black finish and thirty (30) 136w LED stock roadway luminaires with black finish. Streetlights will be installed at regular intervals along Lee BeGole Drive between the Crescent Boulevard stub and the extension south to Grand River Avenue, including four streetlights at the planned roundabout at Lee BeGole Drive and 11 Mile Road. The City Attorney reviewed the agreement favorably (Saarela, October 6, 2026). Construction of the road began in September 2026 and is expected to be completed by 2028.

RECOMMENDED ACTION: Approval of a Street Light Purchase Agreement with DTE Energy for the installation and ongoing operation cost of thirty (30) standard streetlights along Lee BeGole Drive between Crescent Boulevard and Grand River Avenue.

ELIZABETH KUDLA SAARELA
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ROSATI | SCHULTZ
JOPPICH | AMTSBUECHLER

October 6, 2026

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

Re: DTE Street Lighting– Purchase Agreement for Municipal Street Lighting -*Lee BeGole Drive and Crescent Blvd Extensions*

Dear Ms. Runkel:

We have received and reviewed the DTE Energy d Purchase Agreement (Work Order 79111482) for the City's Crescent Lee BeGole Drive Boulevard Street Extension Lighting Project which incorporates the DTE Master Agreement dated April 11, 2022.

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 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. It should be noted that since the City has requested the installation of "non-standard" street lighting, additional terms have been added to this Purchase Agreement regarding the obligation for the City to maintain replacement parts on-site.

Additionally, 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.

Subject to Engineering's review of the types and locations of the lighting detailed within the Purchase Agreement and corresponding exhibits, 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.

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

Rebecca Runkel, Project Engineer
City of Novi
October 6, 2026
Page 2

Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC

A handwritten signature in blue ink, appearing to read 'Elizabeth Kudla Saarela', is written over the printed name.

Elizabeth Kudla Saarela

EKS
Enclosures
C: Cortney Hanson, Clerk
Thomas R. Schultz, Esquire



August 24, 2026

City of Novi
26300 Lee BeGole Dr
Novi, MI 48375

Re: City of Novi- Lee BeGole/Crescent Blvd Connection

Attached is the agreement for the lighting installations associated with the Lee BeGole/Crescent Blvd Connection in the City of Novi, MI. A detailed description of the project is outlined in the agreements. Please print one copy and sign in the designated areas. A check in the amount of **\$148,075.40** is also required at this time. Please return signed agreement (as well as check made payable to **DTE Energy**) to the following address:

DTE Community Lighting
8001 Haggerty Rd.
Belleville, MI 48111
Attn: Brandon Faron

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

Sincerely,

Brandon R. Faron

Brandon R. Faron
Principal Account Manager
Community Lighting

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of August 24, 2026 between DTE Electric Company ("Company") and the City of Novi ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated April 11, 2022 (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 Company to furnish, install, operate and maintain street lighting equipment as set forth below:

1. DTE Work Order Number:	79111482	
	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:	[Lee BeGole/Crescent Blvd], as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	30	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	Install (30) 30', black, direct buried fiberglass poles and (30) 136w LED with black housing.	
5. Estimated Total Annual Lamp Charges	\$12,276.00	
6. Estimated Total Annual Post Charges if selected	\$0.00	
7. Annual Finance Charge if selected	See paragraph 14 below	\$0.00
8. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$184,903.40
	Revenue credit:	\$36,828.00
	CIAC Amount (cost minus revenue): To be paid by the RCOC	\$148,075.40
	Credit for Post Charge, if selected	\$0.00
9. Payment of CIAC Amount:	Due promptly upon execution of this Agreement: \$148,075.40	
10. Term of Agreement Special Financing Options are available – Please read stipulations within agreement check the box below: Finance Option ☐	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.	

11. Does the requested Customer lighting design meet IESNA recommended practices?	(Check One) ☐ YES ☒ NO If "No", Customer must sign below and acknowledge that the lighting design does not meet IESNA recommended practices _____ 
12. Customer Address for Notices:	City of Novi 26300 Lee BeGole Dr Novi, MI 48375

13. 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 as provided in Section B below. When replacement equipment or spare parts are installed from Customer's inventory, Company will credit Customer in the amount of the then-current material cost of Company standard street lighting equipment in lieu of which the SOM is being used. Customer has up to twenty-four (24) months from the time Company uses, or takes possession of, such Customer SOM to seek reimbursement from Company.

B. Customer will maintain an inventory of at least ____ posts and ____ luminaires and any other materials agreed to by Company and Customer, and will replenish the stock by ordering materials no later than thirty (30) calendar days after the materials are drawn from inventory. Costs of initial inventory are included in this Agreement. 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 its costs (including the labor costs associated with Company's management of the supply chain for the SOM) no later than thirty (30) calendar days after receipt of Company's invoice for such costs. Customer 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 Customer's inventory site must be provided between the hours of 9:00a.m. to 4:00p.m., Monday through Friday with the exceptions of federal Holidays. If Company is unable to access the site during such hours for any reason, Company: (i) shall be relieved from any obligation or commitment to complete the work as scheduled; and (ii) may, at its option, procure the inventory itself and have Customer to reimburse Company's costs for doing so. Customer shall name an authorized representative to contact regarding inventory: levels, access, usage, transactions, and provide the following contact information to Company:

Name: _____ Title: _____

Phone Number: _____ Email: _____

Customer will immediately notify Company of any changes in the Authorized Customer Representative. Customer must comply with SOM manufacturer's recommended inventory storage guidelines and practices. Damaged SOM will not be installed by Company.

D. In the event that SOM is damaged by a third party, Company may (but is not required to) pursue a damage claim against such third party for all of Company's costs incurred because of the claim, including all labor and replacement materials. Company will notify Customer as to whether Company will pursue such claim within a reasonable time of the SOM being damaged.

E. In the event that SOM becomes obsolete, discontinued, or incompatible with Company's infrastructure, Customer shall select new alternate SOM that is compatible with Company's then-existing infrastructure. If Customer does not select compatible alternate SOM, Company reserves the right to select compatible SOM that is, in its reasonable judgment, substantially similar, or replace the SOM with standard materials, in either case being entitled to

reimbursement from Customer for Company's costs in providing such transition of supply (including internal overhead and labor costs).

F. Should Customer experience, in Company's reasonable judgment, excessive LED equipment failures that are not supported by LED manufacturer warranties, Company will replace the LED equipment with other Company supported Solid State or High Intensity Discharge luminaires at Company's discretion. The full cost to complete these replacements to standard street lighting equipment will be the responsibility of Customer.

14. Special Financing Options

A. Finance Charge Option:

As an alternative, where the required contribution exceeds \$10,000, upon agreement of the Customer and the Company, the Customer will pay an additional annual charge of the Company's weighted average cost of capital (7.00%) times the contribution amount in lieu of the cash contribution.

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

Company:

DTE Electric Company

By: _____

Name: _____

Title: _____

Date: _____

Customer:

City of Novi

By: _____

Name: _____

Title: _____

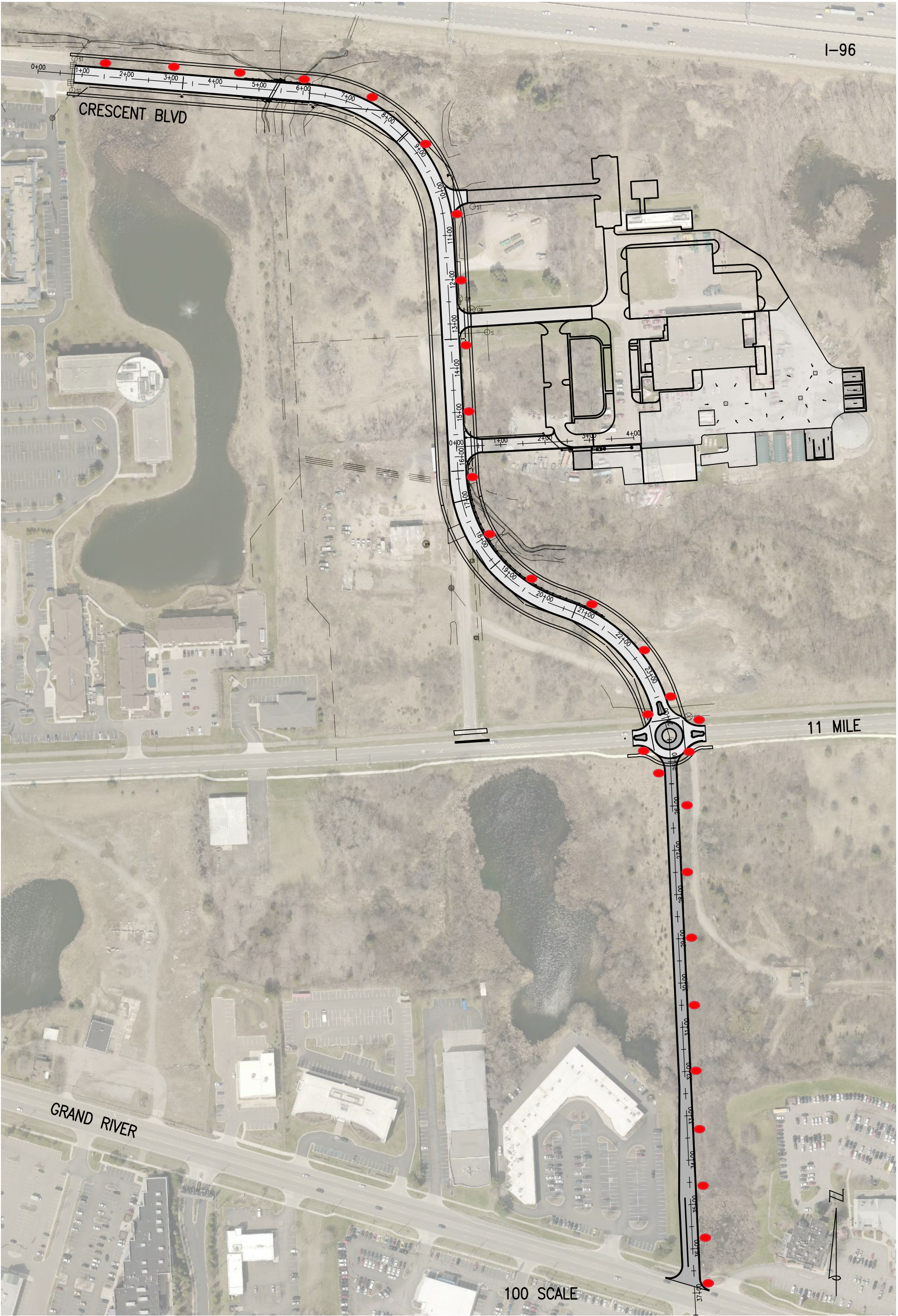
Date: _____

 SIGN HERE

Attachment 1 to Purchase Agreement

Map of Location

[To be attached]



SHEET	DATE	PROJ NUMBER	ENG	PROJ MGR	CADD	COUNTY	CITY/VILLAGE/TOWNSHIP	SCALE	HORIZ DATUM	VERT DATUM
1	09/06/19	0163-19-0010	ARP	TJU	ARP	OKLAND	CITY OF NOVI	H: 1"=100' V: N/A	NAD 83	NAVD 1988
OF 1	CITY OF NOVI LEE BEGOLE DRIVE RECONSTRUCTION AND EXTENSION EXHIBIT									

REVISIONS:

