

cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item ^E
August 25, 2008

SUBJECT: Approval of Agreement with the Roma Ridge Homeowners' Association to upgrade an existing standard utility light and equipment for a decorative streetlight at the subdivision entrance located at 10 Mile and Roma Ridge Drive, at the Association's expense.

SUBMITTING DEPARTMENT: DPW

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

In October 2007, the Roma Ridge Homeowners' Association Board of Directors requested DPW' assistance to upgrade an existing standard utility light and equipment to a decorative street light. Staff has been working with the Homeowners' Association Board of Directors, DTE Energy, and the Finance Department to complete this initiative. The City Attorney prepared the Agreement which has been approved and signed by the Roma Ridge Homeowners' President.

The Agreement includes the following provisions:

- A DTE estimate for installation and operation of the streetlight, a required charge for the streetlight (\$2,190), and an operating cost for the first year (\$187.20 annual operating cost).
- The City agrees to assist the Association with the installation and operation of the streetlight with DTE.
- The Association acknowledges that the streetlight is being installed at the request of the Roma Ridge residents, mainly for their benefit, and agree that the annual operating cost is and shall be its sole responsibility.
- The City shall contract with DTE for the streetlight installation and operation.
- The Association shall pay the upgrade costs directly to DTE.
- The Association shall pay the City \$187.20 the first year, plus a 10% administrative fee. Failure to pay costs within 30 days of the Due Date shall result in the City imposing a lien for the amount due and owing, plus interest and penalties (deemed and collected as delinquent real property taxes).
- The parties agree that payments are based upon DTE estimates for lighting services and that the charges may increase over time.
- The term of the Agreement is for 20 years and shall be automatically renewed for additional 5-year periods until either party notifies the other party, in writing, of its intent not to renew. Notice of intent not to renew shall be given not less than one year prior to the expiration of the original and any renewal terms.

RECOMMENDED ACTION: Approval of Agreement with the Roma Ridge Homeowners' Association to upgrade an existing standard utility light and equipment for a decorative streetlight at the subdivision entrance located at 10 Mile and Roma Ridge Drive, at the Association's expense.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

AGREEMENT

This Agreement is entered into this 11th day of AUGUST, 2008, 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 ROMA RIDGE HOMEOWNERS' ASSOCIATION, a Michigan non-profit corporation ("Association"), whose address is 24670 Naples, Novi, MI 48376.

RECITATIONS:

The Association is the entity designated by the By-laws of the Roma Ridge 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 decorative street light at [location] in the subdivision at the intersection of Ten Mile and Roma Ridge Drive, 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 a charge for the decorative streetlight of \$2,190.00 and an operating cost for the first year in the amount of \$187.20 ("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 Roma Ridge 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 decorative streetlight.

2. Upon execution of this Agreement, or when requested by DTE, whichever occurs later, the Association shall pay directly to DTE the upgrade cost of \$2,190.00, or such other amount as DTE shall require for installation of the proposed decorative street light.

3. Upon execution of this Agreement, the Association shall pay to the City the amount of \$187.20, representing the estimated Annual Operating Cost for the decorative streetlight for the first year, plus an administrative fee in the amount of 10%. If the Association fails to pay such costs within thirty (30) days of the Due Date, the City shall have a lien for the amount due and owing, plus interest and penalties, and shall be collected as, and shall be deemed delinquent real property taxes according to the laws made and provided for the collection of delinquent real property taxes. [REDACTED]

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. The Annual Operating Cost shall increase a minimum of \$10.00 per year for each year of the existence of the Agreement.

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.

7. The term of this Agreement shall be for twenty (20) years, and shall automatically renew for additional five (5) year periods thereafter, until such time as either party shall notify the other in writing of its intent not to renew. Such notice of intent not to renew shall be given not less than one year prior to the expiration of the original and any renewal terms.

8. 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.

[SIGNATURES BEGIN ON THE NEXT PAGE]

CITY OF NOVI, a Michigan municipal
Corporation

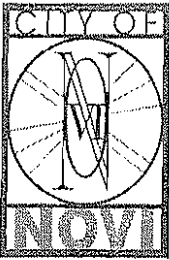
By: David B. Landry
Its: Mayor

By: Maryanne Cornelius
Its: Clerk

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ROMA RIDGE HOMEOWNERS
ASSOCIATION, a Michigan non-profit
corporation

Jill M. Wasson
By: *Jill M. Wasson*
Its: President



cityofnovi.org

City of Novi
45175 W. Ten Mile Rd.
Novi, MI 48375-3024

(248) 347-0440
www.cityofnovi.org

Receipt: 000014038

08/11/08

STREET LIGHT FOR ROMA RIDGE

ROMA RIDGE HOMEOWNERS ASSOCIATION

**PO BOX 14
NOVI MI 48376-0014**

PAID

The sum of: **\$2,614.92**

AUG 18 2008

CITY OF NOVI

MISC			2,377.20
	101-442.00-924.000		2,377.20
MISC			237.72
	101-000.00-633.000		237.72
		Total	2,614.92

TENDERED:

CHECKS

2358

2,614.92

Signed: _____



Roma Ridge
Homeowners Association

June 23, 2008

City of Novi
Benny McCusker
Director of Public Services
Department of Public Works

Re: Roma Ridge Entrance lighting upgrade

Dear Mr. McCusker,

After considering the proposals presented to us from DTE Energy, we would like to proceed with the lighting upgrade at our front entrance.

While considering the upgrade, we've spent much time examining various decorative fixtures in our area. One observation we've made is the variation of glass; clear, cloudy, patterned, etc.. It's unclear from the diagram we received exactly what kind of glass our fixtures will have. Without incurring any additional fees, we would like to simply state our preference for clear glass fixtures, but certainly want to keep within the parameters of the proposal.

Our selection is Proposal B, two fixtures and one post.

Attached is the proposal as presented to us by DTE. Please notify us on our next step in order to proceed with this upgrade.

We are certainly eager to see this transformation take place at our entrance, and are appreciative of the steps you've taken and communications you've administered thus far on our behalf.

Sincerely,

Jill Wasson
Roma Ridge Homeowners Association
Board of Directors



**Roma Ridge
Homeowners Association**

Proposal B

We have completed our review of a request for proposed lighting equipment upgrade; we have prepared a cost estimate for the replacement of 2 Street lights on Rome Ridge at 10 Mile Road (post # S100-OR336). We are recommending per your request the replacement of one existing code 06 steel 30 foot posts, cobra head luminaries with Acom style fixture and is mounted on one double arm Wadsworth, 14-foot fluted black post.

The costs are based on the Edison Option 1 rate, where Detroit Edison installs, owns, and maintains the lighting system. The rate requires a portion of the construction cost be paid by the customer.

Roma Ridge- 2 FIXTURES and 1 POST

Cost to construct	\$2,752.00
Minus 3yrs revenue**	
Second light (\$187.20x3x1)	\$562.00
Contribution from City of Novi (Subdivision Homeowners Assoc.)	\$2,190.00
Annual operating cost	
100-Watt High Pressure Sodium (existing)	
9,500 Lumens* (Nominal)	
(\$309.67)	
(No Billing Change)	
100-Watt High Pressure Sodium (additional)	
Second light same post	
9,500 Lumens* (Nominal)	
\$187.20	
Increase	
New Annual operating cost	
\$309.67 + 187.20 = \$496.87	

The price quoted herein shall be in effect for period of six months from the date hereof. After installation the total cost for additional modification, relocation or removal will be the responsibility of requesting party. The sum of \$2,190.00 will be made prior to the actual start of construction.

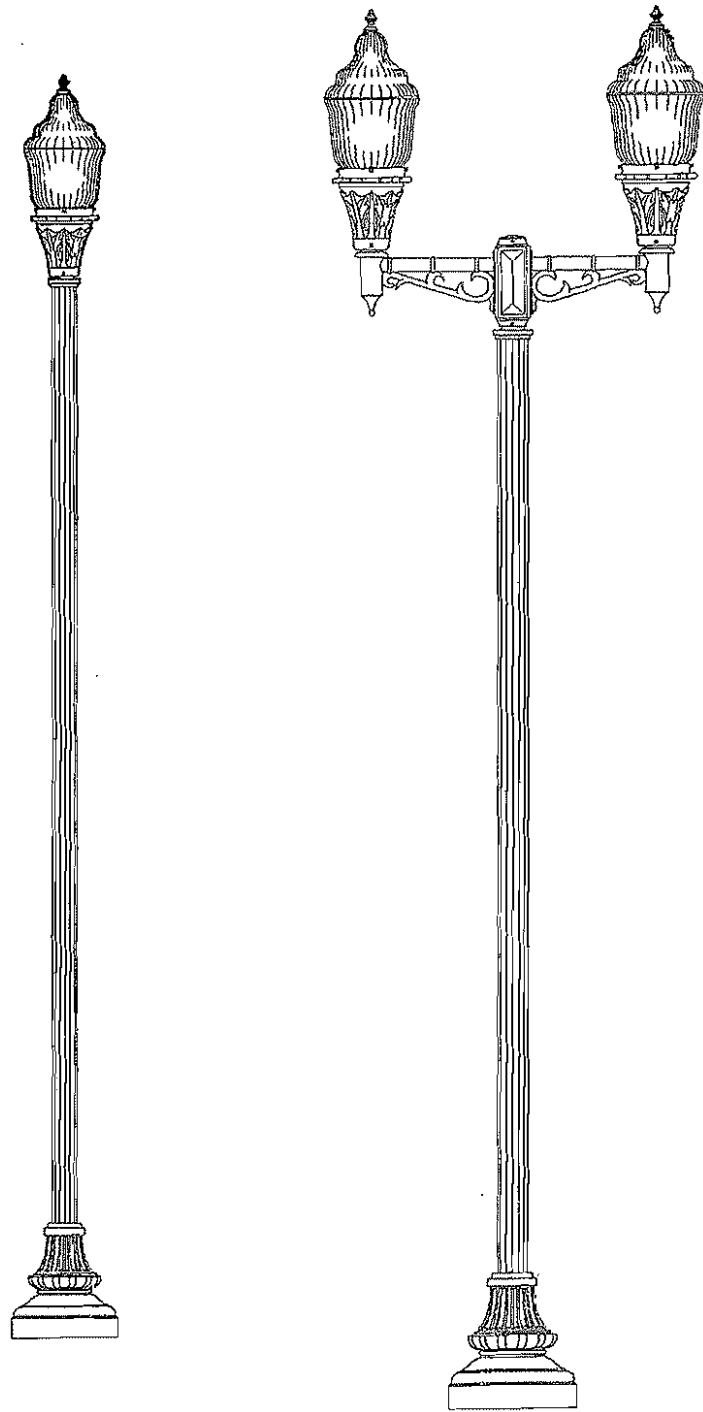
Please provide me with a letter of authorization and a purchase order if you would like us to proceed with the installation.

Existing Street light at the entrance to Roma Ridge subdivision off of Ten Mile Rd.

August 15, 2008







WADSWORTH 14' ALUMINUM
DIRECT BURY POST
W/17" BASE &
GRANDVILLE LEAF LUMINAIRE



Roma Ridge
Homeowners Association

October 12, 2007

Department of Public Works
City of Novi

Attn: Benny McCusker
Director of Public Works

Dear Mr. McCusker,

The Roma Ridge Homeowners Association is interested in the prospect of changing our existing standard utility light at our subdivision entrance, for a decorative utility lantern. We have made extensive upgrades to our entryway and believe this would further benefit the appearance of our entrance.

We are in the process of developing our 2008 operating budget, and would like to consider this upgrade in our budget. Could you please provide us with a cost analysis for this project and include what Roma Ridges' financial responsibility would be.

We are hoping to hold our budget meeting in mid-November, so if we could receive information prior to that we would greatly appreciate it.

Thanks in advance for your time and efforts.
Sincerely,

Jill Wasson
RRHA Board of Directors

Wasson6@ameritech.net