



CITY of NOVI CITY COUNCIL

Agenda Item L
February 26, 2018

SUBJECT: Approval of a Street Light Purchase Agreement with The Detroit Edison Company (DTE Energy) for the installation and ongoing operation costs of four (4) street lights, one at the entrance of the Dixon Meadows Phase 1 development Dixon Road and three (3) within the subdivision; and approval of an agreement with Pulte Homes of Michigan, LLC, a Michigan corporation, for the sharing of installation and ongoing operation costs per the City's Street Lighting Policy.

SUBMITTING DEPARTMENT: Department of Public Services, Engineering Division

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	<p>\$ 3,489.00 (Installation paid by City) <u>\$ 302.04 (Annual Operating Costs paid by City)</u> \$ 3,791.04 Total City share</p> <p>\$ 8,483.69 (Developer paid cost) \$ 871.88 (Street Light Reimbursement)</p>
AMOUNT BUDGETED	<p>\$ 118,432 (Street Light Installations) \$ 152,000 (Street Light Operations)</p>
LINE ITEM NUMBER	<p>101-442.10-924.050 (Street Light Installation) 101-442.20-924.000 (Street Light Operations) 701-000.00-924.000 (Developer Paid Costs) 101-442.20-924.001 (Street Light Reimbursement)</p>

BACKGROUND INFORMATION:

The developer of Dixon Meadows Phase 1, Pulte Homes of Michigan, is requesting installation of four (4) Basic Granville 39w LED light fixtures mounted on black fiberglass Mainstreet posts at the entrance and within the new residential development off of Dixon Road, North of Twelve Mile Road.

The Resolution for Amended Street Light Policy adopted September 24, 2012 states the City will provide one single, standard overhead street light in the public right-of-way at major road entrances of residential developments, such as Dixon Meadows, to enhance public safety. The policy also states when lighting requests include upgraded decorative or additional street lights, the petitioner shall bear the additional cost of installation beyond the cost for a single standard light. The developer is requesting a dual head decorative street light; therefore, the portion of the installation cost for the upgrade to a dual head decorative street light will be the developer's responsibility. Similarly, the policy states that the City will pay the on-going operation and energy costs for one street light at the entrance, and on-going operation and energy costs for additional lighting will be paid by the Association.

Engineering staff worked with DTE Energy and the Developer to determine the appropriate location for street light posts, and obtained an estimate of the installation and ongoing operation costs for a single standard light and the Basic Granville style lights on single poles. The new street lights will be underground fed Basic Granville style 39w LED fixtures on single 12 foot black fiberglass poles, consistent with the style of street lighting the City considers the standard for residential entryway lighting.

In order to facilitate installation of the street lights, 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 \$11,972.69 and an ongoing annual lamp charge of \$1,173.92 for operation and maintenance of the street light. As with all other street light installations, the City requires payment by the applicant for all reimbursable charges and the City pays DTE Energy directly.

The following table summarizes the cost sharing for the requested streetlights:

Description	City Share	Developer/Association Share	Total
Installation Costs	\$3,489.00	\$8,483.69	\$11,972.69
Annual Operating Costs	\$302.04	\$871.88	\$1,173.92

A second agreement between the City and Pulte Homes of Michigan is also provided for consideration to formalize the cost sharing and payment arrangement for the installation and operation of the light. Pulte Homes of Michigan has paid to the City its portion of the installation cost.

The proposed agreements have been reviewed and recommended for approval by Engineering staff and the City Attorney (Beth Saarela, February 14, 2018).

RECOMMENDED ACTION: Approval of a Street Light Purchase Agreement with Detroit Edison Company for the installation and ongoing operation costs of four (4) street lights, one at the entrance of the Dixon Meadows Phase 1 subdivision on Dixon Road and three (3) within the subdivision; and approval of an agreement with Pulte Homes of Michigan, LLC, a Michigan corporation, for the sharing of installation and ongoing operation costs per the City's Street Lighting Policy.

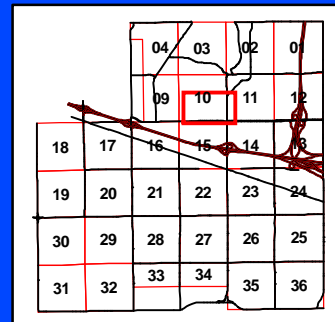
DTE Street Light Installation Dixon Meadows Subdivision - Phase 1 (Dixon Rd) Location Map



Map Author: R. Runkel
Date: 2/14/18
Project:
Version #:

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

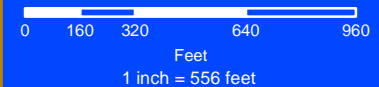



Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of January 26, 2018 between The Detroit Edison 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 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:	48475802 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:	Dixon Meadows Phase I-Dixon Rd/Sedgwick, as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	4	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	Install (4) stock, black MainStreet fiberglass posts on concrete foundations, and (4) stock 39w LED Basic Granvilles with black housing.	
5. Estimated Total Annual Lamp Charges	\$1,173.92	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$15,494.45
	Credit for 3 years of lamp charges:	\$3,521.76
	CIAC Amount (cost minus revenue)	\$11,972.69
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.

12. Experimental Emerging Lighting Technology ("EELT") Terms:

All or a portion of the Equipment consists of EELT: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. The annual billing lamp charges for the EELT equipment has been calculated by the Company are based upon the estimated energy and maintenance cost expected with the Customer's specific pilot project EELT equipment. .

B. Upon the approval of any future MPSC Option I tariff for EELT street lighting equipment, the approved rate schedules will automatically apply for service continuation to the Customer under Option 1 Municipal Street Lighting Rate, as approved by the MPSC. The terms of this paragraph B replace in its entirety Section 7 of the Master Agreement with respect to any EELT equipment purchased under this Agreement.

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

Company:

The Detroit Edison Company

By: _____

Name: _____

Title: _____

Customer:

City of Novi

By: _____

Name: _____

Title: _____



Attachment 1 to Purchase Agreement

Map of Location

[To be attached]



Know what's below.
Call before you dig

WITHERSPOON DR

6

WL 4:
IN: POST CODE 016
IN: FOUNDATION TYPE 16A CONCRETE
IN: UG MULTIPLE LED 39 LW ACORN
IN: UG PCLL
L39 AFX260 -- 9000 NOVI -- 0310 -- 495-- R

DECLARATION RD

WL 6:
IN: DET 23227F

WL 3:
IN: POST CODE 016
IN: FOUNDATION TYPE 16A CONCRETE
IN: UG MULTIPLE LED 39 LW ACORN
IN: UG PCLL
L39 AFX259 -- 9000 NOVI -- 0310 -- 495-- B

BILLINGS DR

WL 5:
IN: DET 23227F

HANOVE DR

VERONA DR

CLYMER DR

CARLTON WAY

DIXON RD

WL 7:
IN: DET 23227E

WL 2:
IN: POST CODE 016
IN: FOUNDATION TYPE 16A CONCRETE
IN: UG MULTIPLE LED 39 LW ACORN
IN: UG PCLL
L39 AFX258 -- 9000 NOVI -- 0310 -- 495-- R

SEDGWICK BLVD

WL 1:
IN: POST CODE 016
IN: FOUNDATION TYPE 16A CONCRETE
IN: UG MULTIPLE LED 39 LW ACORN
IN: UG PCLL
L39 AFX257 -- 9000 NOVI -- 0310 -- 495 B

LEGEND

- EXISTING DECO POLE
- PROPOSED POLE
- FOREIGN POLE
- EXISTING ANCHOR
- PROPOSED ANCHOR
- TREE
- 120/240 V LINE
- 4.8 KV LINE
- 13.2 KV LINE
- 40 KV LINE



DTE Energy		DTE Electric - Distribution Engineering and Planning					
Service Planner		Work Order Description					
O'Dea, Charlotte A		SL - NBUS - 4 UG - Dixon Meadows Phase 1 - Novi					
Phone	Work Order #	GIS-DSN	COH	CUL	CUG	PLC	
734.397.4307	48558151						
Supervisor	Circuit #1	Circuit #2	PH	SCMAT			
Brian R Kinnick	AKRON8964						
Phone	Service Center	Worksite City	Worksite Twp	County			
734.397.4024	WWS	NOVI	NOV	Oakland			
Planning Engineer	JU Work to be Performed	JU	RSD				
Phone	JU Company	Contact	Email	Phone			
	JU Company	Contact	Email	Phone			
Phone	CUE Number	Ver	Plot Date	Scale	Town	Range	
	746788	1	9/26/2017		01N	08E	
						Section	
						10	
						Qtr	

AGREEMENT

This Agreement is entered into this ___ day of _____, 20___, 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 PULTE HOMES OF MICHIGAN, LLC, a Michigan LLC, ("Developer") whose address is 100 Bloomfield Hills Parkway, Suite 140, Bloomfield Hills, Michigan 48304 and the DIXON MEADOWS CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation, whose address is 100 Bloomfield Hills Parkway, Suite 150, Bloomfield Hills, 48304 ("Association").

RECITATIONS:

The Developer and the Association are designated to administer the affairs of said subdivision at this time.

The Developer has requested the City to assist it in making a certain local public improvement consisting of the installation of four (4) street lights within Phase I of the Dixon Meadows Site Condominium, one at the entrance on Sedgwick Boulevard, and three (3) within the subdivision as described and depicted on the attached Exhibit A hereto.

In accordance with the City's Amended Street Light Policy, dated September 24, 2012, the City will contract directly with DTE for the installation and operation of the type and number of poles and fixtures requested by the Association.

For all requests for installation of a single standard street light at a major road entrance, the City will contract with DTE for the installation of the requested street light. The City will pay the non-DTE share of the installation cost and the annual cost of operating the street light, in accordance with the City's policy.

For all requests other than installation of a single standard street light at a major road entrance, including a non-standard decorative street light, the City will contract with DTE for the installation of the requested street light or lights. The Developer/Association shall reimburse the City for the non-DTE share of the installation cost.

For all requests for street lights in addition to a single street light at a major road entrance, the Association shall reimburse the City on an annual basis for ongoing operating costs of the additional street lights.

The Developer and the Association are authorized to execute this Agreement.

The City has obtained from the Detroit Edison Company ("DTE") an estimate for the installation and annual operation of said street lights, requiring a charge for the four (4) decorative street lights of \$11,972.69 and an operating cost for the first year in the amount of \$1,173.92 ("Annual Operating Cost").

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

The parties desire to enter into this Agreement to provide for the payment to the City by the Developer and/or Association of the cost of installation for the upgrade to the decorative light at the entrance and three (3) additional lights within the subdivision, plus the City's 10% administrative fee, in the total amount of \$9,332.06 and an Annual Operating Cost, plus the City's 10% administrative fee, in the total amount of \$959.07 for which the City will be billed by DTE directly, and the Developer/Association shall reimburse the City in accordance with the Street Light Policy.

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 street lights.

2. Upon execution of this Agreement, the Developer and/or Association shall pay directly to the City the amount of \$9,332.06, representing the Developer/Association portion of the installation cost plus an administrative fee in the amount of 10%, or such other amount as DTE shall require for installation of the proposed street lights.

3. Upon execution of this Agreement, or when requested by the City, the Developer/Association shall pay to the City the amount of \$959.07 representing the estimated Annual Operating Cost for the additional streetlights beyond the first standard street light allowed under the Street Light Policy 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 property taxes.

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 Developer/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. This Agreement contains the entire agreement between the parties, and to statement, promises, or inducement 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 both parties and endorsed hereon.

6. The term of this Agreement shall be for twenty (20) years, and shall automatically renew for additional five (5) years 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.

7. 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: Robert J. Gatt
Its: Mayor

By: Dawn Spaulding
Its: Acting City Clerk

DIXON MEADOWS CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation


By: PAUL SCHRYCK
Its: DIVISION DIRECTOR OF LAND DEVELOPMENT

PULTE HOMES OF MICHIGAN, LLC, a Michigan limited liability company


By: PAUL SCHRYCK
Its: DIVISION DIRECTOR OF LAND DEVELOPMENT



JOHNSON ROSATI SCHULTZ JOPPICH PC

27555 Executive Drive Suite 250 ~ Farmington Hills, Michigan 48331
Phone: 248.489.4100 | Fax: 248.489.1726

Elizabeth Kudla Saarela
esaarela@jrsjlaw.com

www.jrsjlaw.com

February 14, 2018

Darcy Rechten, Plan Review Engineer
City of Novi
Public Services
Field Services Complex
26300 Lee BeGole Drive
Novi, MI 48375

Re: Street Lighting Agreements
Dixon Meadows

Dear Ms. Rechten:

We have received and reviewed the City's Agreement with the Developer and Association to install four (4) decorative street lights within the Dixon Meadows Subdivision, one at the entrance at Sedgwick Boulevard, and three (3) within the subdivision. While the City will pay the ongoing energy costs relating to a single street light within the public right-of-way, the City passes the ongoing energy cost for additional lamps on to the Association. Additionally, the Developer will be required to pay the cost of installing the additional street lights and the additional cost of the entrance light that is attributable to the upgraded "decorative" street lighting equipment. The Developer will execute the Agreement on its behalf and as a member of the Dixon Meadows Condominium Association. The Street Lighting Agreement with the appears to be acceptable as provided.

We have also received and reviewed the Purchase Agreement for Municipal Street Lighting (Work Order 48475802) for the installation of the four (4) street lights serving the Dixon Meadows Subdivision. The Purchase Agreement is a standard form agreement prepared by The Detroit Edison Company ("DTE") for use in projects for installation and maintenance of new street lighting. It references and incorporates the terms of the Master Agreement for Municipal Street Lighting entered into between the City and DTE Energy on March 4, 2013, 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.

Darcy Rechten, Plan Review Engineer
February 14, 2018
Page 2

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 terms of the Master Agreement apply to each Purchase Agreement for individual projects. The Master Agreement was previously revised to satisfactorily address an issue we raised with the liability provisions in the Agreement.

The Purchase Agreement and Master Street Lighting Agreement are in DTE's standard format and we see no legal impediment to approval of the agreements.

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

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.



Elizabeth Kudla Saarela

EKS

Enclosures

C: Cortney Hanson, Clerk (w/Enclosures)
Jeffrey Herczeg, Director of Public Services (w/Enclosures)
George Melistas, Senior Engineering Manager (w/Enclosures)
Thomas R. Schultz, Esquire (w/Enclosures)

AGREEMENT

This Agreement is entered into this ___ day of _____, 20 ___, 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 PULTE HOMES OF MICHIGAN, LLC, a Michigan LLC, ("Developer") whose address is 100 Bloomfield Hills Parkway, Suite 140, Bloomfield Hills, Michigan 48304 and the DIXON MEADOWS CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation, whose address is 100 Bloomfield Hills Parkway, Suite 150, Bloomfield Hills, 48304 ("Association").

RECITATIONS:

The Developer and the Association are designated to administer the affairs of said subdivision at this time.

The Developer has requested the City to assist it in making a certain local public improvement consisting of the installation of four (4) street lights within Phase I of the Dixon Meadows Site Condominium, one at the entrance on Sedgwick Boulevard, and three (3) within the subdivision as described and depicted on the attached Exhibit A hereto.

In accordance with the City's Amended Street Light Policy, dated September 24, 2012, the City will contract directly with DTE for the installation and operation of the type and number of poles and fixtures requested by the Association.

For all requests for installation of a single standard street light at a major road entrance, the City will contract with DTE for the installation of the requested street light. The City will pay the non-DTE share of the installation cost and the annual cost of operating the street light, in accordance with the City's policy.

For all requests other than installation of a single standard street light at a major road entrance, including a non-standard decorative street light, the City will contract with DTE for the installation of the requested street light or lights. The Developer/Association shall reimburse the City for the non-DTE share of the installation cost.

For all requests for street lights in addition to a single street light at a major road entrance, the Association shall reimburse the City on an annual basis for ongoing operating costs of the additional street lights.

The Developer and the Association are authorized to execute this Agreement.

The City has obtained from the Detroit Edison Company ("DTE") an estimate for the installation and annual operation of said street lights, requiring a charge for the four (4) decorative street lights of \$11,972.69 and an operating cost for the first year in the amount of \$1,173.92 ("Annual Operating Cost").

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

The parties desire to enter into this Agreement to provide for the payment to the City by the Developer and/or Association of the cost of installation for the upgrade to the decorative light at the entrance and three (3) additional lights within the subdivision, plus the City's 10% administrative fee, in the total amount of \$9,332.06 and an Annual Operating Cost, plus the City's 10% administrative fee, in the total amount of \$959.07 for which the City will be billed by DTE directly, and the Developer/Association shall reimburse the City in accordance with the Street Light Policy.

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 street lights.

2. Upon execution of this Agreement, the Developer and/or Association shall pay directly to the City the amount of \$9,332.06, representing the Developer/Association portion of the installation cost plus an administrative fee in the amount of 10%, or such other amount as DTE shall require for installation of the proposed street lights.

3. Upon execution of this Agreement, or when requested by the City, the Developer/Association shall pay to the City the amount of \$959.07 representing the estimated Annual Operating Cost for the additional streetlights beyond the first standard street light allowed under the Street Light Policy 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 property taxes.

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 Developer/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. This Agreement contains the entire agreement between the parties, and to statement, promises, or inducement 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 both parties and endorsed hereon.

6. The term of this Agreement shall be for twenty (20) years, and shall automatically renew for additional five (5) years 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.

7. 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

PULTE HOMES OF MICHIGAN, LLC, a Michigan limited liability company

By: Robert J. Gatt
Its: Mayor

By:
Its:

By: Dawn Spaulding
Its: Acting City Clerk

DIXON MEADOWS CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation

By:
Its:

DTE Energy



January 26, 2018

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

Re: City of Novi- Dixon Meadows Subdivision-Phase I

Attached is the agreement for the work to be performed in the budget letter was sent on September 27, 2017. 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 \$11,972.69 is also required at this time. 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 January 26, 2018 between The Detroit Edison 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 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:	48475802 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:	Dixon Meadows Phase I-Dixon Rd/Sedgwick, as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	4	
4. Description of Equipment to be installed (the " <u>Equipment</u> "):	Install (4) stock, black MainStreet fiberglass posts on concrete foundations, and (4) stock 39w LED Basic Granvilles with black housing.	
5. Estimated Total Annual Lamp Charges	\$1,173.92	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$15,494.45
	Credit for 3 years of lamp charges:	\$3,521.76
	CIAC Amount (cost minus revenue)	\$11,972.69
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.

12. Experimental Emerging Lighting Technology ("EELT") Terms:

All or a portion of the Equipment consists of EELT: (check one) YES NO

If "Yes" is checked, Customer and Company agree to the following additional terms.

A. The annual billing lamp charges for the EELT equipment has been calculated by the Company are based upon the estimated energy and maintenance cost expected with the Customer's specific pilot project EELT equipment. .

B. Upon the approval of any future MPSC Option I tariff for EELT street lighting equipment, the approved rate schedules will automatically apply for service continuation to the Customer under Option 1 Municipal Street Lighting Rate, as approved by the MPSC. The terms of this paragraph B replace in its entirety Section 7 of the Master Agreement with respect to any EELT equipment purchased under this Agreement.

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

Company:

Customer:

The Detroit Edison Company

City of Novi

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Attachment 1 to Purchase Agreement

Map of Location

[To be attached]