



CITY OF NOVI CITY COUNCIL

SEPTEMBER 30, 2024

SUBJECT: Approval of a Street Lighting Purchase Agreement with Detroit Edison Company (DTE) for the installation and ongoing operation cost of one (1) additional decorative light fixture on an existing light post located at the 10 Mile Road entrance of Valencia South Estates Phase 3, and approval of an amendment to the Street Light Agreement with the Valencia South Estates Condominium Association.

SUBMITTING DEPARTMENT: Department of Public Works, Engineering Division

KEY HIGHLIGHTS:

- The Association will be responsible for the cost of installing the second fixture and the additional annual charges resulting from the second fixture and increased wattages.
- The City will continue to pay DTE the cost to operate one standard entrance light annually.

BACKGROUND INFORMATION:

The Valencia South Estates Condominium Association (Association) is requesting additional street lighting at the subdivision entrance off 10 Mile Rd at Presidio Ln. The Association believes the existing one (1) 39w decorative street light at the 10 Mile Rd entrance provides insufficient lighting for motorists. At DTE's recommendation, the Association is requesting increasing the wattage of the existing light fixture to 60w and adding a second 60w light fixture to the existing light post.

In order to add the second light fixture, DTE is requesting approval and execution of the attached Purchase Agreement. The Association will be responsible for the cost of installing the second fixture and the additional annual charges resulting from the second fixture and increased wattages. The existing Street Lighting Agreement between the City and the Association (September 23, 2019) was amended to reflect the costs of the second fixture. The Purchase Agreement and amended Street Lighting Agreement have been reviewed and are recommended for approval by Engineering staff and the City Attorney (Beth Saarela, September 10, 2024).

The DTE Energy agreement requires the City to pay the total installation cost of \$1,083.34 and an ongoing annual lamp charge of \$586.44 for operation and maintenance of the street light. Per the City's street light policy, the City will continue to pay DTE the cost to operate one standard entrance light annually, \$236.76, and the Association will pay the City the remainder of the operating cost plus a 10% administration fee. 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	Association Share*	Total
Installation Costs	\$ 0	\$ 1,083.34	\$ 1,083.34
Annual Operating Costs	\$ 236.76	\$ 349.68	\$ 586.44

*Association share does not include 10% administration fee, which will be added at time of payment collection.

RECOMMENDED ACTION: Approval of a Street Lighting Purchase Agreement with Detroit Edison Company (DTE) for the installation and ongoing operation cost of one (1) additional decorative light fixture on an existing light post located at the 10 Mile Road entrance of Valencia South Estates Phase 3, and approval of an amendment to the Street Lighting Agreement with the Valencia South Estates Condominium Association.