



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2006-0093

TO: Mayor and City Council Members

FROM: Roger H. Rousse, DPS Director

DATE: February 15, 2006

SUBJECT: DTE Energy Street Lighting Agreement – Hamlin Road between S. Adams Road (City Limit) and Rookery Drive – Section 30

REQUEST:

City Council is requested to approve a service agreement between DTE Energy and the City of Rochester Hills for the system maintenance, improvements, emergency repairs, equipment changes and replacements to nine (9) existing street lights located within the Hamlin Road public right-of-way (R.O.W.) located between S. Adams Road (City limits) and Rookery Drive during 2006, in an amount not-to-exceed \$10,000 and authorizes the use of funds to evaluate and repair the westbound street lights for the estimated cost of \$2,000.

REASON FOR PURCHASE:

In late 2002, nine (9) existing streetlights located within the Hamlin Road right-of-way (R.O.W.) between S. Adams Road (city limit) and Rookery Drive were identified as being out of service. City staff contacted DTE to determine the cause of streetlights not functioning and to have them repaired. Upon investigation, DTE determined that they did not own or maintain the streetlights in question and only provided the metered energy for their operation through DTE's street lighting division. Additionally, DTE discovered that the City of Auburn Hills had furnished the operation and maintenance costs associated with these streetlights since their original installation as part of the Hamlin Road widening improvements associated with the "Technology Park" developments that were constructed in 1990 along the border between Auburn Hills and Rochester Hills.

After lengthy subsequent meetings between City staff and DTE, including visits on-site, it was determined that the electronic "eye" that activates the streetlights was damaged and needed replacement. The electronic "eye" has since been replaced, however, the westbound direction of streetlights still remain non-functioning. In order for DTE to further evaluate and repair the remaining streetlights, a 2006 service agreement (copy attached) has been provided for the City to enter into with DTE in an amount not-to-exceed \$10,000. The estimated cost to evaluate and repair the westbound street lighting is \$2,000 and would be paid through the service agreement. This \$10,000 service agreement will need to be renewed annually to ensure future operation and maintenance of the Hamlin Road street lighting.

This segment of Hamlin Road is currently under the Road Commission for Oakland County's (RCOC) jurisdiction, however, once the Adams Road realignment project is completed, ownership of Hamlin Road, between existing S. Adams and N. Adams, will be transferred from the RCOC to the City of Rochester Hills. Also, all costs associated with the operation and maintenance of street lighting within the RCOC's R.O.W. is

borne by the local communities. Therefore, in order to keep the street lights along Hamlin Road in operation, staff recommends that the City of Rochester Hills enter into the street lighting service agreement with DTE for the system maintenance, improvements, emergency repairs, equipment changes, and replacements to nine (9) existing street lights in an amount not-to exceed \$10,000.

PROCESS:

Vendor Name and Address:

DTE Energy – Business Energy Services
 2000 Second Ave., 1289 W.C.B.
 Detroit, MI 48226-1279

Reason for Selection:

DTE Energy operates and maintains street lighting.

BUDGET:

In order to make the repairs in a timely manner, the estimated cost of \$2,000 to repair the westbound street lighting will be deducted from fund balance. A second quarter budget amendment to cover the service agreement and repairs in the amount of \$10,000 will be proposed in May 2006.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Major Road Traffic	472.807000	Contractual Services	-0-	\$10,000*	(\$10,000)

*Known costs at this time are estimated at \$2,000, however, there is the potential to use up to \$10,000 if necessary.

RECOMMENDATION:

That the Rochester Hills City Council approves the service agreement between Detroit Edison and the City of Rochester Hills for the system maintenance, improvements, emergency repairs, equipment changes and replacements to nine (9) existing street lights located within W. Hamlin Road public right-of-way (R.O.W.) located between S. Adams Road (City limits) and Rookery Drive during 2006, in an amount not-to-exceed \$10,000 and authorizes the use of funds to evaluate and repair the westbound street lights for the estimated cost of \$2,000.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		

Attachments: Copy of letter to RCOC dated November 27, 2002
 Copy of proposed DTE Energy Service Agreement