



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

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2010 - 0537

TO: Mayor and City Council Members
FROM: Paul M. Davis, P.E. – Acting DPS Director
DATE: November 30, 2010
SUBJECT: DTE Energy Street Light Agreement for Hazelwood Hills Subdivision

REQUEST:

The Department of Public Service requests City Council to approve the Standard Agreement for Municipal Street Lighting (AGREEMENT) between the City of Rochester Hills (CUSTOMER) and the Detroit Edison Company (COMPANY) for the installation of a street light within the Hazelwood Hills Subdivision at the boulevard island entrance at the intersection of Grand Park and Hazelton Avenue; and authorize the Mayor to execute the agreement on behalf of the City and to authorize the payment identified in the AGREEMENT, in the amount of \$4,351.09.

REASON FOR PURCHASE:

The Hazelwood Hills homeowners association (HOA) contacted City staff inquiring about the process for the installation of municipal street lighting within their subdivision. Based upon discussions with the HOA regarding the process, City staff requested a cost AGREEMENT from DTE and forwarded it to the HOA for their review. On November 11, 2010, at their regular meeting the HOA agreed to move forward with the installation of the requested street light. The equipment to be installed is one (1) twelve (12) foot fiberglass "Windsor" style post with twin 100 watt high pressure sodium acorn head style luminaries. This equipment is to be installed by the Detroit Edison Company at the final cost of \$4,351.09 per the terms of the AGREEMENT (copy attached).

Since DTE does not directly enter into streetlight AGREEMENTS with HOAs, the AGREEMENT is formally agreed upon between the CITY and DTE. Upon approval of the AGREEMENT, the City will require the HOA to enter into a separate Street Lighting Agreement (copy attached) between the City and HOA to ensure that proper funding, operations, and maintenance of the street lighting is followed through. Upon receipt of payment by the HOA to the City in the amount of \$4,351.09, the City then remits payment directly to DTE for costs associated with the street lighting installation. The monthly energy bills are invoiced to and paid by the City as the CUSTOMER and then billed, along with the twenty (20) percent administrative fees, to the HOAs.

PROCESS:

Vendor Name and Address:
The Detroit Edison Company
P. O. Box 630795
Cincinnati, OH 45263

Method of Purchase:
 Cost Participation Agreement

BUDGET:

Costs associated with the installation are "pass through" in nature.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Local Roads	203.104000	Account Receivable – Street Lighting	\$4,351.09	\$4,351.09	\$0

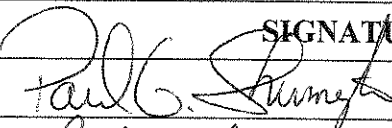
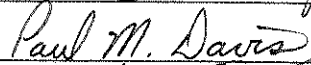
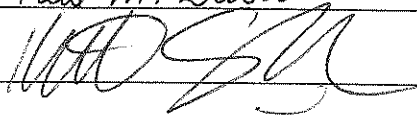
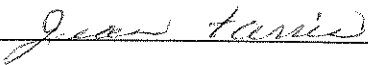
RECOMMENDATION:

The Department of Public Service recommends approval of the Standard Agreement for Municipal Street Lighting (AGREEMENT) between the City of Rochester Hills and the Detroit Edison Company (COMPANY) for the street light installation in the boulevard island of Grand Park at its intersection with Hazelton Avenue in Hazelwood Hills Subdivision; and authorize the Mayor to execute the agreement on behalf of the City and to authorize the payment identified in the AGREEMENT, in the amount of \$4,351.09.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		12-03-10
Department Director		12/3/10
Budget Content: Finance Director		12-3-10
Purchasing Process: Supervisor of Procurement		12-3-10
Mayor		
City Council Liaison		