

Southgate City Council Agenda

Council Chambers

Wednesday April 20, 2016

6:30pm

Work Study Session

1. Officials Reports
2. Discussions regarding agenda items.

7:00 pm

Regular Meeting

Pledge of Allegiance

Roll Call: Colovos, Farrah, George, Graziani, Rauch, Rollet, Zamecki.

Minutes:
1. Work Study Session Minutes dated April 6, 2016.
2. Regular City Council Meeting Minutes dated April 6, 2016.

Scheduled Persons in the Audience:

Consideration of Bids:

- | | |
|--|---------|
| 1. Letter from Mayor; Re: Bid for Grounds Maintenance – City Complex/DDA | Page 2 |
| 2. Letter from Mayor; Re: Bid for Weed Cutting | Page 6 |
| 3. Letter from Mayor; Re: Bid for Corp. Stops, Curb Stops & Couplings | Page 10 |
| 4. Letter from Mayor; Re: Bid for Purchase of Copper Tubing | Page 14 |
| 5. Letter from Mayor; Re: Bid for Ready-Mix Concrete | Page 18 |

Scheduled Hearings:

- | | |
|---|----------------------|
| 1. Memo from Administrator; Re: Southgate's Comprehensive Project Plan For Drinking Water Infrastructure Improvements | Page 18 ^A |
|---|----------------------|

Communications "A" –

- | | |
|--|---------|
| 1. Memo from Administrator; Re: Resolution to set an election date for the Proposed Ballot Question | Page 22 |
| 2. Memo from Administrator; Re: Resolution to Approve Purchase Agreement between City of Southgate and DTE | Page 24 |
| 3. Letter from Mayor; Re: Appointment to Dangerous Building Hearing Board | Page 31 |
| 4. Letter from Mayor; Re: Appointment to Library Commission | Page 32 |

Communications "B" – (Receive and File)

Ordinances:

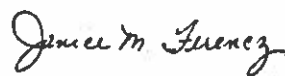
Old Business:

New Business:

Unscheduled Persons in the Audience:

Claims & Accounts: Warrant # 1303 – see warrant

Adjournment:



Janice M. Ferencz, City Clerk

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 13, 2016

To the Honorable
City Council
Southgate, Michigan 48195

Re: Bid for Grounds Maintenance of City Complex and DDA District

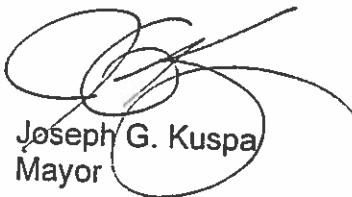
Ladies and Gentlemen:

Bids for Grounds Maintenance of City Complex and DDA District were received and reviewed by the administration. It is recommended by the DPS Director and I concur, that the bid be awarded to US Lawns, Livonia, in the amount of \$21, 924.00.

The cost for Grounds Maintenance will be paid for out of various accounts for this contract.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

page 2

JOSEPH C. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS


DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: March 10, 2016

RE: Bid Recommendation for Grounds Maintenance City Complex and DDA District

I have reviewed the above with the DPS Director concur with his recommendation to award this bid to US Lawns, Livonia, Michigan. The total bid cost is \$21,924.00.

The cost for the Ground Maintenance will be paid for out of various accounts for this contract.

From the Desk of:
Robert Tarabula
Director, D.P.S.
April 13, 2016

To: David Angileri
Finance Director

Re: Bid Recommendation for Grounds Maintenance of City Complex, DDA District,
& City Parks

I have reviewed the bids submitted for Grounds Maintenance of City Complex, DDA District, & City Parks I find US Lawns to be the best choice for the City, based upon the following:

- They meet all bid specifications
- They are the low bidder

Therefore, I recommend that (for a period of two years) the bid is awarded to:

US Lawns
15040 Dumay Street
Southgate, MI 48195
(734) 285-3444

If you have any questions, please contact me.

RT/ad

Enclosure: Bid Tabulation

(D/Bids-A: F4 Bid Recommendation: Grounds Maintenance of City Complex, DDA District, City Parks, and School District Properties)

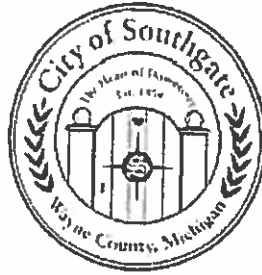
2016 GROUNDS MAINTENANCE TABULATION

Company	Weekly	24 Cuts	Bi-Weekly	12 Cuts	Yearly Total
US Lawns	711.00	17,064.00	405.00	4860.00	21,924.00
Denny's Maintenance	685.00	16,440.00	635.00	7,620.00	24,060.00
Brantley Development	1,180.47	28,331.28	695.305	8,343.66	36,674.90
Gratiot Landscaping	1,330.36	31,928.64	477.25	5,727.00	37,655.64
The Greener Side	1,328.75	31,890.00	1,189.75	14,277.00	46,167.00
Anything & Everything Lawns	1847.69	44,344.56	1,069.64	12,835.68	57,180.24
Xpert Lawn & Snow	2,996.80	71,923.20	1,415.70	16,988.40	88,911.60
Signature Services	8,060.40	193,446.60	4,863.50	58,362.62	251,811.60

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 13, 2016

To the Honorable
City Council
Southgate, Michigan 48195

Re: Bid for Weed Cutting

Ladies and Gentlemen:

It is recommended by City Administration and I concur, that the contract for Weed Cutting be awarded to US Lawns of Livonia, Michigan. This is lowest remaining qualified bidder and is in the best interest of the City.

Your favorable consideration to this bid recommendation would be greatly appreciated.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS


DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: April 13, 2016

RE: Bid Recommendation for Weed Cutting

I have reviewed the above with the DPS Director concur with his recommendation to award this bid to US Lawns, Livonia, Michigan.

The owner of the property will be billed for work that is done to their property.

From the Desk of:
Robert Tarabula
Director, D.P.S.
April 13, 2016

To: David Angileri
Finance Director

Re: Bid Recommendation for Weed Cutting, Grass Cutting, & Rubbish Removal

I have reviewed the bids submitted for Weed Cutting, Grass Cutting & Rubbish Removal. I find US Lawns to be the best choice for the City, based upon the following:

- They meet all bid specifications
- They are the lowest, qualified bidder
- We have developed an exceptional working relationship over the last several years

Therefore, I recommend that (for a period of two years) the bid is awarded to:

US Lawns
15040 Dumay Street
Southgate, MI 48195
(734) 285-3444

If you have any questions, please contact me.

RT/ad

Enclosure: Bid Tabulation

(D/Bids-A: F4 Bid Recommendation: Weed Cutting, Grass Cutting, & Rubbish Removal)

Weed and Grass Cutting and Rubbish Removal

COMPANY	Per Sq Ft	Per ¼ Acre	Per Acre	Debris Per Hour	Charge for Already Cut
Jordan Landscaping	.0011478	.00028695	50.00	22.00	10.00
Greener Side	.10	12.25	49.00	20.00	20.00
Owens Maintenance	.84/.29/.78	15.00	52.00	15.00	5.00
US Lawns	.10	25.00	38.00	15.00	20.00
Anything & Everything	.0015	28.00	75.00	45.00	5.00
PPM	3.00	30.00	35.00	60.00	15.00
Brantley Development	.004	34.75	52.00	55.00	5.00
Pritula & Sons	.0039	42.25	169.00	85.00	25/15

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 11, 2016

To the Honorable
City Council
Southgate, Michigan 48195

Re: Bid for Corp Stops, Curb Stops & Couplings

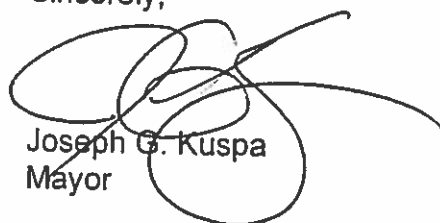
Ladies and Gentlemen:

It is recommended by the DPS Director and I concur, that the bid for Corp Stops, Curb Stops & Couplings be awarded to ETNA Supply Company, Grand Rapids, Michigan. ETNA Supply was the lowest bidder and meets bid specifications.

Sufficient funds are available in the Water and Sewer fund for this bid.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

page 10

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS


DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council


FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: April 11, 2016

RE: Recommendation for Corp. Stops, Curb Stops & Couplings

I have reviewed the above with the DPS Director and concur with his recommendation of awarding this bid to ETNA Supply Company, Grand Rapids, Michigan.

Adequate funds are available in the Water and Sewer Fund for this purpose.

From the Desk of:
Robert Tarabula 
Director, D.P.S.
April 6, 2016

To: David Angileri
Finance Director

Re: Bid Recommendation: Water System Supplies – Lead-free Corp. Stops,
Curb Stops & Couplings

I have reviewed the bids submitted for Water System Supplies (lead-free corp. stops, curb stops, & couplings) along with Water Systems Supervisor Brian Pearson. We find ETNA Supply Company to be the best choice for the city, based upon the following:

- They meet the bid specifications
- They are the low bidder

Therefore, I recommend that (for a period of two years) the bid be awarded to:

ETNA Supply Company
529 32nd Street S.E.
Grand Rapids, MI 49548-2392
800-290-3862

If you have any questions, please contact me.

RT/ad

Enclosures: Bid Tabulation

(D/Bids-A: F4 Bid Recommendation: Water System Supplies)

City of Southgate
14719 Schafer Court
Southgate, MI 48195
(734) 258-3079

Department of Public Services

Bid Tabulation – Water System Supplies- Lead-free Corp. Stops, Curb Stops, & Couplings

Company	Bid Amount
Ave Office Supply	\$42,123.00
HD Supple Waterworks	\$ 18,912.16
Etna Supply Company	\$ 17,162.90

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 11, 2016

To the Honorable
City Council
Southgate, Michigan 48195

Re: Bid for Purchase of Copper Tubing

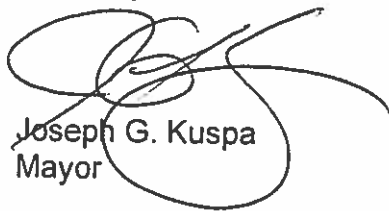
Ladies and Gentlemen:

Bids for the Purchase of Copper Tubing were received and reviewed by the administration. It is recommended by DPS Director and I concur, that the bid be awarded to Michigan Meter Technology Group, Madison Heights, they are the lowest bidder and meet all specifications.

Adequate funds are available in the Water and Sewer fund to cover costs associated with this purchase.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: April 11, 2016

RE: Recommendation for Copper Tubing

I have reviewed the above with the DPS Director and concur with his recommendation to award this bid to Michigan Meter Technology Group, Madison Heights, Michigan.

Adequate funds are budgeted in the Water and Sewer Fund accounts for this purchase.

From the Desk of:
Robert Tarabula
Director, D.P.S.
April 6, 2016

To: David Angileri
Finance Director

Re: Bid Recommendation: Water System Supplies – Copper Tubing

I have reviewed the bids submitted for Water System Supplies (Copper Tubing) along with Water Systems Supervisor Brian Pearson. We find Michigan Meter Technology Group, Inc to be the best choice for the city, based upon the following:

- They meet the bid specifications
- They are the low bidder

Therefore, I recommend that (for a period of two years) the bid is awarded to:

Michigan Meter Technology Group, Inc.
799 E Whitcomb Ave Whitcomb Ave
Madison Heights, MI 48071
(248)-585-3700

If you have any questions, please contact me.

RT/ad

Enclosures: Bid Tabulation

(D/Bids-A: F4 Bid Recommendation: Water System Supplies – Copper Tubing)

City of Southgate
14719 Schafer Court
Southgate, MI 48195
(734) 258-3079

Department of Public Services

Bid Tabulation – Water System Supplies- Copper Tubing

Company	Bid Amount
Ave Office Supply	\$3,462.00
Blue Water	\$3,927.00
Etna Supply Company	\$ 2,497.20
HD Supple Waterworks	\$ 2,859.00
Michigan Meter	\$2,457.00

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 11, 2016

To the Honorable
City Council
Southgate, Michigan 48195

Re: Bid for Ready-Mix Concrete

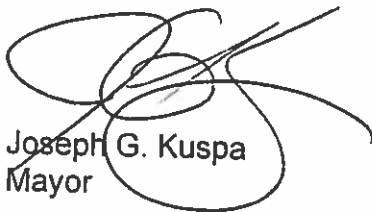
Ladies and Gentlemen:

It is recommended by DPS Director and I concur, that the bid for Ready-Mix Concrete be awarded to Best Concrete and Supply, Brownstown, Michigan in the amount of \$104.00 per cubic yard.

Sufficient funds are available in the various department accounts to cover costs associated with this purchase.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

Memorandum

To: Mayor and City Council

From: Bryce Kelley, City Administrator *BK*

Date: 15 April 2016

Re: Public Hearing to receive Public Comments on Southgate's Comprehensive Project Plan for Drinking Water Infrastructure Improvements within the City.

The City of Southgate is holding a public hearing tonight on the proposed water main rehabilitation project for the purpose of receiving comments from interested parties.

The purpose of the proposed project is to provide improvements to the existing water distribution system along major thoroughfares that are prone to frequent water main breaks. Project construction will involve the rehabilitation of existing water mains utilizing a trenchless technology known as cured-in-place pipe lining installation.

As designed the proposed project will extend the useful life of the existing sewer system and reduce the number costly repairs by the City Department of Public Services. The estimated cost to users for the proposed project will be approximately \$2,300,000.

At the close of the public hearing and later in the agenda, City Council will be asked to consider approving the Southgate Comprehensive Project Plan for Drinking Water Infrastructure Improvements within the City.

The Administration recommends the Council's favorable consideration for the project. Both the City Engineer and I look forward to addressing Council's questions and comments.

Sincerely,

Bryce Kelley, City Administrator

Page 18A

REVISED
NOTICE OF PUBLIC HEARING
CITY OF SOUTHGATE
PROPOSED WATER MAIN REHABILITATION PROGRAM

The City of Southgate will hold a public hearing on the proposed water main rehabilitation project for the purpose of receiving comments from interested parties. The hearing will be held during the regular City of Southgate Council meeting starting at 7:00pm on Wednesday, April 20, 2016 at the Municipal Council Chambers located at 14400 Dix-Toledo Highway, Southgate, Michigan.

The purpose of the proposed project is to provide improvements to the existing water distribution system along major thoroughfares that are prone to frequent water main breaks. Project construction will involve the rehabilitation of existing water mains utilizing a trenchless technology known as cured-in-place pipe lining installation.

The proposed project will extend the useful life of the existing sewer system and reduce the number costly repairs by the City Department of Public Services. The estimated cost to users for the proposed project will be approximately \$2,300,000.

Copies of the project plan detailing the proposed project are now available for inspection by the general public at the Office of the City Clerk, 14400 Dix-Toledo Highway, Southgate, Michigan. Written comments received before the hearing record is closed on April 20, 2016 will receive responses in the final project plan. Written comments should be sent to the City of Southgate's consulting engineer, Hennessey Engineers, 13500 Reeck Road, Southgate, Michigan.

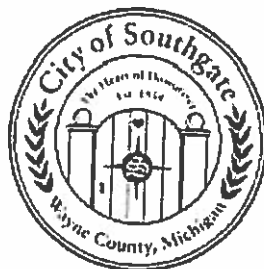
Janice M. Ferencz
City Clerk

NH 3-23-16
Publish date: 03/23/16

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS


DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council


FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: April 11, 2016

RE: Recommendation for Concrete (Ready – Mix)

I have reviewed the above with the Director of DPS and concur with his recommendation to award this bid to Best Concrete and Supply, Brownstown Michigan, \$104.00/cu yd. for the calendar 2016.

Adequate funds are budgeted in the various department accounts to cover this contract.

From the Desk of:
Robert Tarabula 
Director, D.P.S.
April 6, 2016, 2015

To: David Angileri
Finance Director

Re: Bid Recommendation – Concrete (Ready-Mix)

I have reviewed the bids submitted for Concrete (Ready-Mix) and find Best Concrete and Supply Inc. to be the best choice for the city, based upon the following:

- They meet the bid specifications
- They are the low bidder

Therefore, I recommend that (for a period of one year) the bid is awarded to:

Best Concrete and Supply Inc.
17200 Dix Toledo
Brownstown, MI 48193-8415
734 283-7055

If you have any questions, please contact me.

RT/ad

Bid Tabulation Enclosed

(D/Bids-A: F4 Bid Recommendation: Concrete)

City of Southgate
14719 Schafer Court
Southgate, MI 48195
(734) 258-3079

Department of Public Services
Bid Tabulation – Concrete

Company	Bid Amount
Best Concrete And Supply Inc	\$104/ cubic yard
McCoig Material, Primo	\$125/ cubic yard

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

Memorandum

To: Mayor and City Council

From: Bryce Kelley, City Administrator *BK*

Date: 15 April 2016

Re: Resolution to set an election date of August 2, 2016 for the Proposed Ballot question modifying certain provisions of the Southgate City Charter

At the Regular Meeting of the City Council, held February 17, 2016, Council adopted a resolution approving ballot language to amend Sections 37, 56 and 79 of the City Charter. These sections regulate the terms of office of all city elected officials.

Attached is correspondence from the City Attorney advising the Mayor and City Council that the Attorney General has approved the language and now requests that Council adopt a resolution setting the date for the Charter Amendment election.

The Administration recommends Council adopt a resolution setting the election date to coincide with the State Primary election to be held Tuesday August 2, 2016.

Council's favorable consideration is recommended and I look forward to addressing Council's questions and comments.

Sincerely,

Bryce Kelley, City Administrator

Law Offices of
HOWARD L. SHIFMAN, P.C.

Howard L. Shifman
E-mail: hshifman@howardlshifmanpc.com

Brandon Fournier
E-mail: bfournier@howardlshifmanpc.com

*370 E. Maple Road
Suite 200
Birmingham, MI 48009*

Phone: (248) 642-2383
Fax: (248) 642-1932

Robert Nyovich - Of Counsel

April 13, 2016

Honorable Southgate City Council
14400 Dix-Toledo
Southgate, MI 48195

Re: City of Southgate City Council Resolution; 20-16

On February 17, 2016 the Southgate City Council adopted resolution 20-16, which consisted of a proposed ballot question, which would modify certain provisions of the Southgate City Charter. Consistent with the City Council Resolution and the Michigan Home Rule City Act the proposed ballot question was sent to the State of Michigan Attorney General's Office for review.

This week our office was informed that the Attorney General has completed a review of the proposed language and prior to approving the question the City Council will be required to formally schedule the proposed question for an election date.

Therefore I am requesting the City Council adopt the attached resolution amending Southgate City Council resolution 16-20 as follows:

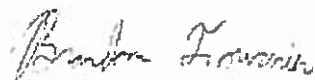
BE IT RESOLVED that the City Clerk shall cause this question to be submitted to the electors of the City of Southgate at a special city election to be held on the 2nd day of August, 2016 commensurate with the State Primary Election.

Once adopted the City Clerk will submit the amended resolution in order to obtain final approval from the Attorney General.

Upon receipt of final approval from the State of Michigan the City will then take the necessary steps to prepare for the question for the upcoming election. Should you have any additional questions please do not hesitate to contact me.

Very truly yours,

HOWARD L. SHIFMAN, P.C.

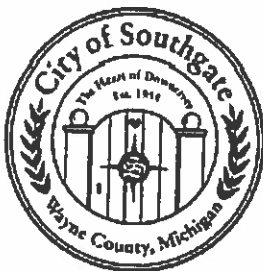


Brandon Fournier

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

Memorandum

To: Mayor and City Council

From: Bryce Kelley, City Administrator *BK*

Date: 14 April 2016

Re: Resolution to Approve the Purchase Agreement between the City of Southgate and DTE Energy to convert certain street lights on Northline and Eureka Roads to LED luminaires

Over a period of years Southgate has converted street light lamps to LED (light-emitting diode) luminaires which deliver the same amount of illumination as older lamps with much less electricity consumption and a longer lasting bulb life.

For Council's consideration is the conversion of the existing street lights along Northline, between I-75 and Dix Toledo Road; and along Eureka Road, between Allen and Fort Streets. DTE will replace 181 lights at a cost to the City of \$89,059.00. In addition DTE will rebate \$16,951.00 to the City once the project is complete.

The City will save approximately \$40,000.00 per year in streetlight energy costs, and realize a payback of Southgate's investment in 1.6 years at current power rates.

The Administration recommends City Council's favorable consideration of the Purchase Agreement between DTE Energy and the City of Southgate, in the amount of \$89,059.00, and authorization for the Mayor and City Clerk to execute all necessary documents.

I look forward to your questions and comments.

Exhibit A to Master Agreement

Purchase Agreement

This Purchase Agreement (this "Agreement") is dated as of April 7, 2016] between The Detroit Edison Company ("Company") and [City of Southgate] ("Customer").

This Agreement is a "Purchase Agreement" as referenced in the Master Agreement for Municipal Street Lighting dated [February 24, 2014] (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:	[TBD]	
	If this is a conversion or replacement, Indicate the Work Order Number for current installed equipment: [##### or N/A]	
2. Location where Equipment will be installed:	[Eureka Rd, Northline and I-75 north and south service drives], as more fully described on the map attached hereto as <u>Attachment 1</u> .	
3. Total number of lights to be installed:	[181]	
4. Description of Equipment to be installed (the "Equipment"):	[2-400w MV, 12-250w HPS and 167-400w HPS to 135w LED]	
5. Estimated Total Annual Lamp Charges	\$56,312.00	
6. Computation of Contribution in aid of Construction (" <u>CIAC Amount</u> ")	Total estimated construction cost, including labor, materials, and overhead:	\$80,059.00
	Credit for 3 years of lamp charges:	\$0.00
	CIAC Amount (cost minus revenue)	\$80,059.00
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:	[14400 Dix- Toldeo] [Southgate, MI 48195] [Bryce Kelley]	

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 0 posts and 0 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 _____. 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: _____ Title: _____

Phone Number: _____ Email: _____

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 1 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:

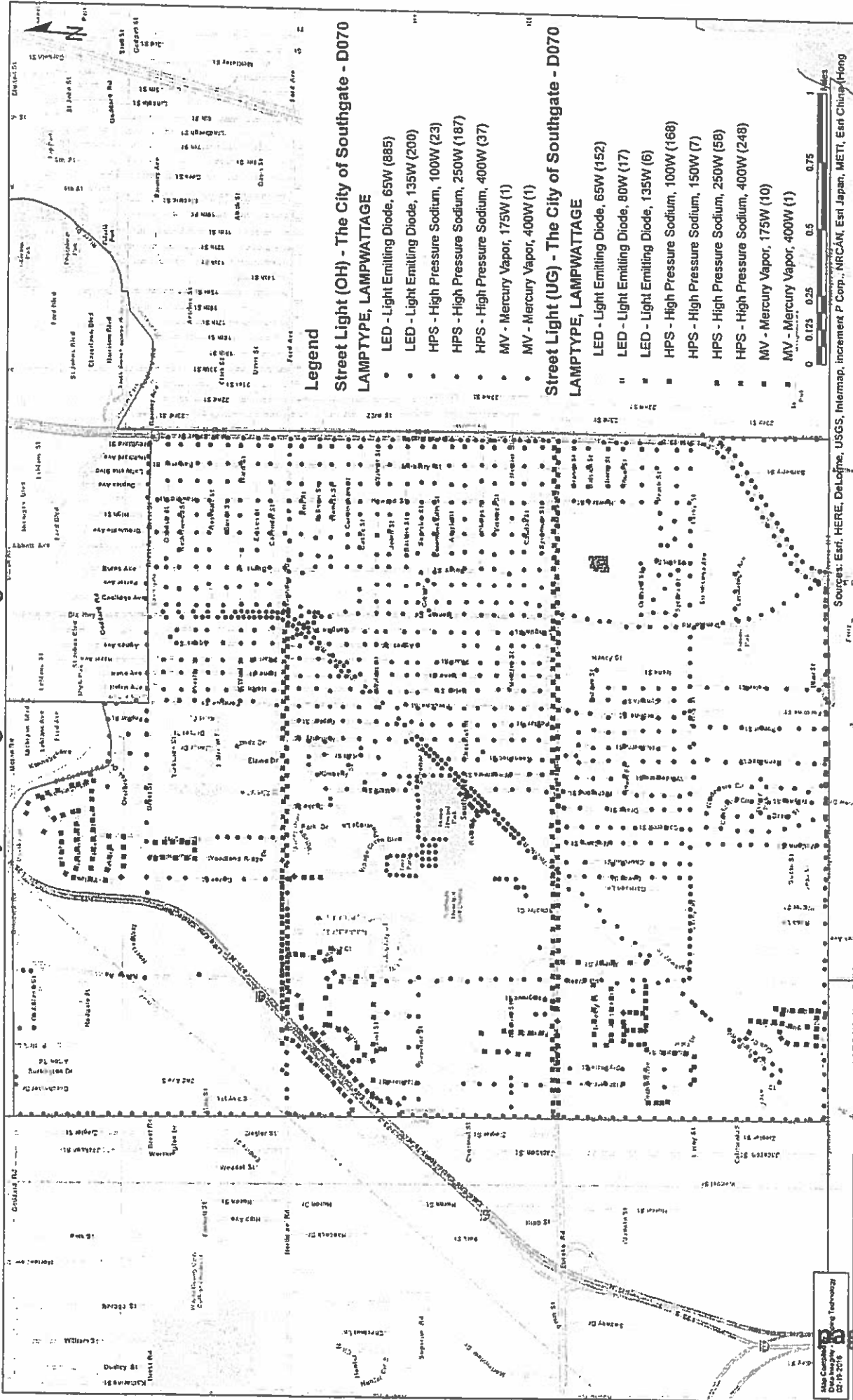
[City of Southgate]

By: _____

Name: _____

Title: _____

The City of Southgate - Streetlight Locations



Legend

Street Light (OH) - The City of Southgate - D070

LAMP TYPE, LAMPWATTAGE

- LED - Light Emitting Diode, 65W (885)
- LED - Light Emitting Diode, 135W (200)
- HPS - High Pressure Sodium, 100W (23)
- HPS - High Pressure Sodium, 250W (187)
- HPS - High Pressure Sodium, 400W (37)
- MV - Mercury Vapor, 175W (1)
- MV - Mercury Vapor, 400W (1)

Street Light (UG) - The City of Southgate - D070

LAMP TYPE, LAMPWATTAGE

- LED - Light Emitting Diode, 65W (152)
- LED - Light Emitting Diode, 80W (17)
- LED - Light Emitting Diode, 135W (6)
- HPS - High Pressure Sodium, 100W (168)
- HPS - High Pressure Sodium, 150W (7)
- HPS - High Pressure Sodium, 250W (56)
- HPS - High Pressure Sodium, 400W (248)
- MV - Mercury Vapor, 175W (10)
- MV - Mercury Vapor, 400W (1)



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong

Also Consulted:
 Data Integrity
 02-15-2016

6/10/16
4/7/16

Current Watt	Type	Current Invoiced Rate				Future Invoiced Rate			
		Annual Rate OH per lum	Annual Rate UG per lum	Current Invoice Totals	New Watt	Annual Rate OH per lum	Annual Rate UG per lum	Future Invoiced Total	
100	MV	\$163.36	\$370.85	\$0.00	65	\$137.80	\$292.80	\$0.00	
175	MV	\$211.53	\$426.29	\$0.00	65	\$137.80	\$292.80	\$0.00	
250	MV	\$238.17	\$470.02	\$0.00	135	\$156.97	\$311.97	\$0.00	
400	MV	\$317.16	\$559.50	\$876.66	135	\$156.97	\$311.97	\$468.94	
1000	MV	\$565.56	\$785.83	\$0.00	280	\$198.04	\$353.04	\$0.00	
70	HPS	\$183.94	\$337.75	\$0.00	65	\$137.80	\$292.80	\$0.00	
100	HPS	\$193.50	\$347.17	\$0.00	65	\$137.80	\$292.80	\$0.00	
150	HPS	\$211.53	\$378.65	\$0.00	135	\$156.97	\$311.97	\$0.00	
250	HPS	\$246.78	\$442.30	\$5,307.60	135	\$156.97	\$311.97	\$3,743.64	
400	HPS	\$321.87	\$539.59	\$0.00	280	\$198.04	\$353.04	\$0.00	
1000	HPS	\$595.97	\$701.33	\$0.00	280	\$198.04	\$353.04	\$0.00	
400	MV	\$317.16	\$559.50	\$0.00	280	\$198.04	\$353.04	\$0.00	
400	HPS	\$321.87	\$539.59	\$90,111.53	135	\$156.97	\$311.97	\$52,098.99	

Currently		Proposed Conversion	
Total Current Lumens	181	Total Future Lumens	181
Total Invoice with Current Rates	\$96,295.79	Total Future Invoice with Cure	\$56,311.57
		Annual Savings	\$39,984.22
		Cost to Convert (CTC)	\$80,183.00
		DTE labor contribution	\$124.00
		EO Rebate (EO)	\$16,951.00
		CTC less EO less DTE Contribution	\$63,108.00
		Payback is CIAC Amount less EO rebate (yrs) divide by Annual Savings	1.58

Note: EO Rebate will be issued directly to customer. DTE will assist the customer with the EO application process.

CIAC Amount due to DTE \$80,059.00

JOSEPH C. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS


DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: April 13, 2016

RE: Recommendation for DTE Street Lights on Northline and Eureka Roads

I have reviewed the above with the City Administrator and concur with his recommendation for the purchase agreement between Southgate and DTE in the amount of \$89,059.00 less a rebate of \$16,951.00.

Adequate funds are budgeted in the Major Street Fund for this purchase.

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 5, 2016

To The Honorable
Southgate City Council
Southgate, Michigan 48195

Re: Appointments to Boards/Commissions

Ladies and Gentlemen:

Please be advised I have made the following appointment:

Dangerous Building Hearing Board – for a term expiring December 2017:

Don Vaccarelli 14215 Trenton

To replace Mike Smith who moved out of the City.

Your concurrence on these appointments is greatly appreciated.

Sincerely,

Joseph G. Kuspa
Mayor

Cc: City Clerk

JGK/law

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

April 14, 2016

To The Honorable
Southgate City Council
Southgate, Michigan 48195

Re: Appointments to Boards/Commissions

Ladies and Gentlemen:

Please be advised I have made the following appointments:

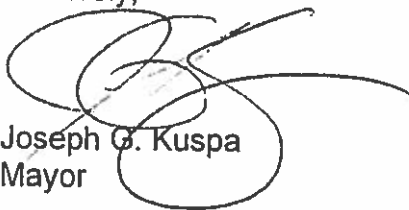
Library Commission -- for a term expiring April 2018

Kim Guentner 12122 Churchill

Mrs. Guentner will fill the vacancy due to the resignation of Carolyn Dusick.

Your concurrence on this appointment is greatly appreciated.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law