



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-06

CITY COUNCIL AGENDA ITEM

Date: April 24, 2019

To: Mark F. Miller, City Manager

From: MaryBeth Murz, Purchasing Manager
Tom Darling, Financial Services Director
Kurt Bovensiep, Public Works Director
Dennis Trantham, Facilities and Grounds Operations Manager

Subject: Bid Waiver – Electrical Utility Installation at Daisy Knight Dog Park.

History

- November 20, 2017 City Council approved a contract to purchase and install a park Shelter for the Daisy Knight Dog Park (Resolution #2017-11-186-J-4b).
- April 9, 2018 City Council approved a contract to purchase prefabricated concrete restrooms which were installed in November of 2018.
- These prefabricated buildings require electricity.

Purchasing

It is in the best interest of the City to waive the bid process and hire *The DTE Energy Company of Shelby, MI* to install a 120/240 volt ac, single phase commercial underground service from the source to the prefabricated building located at Daisy Knight Dog Park. *DTE Energy* is the sole source provider for this utility service installation in the State of Michigan.

Financial

Funds in the amount of \$10,538 are available in the Capital Account # 401.751.770.7974.715. The project # is 2019C0034.

Recommendation

City management recommends in the best interest of the City to waive the bid process and award a contract to *DTE Energy Company of Shelby, MI* for the electrical utility installation at the Daisy Knight Dog Park in the amount of \$10,538.00 as detailed in the attached Quote #53613960.

Agreement for Commercial
Underground Secondary Services
No. 53613960



"DTE Energy" and "Customer" make this agreement for consideration of the promises in the Agreement.

"DTE Energy" is:

The DTE Energy Company
6301 23 Mile Rd
Shelby, MI 48316-4405

"Customer" is:

CITY OF TROY
Dennis Trantham
4693 Rochester Road
Troy, MI 48084

Background Statement: Customer requests DTE Energy to install a 120/240 volt ac, single phase commercial underground secondary service in Troy from the source to the Customer's equipment. DTE Energy will install 1 service(s) to the address/lot numbers indicated on the Service Details page(s).

Under Michigan Public Service Commission rules, DTE Energy is permitted to require payment before constructing the commercial underground secondary service.

DTE Energy and Customer agree to the following terms:


See details of this contract under the Terms and Conditions section

Payment Breakdown - There are standard costs involved each time an underground service is installed. DTE Energy calculates standard costs. For details of the services see page(s) labeled Service Details, which is part of this agreement.

A. Service Installations

1.) Number of Services Installed		1
2.) Charges for Services Installed	\$	10,538.00

B. Total Payment Due: \$ 10,538.00

DTE Energy:(sign) _____ Title: _____ Date: _____
(print) _____
Customer:(sign)  (print) Dennis E. Trantham Jr Date: 4/8/2019
(sign) _____ (print) _____ Date: _____

Terms and Conditions
Agreement for Commercial Underground Secondary Services

1. **MPSC Rules** - This Agreement is subject to the Michigan Public Services Commission ("MPSC") Rules, including but not limited to, Rule C6.1, "Extension of Service"; Rule C6.2, "Overhead Extension Policy"; Rule C6.3 "Underground Distribution Systems"; and Rule C6.5 "Miscellaneous Customer Requests", which are incorporated herein by reference.
2. **Description of Work** - DTE Energy or one of its contractors shall install the underground conductors and any associated overhead or underground equipment required for the underground service, (collectively, the "Work"). DTE Energy will only install electric service and is not responsible for any other utility service including, but not limited to, cable television, or other communication services. Customer shall contact those companies responsible for the installation of services other than electrical service.
3. **Customer Staking Requirements**
 - a. Prior to commencement of the Work, Customer shall visually identify, by either exposing or clearly staking through the use of flags or other appropriate identification device, all private underground property, including but not limited to:

a. private electrical lines	i. burial sites of pets
b. sprinkler systems	j. geothermal systems
c. invisible fences	k. private water mains and lines
d. swimming pool hardware	l. solar power equipment
e. septic tanks and fields	m. privately owned gas
f. fiber optic lines	n. propane and petroleum lines
g. security systems	o. any other underground equipment not previously listed.
h. heated sidewalk and driveway equipment	
 - b. If Customer refuses the route suggested by DTE Energy for the Work and requests an alternative route, which is mutually agreed to by Customer and DTE Energy, Customer shall stake the alternative route as provided in paragraph 3(a) above.
 - c. If Customer fails to clearly stake all private underground property, then Customer releases DTE Energy from any and all liability for property damage related to the installation, operation or maintenance of the Work, including, but not limited to, loss of trees, shrubs or other landscape.
4. **Requirements for the Work** - Prior to digging trench, Customer shall ensure that grade on the site is within four (4) inches of final grade and the route is clear of building materials, debris and any other obstructions before DTE Energy will commence any work. Additionally, Customer must provide conduit under existing and future decks, patios and cement work.
5. **Footage Discrepancies** - If there is a difference in the footage amount quoted for the Total Payment for the Work and the actual footage installed, then:
 - a. If the footage amount **installed** is ten (10) feet or more than the footage quoted, Customer will be invoiced for the additional footage installed.
 - b. If the footage amount **quoted** is ten (10) feet or more than the footage installed, DTE Energy will issue a credit or refund check to Customer.
6. **Total Payment** - By executing this Agreement, Customer agrees to pay DTE Energy the "Total Payment" calculated on page 1 of this Agreement.
7. **Termination prior to Commencement of Work** - If Customer fails to complete any obligations under this Agreement within six (6) months from the date DTE Energy receives full payment or the Total payment, then, upon written notice, DTE Energy may cancel this Agreement and a refund may be issued to Customer, less all reasonable costs incurred by DTE Energy.
8. **Failure to Execute Agreement; Changes to Agreement** - If the Customer fails to execute this Agreement and pay the Total payment due to DTE Energy within six (6) months of the date of this Agreement, then this Agreement shall become null and void. Further, Customer shall not make any changes to this Agreement, including but not limited to handwritten changes or striking any language. In the event Customer makes any changes to this Agreement without the specific written consent of DTE Energy, then this Agreement shall become null and void.
9. **Damages and Limitation on Liability** - If Customer, its contractors, agents, and/or employees cause damage to the Work, then Customer shall reimburse DTE Energy for all costs related to that damage.

DTE Energy's sole liability to Customer, its employees, agents, subcontractors and to all other persons arising out of or related to the performance of the Work, whether in contract, under any claims warranty, in tort, or otherwise shall be limited to either DTE Energy repairing or replacing the Work at its own expense or, at DTE Energy's option, refund the money paid for the Work. The foregoing shall be Customer's sole remedy. In no event will DTE Energy or its contractors be liable under this Agreement or under any cause of action relating to the subject matter of this Agreement, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise, for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or other similar claims of Customer.

- 10. Set Off** - DTE Energy shall be entitled at any time to set off any sums owing by Customer or any of Customer's affiliated companies with common ownership, to DTE Energy or any of DTE Energy's affiliated companies, against sums payable by DTE Energy.
- 11. Assignment and Notices** - Customer shall not assign this Agreement without DTE Energy's prior written consent. All notices required by this Agreement must be in writing and sent by U.S. mail or delivered in person to the addresses listed on page 1 of this Agreement.
- 12. Saving Clause** - Each term and condition of this Agreement is deemed to have an independent effect and the invalidity of any partial or whole paragraph or section shall not invalidate the remaining paragraphs or sections. The obligation to perform all of the terms and conditions shall remain in effect regardless of the performance of any invalid term by the other party.
- 13. Governing Law and Jurisdiction** - This Agreement shall be construed in accordance with the law of the State of Michigan, without regard to conflict of law principals. The parties agree that any action with respect to this Agreement shall be brought in a court of competent jurisdiction located in the State of Michigan and the parties hereby submit themselves to the exclusive jurisdiction and venue of such court for the purpose of such action.
- 14. Entire Agreement** - This Agreement together with the DTE Energy Rate Book on file with the MPSC, the Electrical Service Installation Guide, which is available at:

www.dteenergy.com/businessCustomers/buildersContractors/electricService/standards.html

and, if applicable, the Certificate of Grade (referred to herein collectively, as the "Contract Documents") constitutes the entire Agreement between the parties regarding this transaction. Any agreements, negotiations or understanding of the parties prior to or contemporaneous to the date of the Agreement, whether written or oral, are superseded hereby. In the event of a conflict between the Contract Documents, then the Contract Document shall control in the order stated above.

Agreement for Commercial
 Underground Secondary Services
 No. 53613960



Services will be installed in Troy, Oakland County.

Service Details

No.	Cable	DTE Trench Cable		DTE Conduit Conduit		Winter Constr. Charge		DTE Conduit Conduit		Cust Trench		Subtotal
		# Ft.	\$/Ft.	# Ft.	\$/Ft.	# Ft.	\$/Ft.	# Ft.	\$/Ft.	# Ft.	\$/Ft.	
1.	COMM-SIZED	380	\$10.00	3410	LIVERNOIS	0	\$ 0.00	0	\$ 0.00	0	\$ 0.00	\$ 10,538.00
					Misc. Chg Descr: BORE							53613962

Svc Descr: BORING 480' TO NEW SERVICE

Total 1 Services

\$ 10,538.00