



AGREEMENT FOR STREETLIGHT AUDIT AND OWNERSHIP SUPPORT

RS-21-007

January 19, 2021

Background

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- There are approximately 4,440 streetlights in the City owned by Oncor
- City pays a monthly tariff for maintenance and energy costs of streetlights
 - ▣ Local and collector streets (100w) - \$12.28 per fixture
 - ▣ Major collector and arterial streets (250w) - \$16.06 per fixture
- Average monthly tariff per fixture - \$13.08
- Tariffs total \$58,090 per month and \$697,085 annually

Background, continued

- ❑ Streetlight costs will reduce significantly if owned by City
- ❑ Three Oncor covered cities own their streetlights
 - ▣ Wichita Falls, Arlington, and Ft. Worth
- ❑ Tanko Streetlighting, Inc. is a national firm that focuses on municipal streetlighting
 - ▣ Provide turn-key solution: project development (audit and reconciliation), ownership negotiations, energy efficiency conversions, and ongoing streetlight maintenance
 - ▣ Currently working with Keller, Grapevine, and Corinth

Agreement Components

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- Project Development
 - ▣ Comprehensive geographic information system (GIS) audit of streetlights
 - ▣ Data reconciliation
 - ▣ Design for a LED streetlight conversion project
- Ownership Negotiations
 - ▣ Valuation of existing streetlights
 - ▣ Estimation of deferred maintenance and remaining life
 - ▣ Multi-year cashflow analysis to show ownership feasibility
 - ▣ Negotiate on behalf of City

Agreement Pricing

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Service Description	Task	Unit Price	Estimated Quantity	Extended Price
Project Development	GIS Audit	\$18 per fixture	4,440	\$79,920
Project Development	Data Reconciliation and Design	\$7 per fixture	4,440	31,080
Ownership Negotiations	N/A	\$40,000 upon viable offer	1	<u>40,000</u>
Subtotal Amount				\$151,000
Contingency for Underestimated Streetlight Quantity (at 30%)				<u>45,300</u>
Total Not to Exceed Amount				\$196,300

Estimated Savings

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Description	Current	New	Difference
Annual Streetlight Cost	\$697,085	\$91,628	\$605,457
Maintenance Costs	<u>0</u> ¹	<u>319,680</u> ²	<u>(319,680)</u>
Total	\$697,085	\$411,308	\$285,777

1- Included in Oncor agreement

2- Estimated to be \$6 per fixture per month

Alternatives

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- Do not enter into a professional services agreement for streetlight audit and ownership support
- Enter into a professional services agreement with Tanko Streetlighting, Inc.

Recommendation

City Council approve the professional services agreement with Tanko Streetlighting, Inc. for streetlight audit and ownership support in the amount not to exceed \$196,300 and that the City Manager or designee be authorized to execute change orders as permitted by state and local law