



AGENDA MEMORANDUM
Action Item for City Council Meeting May 24, 2022

DATE: May 24, 2022

TO: Peter Zanoni, City Manager

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City of Corpus Christi and AEP Texas Streetlight Installation Agreement for conversion of select streetlights to LED fixtures

CAPTION:

Motion authorizing a six-month streetlight installation agreement with AEP Texas to convert 4,869 existing light fixtures to LED light fixtures for select residential areas for a total estimated amount of \$671,240.34, with FY 2022 funding of \$300,000.00 from the Bond 2018 capital fund.

SUMMARY:

This agenda item is to execute a service agreement totaling an amount not to exceed \$671,240.34 with AEP Texas to convert an estimated 4,869 streetlights to LED fixtures. This agreement is the first of several in support of the Light-up CC project which is a three-year planned conversion of all eligible streetlights across the City, to brighter and more efficient LED lights

BACKGROUND AND FINDINGS:

The use of LED technology for streetlights has increased in popularity due to the longer-life spans, better color rendition, brightness, less carbon footprint, and improved energy efficiency compared to other lighting options. As a result, there has been an increased demand from cities to provide LED fixtures as an option to older technologies including longer life span of the lights, better color rendition, better brightness, less carbon footprint & improved energy efficiency compared to existing lighting.

Electric power providers are establishing LED streetlight tariffs to support the demand. In June 2020, AEP Texas adopted an LED tariff as an option to cities. The tariff allows replacement of an existing streetlight with an LED fixture if the existing fixture fails at no cost to the City. However, the cost to convert a functioning streetlight to an LED fixture is \$137.86.

In August 2021, the City initiated a Pilot program to upgrade streetlights to LED fixtures as part of the City's plans to rehabilitate Ocean Drive or "Revive the Drive" initiative. A total of 523 AEP owned streetlights along the Ocean Drive and Shoreline Drive corridor between Resaca Street and Ennis Joslin Road were identified and upgraded to LED fixture types. The change in fixture type not only provided better illumination but also provided the City with a total annual savings of approximately \$20,500.

As a continuation of this Pilot program, the City is kicking off a program titled "Light Up CC". This is a three-year plan to change all eligible streetlights, across the City, from the existing fixtures to LED fixtures. For the first year of the program, Public Works staff identified an estimated 4,869 AEP owned streetlights, that are eligible to be upgraded to LED fixtures. Assuming a combined kWh charge of \$0.08, the City will have an estimated combined savings per year totaling \$108,500.

Public Works staff will continue to work with AEP Texas to identify eligible streetlights for the second year of the program and determine the cost to upgrade these fixtures to LED. The agreement will be brought to Council for approval once the second year of the plan is finalized.

The installation of the LED fixtures will be done by AEP Texas and is anticipated to begin in July 2022. As owners of the streetlights, AEP Texas will procure the replacement fixtures and will schedule the resources needed to perform conversion of the streetlights. AEP Texas will advise the City of Corpus Christi on any unforeseen circumstances that might impact the procurement and installation timeline. All work for the current phase is estimated to be completed by January 2023.

ALTERNATIVES:

The alternative is to not approve the execution of the Streetlight Installation Agreement with AEP Texas or approve a modified agreement.

FISCAL IMPACT:

The fiscal impact for FY 2022 is an amount not to exceed \$300,000 for the installation of approximately 2,000 LED streetlights. The budget for the remaining LED fixtures will be included as part of the FY 2023 operating budget.

FUNDING DETAIL:

Fund:	3556 – Bond 2018 Proposition 1
Organization/Activity:	18045A3556EXP
Mission Element:	051
Project # (CIP Only):	18045 – Street Lighting Improvements
Account:	530235
Amount:	\$300,000

RECOMMENDATION:

Staff recommends approval of this motion authorizing the conversion of an estimated 4,869 existing streetlights to LED fixtures for the first year of the three-year Light Up CC conversion program.

LIST OF SUPPORTING DOCUMENTS:

City of Corpus Christi and AEP Texas Streetlight Installation Agreement Price Sheet