



BOUNDLESS ENERGY™

## City of Corpus Christi and AEP Texas Streetlight Installation Agreement LED Conversion Project

AEP Texas and The City of Corpus Christi have mutually agreed to implement a mass change-out of existing streetlights and replace them with new LED street lighting options offered through AEP Texas' Tariffs. Each streetlight identified will be replaced with an LED light of equivalent wattage range, as noted in the attached chart (Attachment A).

It is AEP Texas' intent to start installations in January 2023. This will allow time to order the required lights, schedule appropriate resources and plan other operations associated with the project. If procurement of inventory or scheduling of resources become an issue due to unforeseen circumstances or weather concerns, AEP Texas will advise the City and resume the project as soon as it is reasonably able to do so. All work shall be completed by December 2023 (March 2024, if delays occur).

The Corpus Christi LED Conversion project will involve the installation of 11,038 lights in 2023 and 2024 if necessary. The charge to change out each light is \$137.86 per light. The total invoice, for this project will be \$ 1,521,698.68 (\$137.86 x 11,038 lights). The \$137.86 covers the cost of the average undepreciated value of existing non-LED light fixtures. AEP Texas will provide the City with an invoice for \$ 1,521,698.68 to be payable 30 days prior to commencement of the project. Should AEP Texas incur additional installation costs, the City shall be advised beforehand and grant the additional payment approval prior to the streetlight installations. Change order authority is only up to \$50,000 without additional Council approval. Please note that no lights shall be scheduled for installation until AEP Texas receives payment.

AEP Texas will hold periodic meetings with the City to provide an update on the status of the project and discuss any issues that arise.

The City acknowledges that AEP Texas does not provide street lighting design services and that AEP Texas will only place replacement LED lights where instructed by City, to the extent it can do so consistent with Good Utility Practice. City further acknowledges that the color and light pattern of replacement LED street lights may be different from the light pattern of Customer's existing streetlights. The City recognizes that AEP Texas will conduct its operations in a prudent manner and maintain open communication with the City throughout the course of this project.

The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in the next annual budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as that determination is within the City Council's sole discretion when adopting each budget.

In the event that either party defaults in its performance under this Agreement, the other party may terminate the Agreement by providing the defaulting party with notice in writing of the default and providing 14 days for the defaulting party to correct such default. If the defaulting party does not correct the default within the 14-day period, the Agreement shall be terminated, and the non-defaulting party is released from any obligations under the Agreement yet to be performed as of the date of termination. If the Agreement is terminated prior to completion, AEP Texas shall be entitled to payment in full for all LED lights installed through the date of termination, and the City shall be entitled to a refund of any advanced funds that remain unused by AEP Texas as of the date of termination.

Any notice of default under this Agreement must be given by fax, hand delivery, or certified mail with return receipt requested and postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day following the date of postmark if sent by certified mail. Notice must be sent as follows:

If to AEP: AEP Texas, Inc.  
Attn: Vice President, External Affairs  
539 N CARANCAHUA  
CORPUS CHRISTI, TX 78401

If to City: City of Corpus Christi  
Attn: City Manager  
1201 Leopard St.  
Corpus Christi, TX 78401  
Fax: (361-880-3601)

This Agreement shall be construed in accordance with the laws of the State of Texas. In the event of a contractual dispute hereunder, the parties do hereby AGREE and STIPULATE that VENUE shall lie in Nueces County, Texas, and such venue shall not be contested or disputed.

In the event it shall become necessary for any party hereto to file a lawsuit to enforce this Agreement or any provision herein, the party prevailing in such action shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees incurred in prosecuting or defending such lawsuit.

Acknowledgement for City of Corpus Christi:

By: \_\_\_\_\_

**Peter Zanoni**, City Manager

Date: \_\_\_\_\_

City of Corpus Christi

Authorized Signer

Print Name: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Rebecca Huerta, City Secretary

Approved as to form: \_\_\_\_\_, 2023

\_\_\_\_\_  
Assistant City Attorney  
for Miles Risley, City Attorney

Acknowledgement for AEP Texas Inc.:

By: \_\_\_\_\_

Robert Black, Vice President

Date: \_\_\_\_\_

External Affairs

Authorized Signer