



Legislation Details (With Text)

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Title: Authorizing customer work agreements with The Toledo Edison Company providing for the replacement of existing streetlights throughout the city with LED streetlights; and declaring an emergency.

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Date	Ver.	Action By	Action	Result
2/11/2020	1	City Council		
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DPS City-wide LED Streetlight Program
Department of Public Service, Department of Finance
Paul M. Rasmusson (x7868), Tom Skrobola (x1648)
(Revised)

Authorizing customer work agreements with The Toledo Edison Company providing for the replacement of existing streetlights throughout the city with LED streetlights; and declaring an emergency.

SUMMARY & BACKGROUND:

The city administration and this Council have determined that it is in the best interest of the city and its residents to cause The Toledo Edison Company (the Company) to replace all of its existing streetlights on streets, alleys, and public ways in the city with light-emitting diode (LED) streetlights to enable the city to provide enhanced street lighting service and related benefits throughout the city, including increased visibility and safety for property owners, motorists and pedestrians, as well as energy efficiency and related energy and overall service cost savings.

This Council has determined that it is necessary, appropriate and advantageous to the city to approve, and to authorize the mayor to enter into, customer work agreements with the Company (the Conversion Agreements) providing for the Company to commence and complete such an LED conversion program (the LED Conversion Program) as promptly as possible and for payment of the costs of that Program to the city as incurred over the course of the Program as a separate part of the tariff paid by the city to the Company for the purchase of electricity and related services for street lighting in those years in which the conversion occurs.

Based on the replacement of up to twenty-eight thousand (28,000) streetlights and the tariff provisions

applicable to the Company's Experimental Company Owned LED Lighting Program filed, pursuant to orders of the Public Utility Commission of Ohio, the aggregate cost of the LED Conversion Program to the city under the Conversion Agreements is estimated not to exceed \$5,796,000. Accordingly, this Council has further determined to authorize the expenditure from the General Fund the aggregate amount the city will pay under the Conversion Agreements as incurred over the course of the LED Conversion Program, with the understanding that a portion of the amount so expended will be reimbursed to the General Fund in ten (10) equal annual amounts from proceeds of notes issued in anticipation of the collection of special assessments levied to pay the property owners' portion of the annual costs of lighting city streets, alleys, and public ways each year for a period of ten (10) years, commencing with the calendar year following completion of the LED Conversion Program,

The fiscal impact of this Ordinance is as follows:

- The total amount of funds requested: \$ 5,796,000
- The expenditure budget line item: 1001-11200-2424004STDSTD
- Revenue generated (operational revenue, grants, if any): none
- Revenue budget line item (if any): N/A
- Are funds budgeted in the current fiscal year (yes/no)? A portion of the funds are budgeted
- Is this a capital project (yes/no)? no
- If yes, is it new or existing (new/existing)?
- What section of the City's Strategic Plan does this support:
 - o Excellence in Basic Services (yes/no) yes
 - o Quality Community Investment (Livable City, Development) (yes/no) yes
 - o Workplace Culture & Customer Service (yes/no) no
 - o Environment (yes/no) yes

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the mayor is authorized to sign and deliver, in the name and on behalf of the city, Conversion Agreements with the Company substantially in the form now on file with the Clerk of Council providing for the Company to commence and complete the LED Conversion Program described in the preambles to this Ordinance and for payment of the costs of that Program to the city as incurred over the course of the Program as a separate part of the tariff paid by the city to the Company for the purchase of electricity and related services for street lighting in those years in which the conversion occurs. The Conversion Agreements are approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the city and that are approved by the mayor and the Director of Law on behalf of the city, all of which shall be conclusively evidenced by the signing of the Conversion Agreements or amendments thereto.

SECTION 2. That the Director of Finance is authorized to make appropriate certification as to the availability of funds for amounts payable under the respective Conversion Agreements as they are entered into, and to issue an appropriate order for the timely payment of costs of the LED Conversion Program pursuant to the Conversion Agreements as incurred and written statements therefor are submitted by the Company, but only from money lawfully available and appropriated or to be appropriated from the General Fund, Account Code 1001-11200-2424004STDSTD, for that purpose. The expenditure of such amounts, in an aggregate amount now estimated not to exceed \$5,796,000, is further authorized and approved.

SECTION 3. That all expenditures authorized by this Ordinance are subject to a proper appropriation set forth in the annual appropriations, or such other appropriations as the Council may make, for fiscal years 2020 and 2021 and any other fiscal year in which costs of the LED Conversion Program are incurred by the

city, and no expenditure shall be made under any Conversion Agreement unless there is an adequate appropriation and certification of availability of funds therefore.

SECTION 4. That in each year, for a period of ten (10) years, commencing in the calendar year following completion of the LED Conversion Program, the costs of the city's annual street lighting programs to be specially assessed against specially benefited properties for street lighting services shall include 7.00% of the aggregate amount expended from the General Fund for the payment of costs of the LED Conversion Program incurred pursuant to the Conversion Agreements (each, an Annual General Fund Reimbursement Portion). In each such year, an Annual General Fund Reimbursement Portion will be paid into the General Fund from proceeds of notes issued in anticipation of the collection of the special assessments to be levied and collected to pay the property owners' portion of the costs of lighting city streets, alleys, and public ways in that year in order to reimburse the General Fund for the portion of the aggregate costs of the LED Conversion Program properly allocable to the property owners and to the street lighting services provided in that year.

SECTION 5. That this Ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage. The reason for the emergency lies in the fact that the same is necessary for the immediate preservation of the public peace, health, safety and property, and for further reason that the Ordinance must be immediately effective in order to allow the timely replacement of the streetlights which is urgently needed to eliminate potential safety hazards to property owners, motorists and pedestrians.

Vote on emergency clause: yeas _____, nays _____.

Passed: _____, as an emergency measure: yeas _____, nays _____.

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

_____.

Attest: _____
Clerk of Council