



## MEMO

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**TO:** Finance Committee

**FROM:** Paula Vandehey, Director of Public Works *PAV*

**DATE:** September 4, 2019

**SUBJECT:** **The following 2019 Budget adjustment be approved to provide additional funding for the LED Street Light Retrofit Project:**

Capital Projects Fund (Street Light Infill Projects)	- \$23,000
Capital Projects Fund (LED Street Light Retrofits)	+\$23,000

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Based on an estimate from WeEnergies, we budgeted \$40,000 to install new LED street lights on N. Richmond Street (from I-41 to Evergreen Drive) as part of our 2019 “Street Light Infill Projects” Capital Improvement Plan. The estimate was quite high, and the project ended up costing only \$17,000.

Our 2019 Capital Improvement Plan also includes \$126,883 for our “LED Street Light Retrofits Project.” We would like to retrofit as many street lights as possible, in order to reduce our overall power usage. Based on the current funding for this program, we anticipate completing the project in approximately 2036.

Therefore, we are requesting a budget adjustment to use the remaining \$23,000 from the Street Light Infill Project for the LED Street Light Retrofit Project. If approved, an additional 65 lights will be retrofitted.

Attachments

**CITY OF APPLETON 2019 BUDGET  
CAPITAL PROJECTS FUNDS**

**Public Works**

**Business Unit 4240**

**PROGRAM MISSION**

This program accounts for funding sources and expenditures for various public works projects.

**PROGRAM NARRATIVE**

**Link to Strategy:**

Implements Key Strategies #4: "Continually assess trends affecting the community and proactively respond", and #6: "Create opportunities and learn from successes and failures".

**Objectives:**

This fund provides for a variety of Public Works capital needs.

Further descriptions of projects to be paid from this fund can be found in the Capital Improvement Projects section of the budget, as follows:

Project	Amount	Page
Concrete Paving Program	\$ 3,241,239	Projects, Pg. 578
Sidewalk Program	554,950	Projects, Pg. 586
Asphalt Paving Program	1,430,941	Projects, Pg. 574
Public Safety Camera Program	54,428	Projects, Pg. 572
LED Street Light Retrofits	126,883	Projects, Pg. 570
Pedestrian Crosswalk Safety Enhancements	162,132	Projects, Pg. 569
Street Light InFill Projects	41,331	Projects, Pg. 571
Bridge Improvements	5,023,273	Projects, Pg. 568
Mackville Landfill	60,000	Projects, Pg. 633
	<u>\$ 10,695,177</u>	

**Major program changes:**

Miscellaneous State Aid: Local Road Improvement Project funds (LRIP) are received every two years. A payment of \$170,667 for Telulah Ave is expected to be received in 2019.

Other reimbursement revenue is the Town of Grand Chute's portion of Evergreen Drive and Alvin Street.

**PERFORMANCE INDICATORS**

**Actual 2016    Actual 2017    Target 2018    Projected 2018    Target 2019**

Note: Since this program exists solely to account for funding sources and expenditures for various public works and infrastructure investments, there are no continuing performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			%
Unit	Title	2016	2017	Adopted 2018	Amended 2018	2019	Change *
<b>Program Revenues</b>		\$ 1,380,715	\$ 4,705	\$ 30,000	\$ 30,000	\$ 669,267	2130.89%
<b>Program Expenses</b>		\$ 3,810,821	\$ 3,682,928	\$ 9,002,846	\$ 8,534,100	\$ 10,695,177	18.80%
<b>Expenses Comprised Of:</b>							
	Personnel	203,105	196,279	225,574	225,574	483,662	114.41%
	Administrative Expense	-	-	-	-	-	N/A
	Supplies & Materials	218,113	420,227	268,200	268,200	776,639	189.57%
	Purchased Services	240,493	404,009	30,000	270,103	157,611	425.37%
	Utilities	-	-	-	-	-	N/A
	Repair & Maintenance	8,699	1,930	10,600	10,600	36,772	246.91%
	Capital Expenditures	3,140,411	2,660,483	8,468,472	7,759,623	9,240,493	9.12%

\* % change from prior year adopted budget  
Public Works Cap Proj Fund.xls

## CITY OF APPLETON 2019 BUDGET CAPITAL IMPROVEMENTS PROGRAM PROJECT REQUEST

### IDENTIFICATION

Project Title: Street Light Infill Projects

### PROJECT DESCRIPTION

**Justification:**

While the City's Street Lighting Policy requires that all urbanized city streets be lit, the streets identified below are either completely or partially unlit for unknown reasons, which presents concerns for public safety and is inconsistent with our normal standards. This request would provide funding to install street lights on the identified streets in various locations throughout the city. For the sake of consistency and cost effectiveness, the proposed lights would be installed by and leased from WE Energies.

- 2019: Richmond St from I-41 to Evergreen Dr (~12 lights, \$40,000, overhead)
- 2020: Winslow Av from Conkey St to Zuehlke Dr (~5 lights, \$20,000, underground)
- 2020: Progress Dr from Winslow Dr to Capitol Dr (~4 lights, \$16,000, underground)
- 2020: Roemer Rd from Glendale Av to Winslow Av (~7 lights, \$28,000, underground)
- 2020: Capitol Dr from Marshall Rd to Conkey St (~3 lights, \$12,000, underground)
- 2021: Astor Ln and Tuckaway Ln (~6 lights, \$22,000, underground)

**Discussion of operating cost impact:**

The cost to lease these lights from WE Energies would be approximately \$180/light/year.

### DEPARTMENT COST SUMMARY

DEPARTMENT PHASE	2019	2020	2021	2022	2023	Total
Public Works Additional Street Lights	41,331	77,331	23,331	-	-	\$ 141,994
<b>Total - Public Works Cap Projects Fund</b>	<b>\$ 41,331</b>	<b>\$ 77,331</b>	<b>\$ 23,331</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,994</b>

### COST ANALYSIS

Components	Estimated Cash Flows					Total
	2019	2020	2021	2022	2023	
Planning	-	-	-	-	-	-
Land Acquisition	-	-	-	-	-	-
Construction	40,000	76,000	22,000	-	-	138,000
Other	1,331	1,331	1,331	-	-	3,994
<b>Total</b>	<b>\$ 41,331</b>	<b>\$ 77,331</b>	<b>\$ 23,331</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,994</b>
Operating Cost Impact	\$ 2,160	\$ 3,420	\$ 1,080	\$ -	\$ -	\$ 6,660

# CITY OF APPLETON 2019 BUDGET CAPITAL IMPROVEMENTS PROGRAM PROJECT REQUEST

## IDENTIFICATION

Project Title: Street Lighting Energy Efficiency Improvements

## PROJECT DESCRIPTION

**Justification:**

This request is intended to allow for investment into energy-efficient street lighting technologies. Due to the rapidly changing marketplace, we continue to reevaluate the available technology options to determine the best return on investment.

WE Energies began offering LED street light fixtures in July, 2015. Our evaluation of this new tariff shows that investment in this area would yield a return on investment (ROI) of 7 to 10 years in most cases, which is significantly better than the ROI we could achieve by retrofitting/replacing our ~300 remaining City-owned decorative fixtures.

We anticipate expending the requested funds to strategically retrofit leased street lights in 2019-2023 at a rate of approximately 300-400 fixtures per year. We may also seek to retrofit or replace the remaining City-owned decorative fixtures if a suitable solution is developed and if the ROI exceeds what could be achieved through leased lighting upgrades.

Note: Ultimately, it is the goal of this project to retrofit or replace all city-owned and city-leased fixtures throughout the city (a total of ~8750 fixtures). Based on the current funding of ~\$125k /year, we would anticipate completing the project in approximately 2036.

**Discussion of operating cost impact:**

Operating costs are driven downward when existing street lights are retrofitted with LED (or similar) technology.

## DEPARTMENT COST SUMMARY

DEPARTMENT PHASE	2019	2020	2021	2022	2023	Total
Public Works LED Street Light Retrofits	126,883	126,883	126,883	126,883	126,883	\$ 634,415
<b>Total - Public Works Cap Projects Fund</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 634,415</b>

## COST ANALYSIS

Components	Estimated Cash Flows					Total
	2019	2020	2021	2022	2023	
Planning	-	-	-	-	-	-
Land Acquisition	-	-	-	-	-	-
Construction	125,000	125,000	125,000	125,000	125,000	625,000
Other	1,883	1,883	1,883	1,883	1,883	9,415
<b>Total</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 126,883</b>	<b>\$ 634,415</b>
<b>Operating Cost Impact</b>	<b>\$ (38,750)</b>	<b>\$ (58,125)</b>	<b>\$ (77,500)</b>	<b>\$ (96,875)</b>	<b>\$ (96,875)</b>	<b>\$ (368,125)</b>