



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: Interim City Administrator

SUBJECT: Southern California Edison Steel Pole Streetlight Replacement Project in the City of Commerce

MEETING DATE: July 18, 2017

RECOMMENDATION:

Staff recommends that the City Council consider expenditure of \$125,391.28 for semi-custom Citywide Streetlight Pole Replacement Project to enhance City beautification and branding.

BACKGROUND:

On January 2017, representatives from Southern California Edison (SCE), a subsidiary of Edison International, approached the City of Commerce for its streetlight pole replacement capital improvement project. SCE's current Fiscal Year 2016-17 capital improvement plan involves the replacement of existing steel streetlight poles with new marbelite concrete streetlight poles for multiple cities in its service area. The new streetlight lamps will be powered by high-pressure sodium. Please see *Exhibit 1*. Commerce is one of those cities scheduled for the removal and replacement of approximately 220 streetlight poles. SCE plans to replace these poles due to their age and frequency of request for repairs. In April 2017 this matter was brought before the Council. At the time Council did not care much for the standard SCE gray marbelite appearance of the poles and requested that staff work with SCE staff to identify economical ways that the new poles stay consistent with the new City palate and enhance the City brand. City beautification and branding is a step in distinguishing a City and a proven approach to economic development.

ANALYSIS:

Aesthetics, Appearances and City Brand

SCE's current streetlight pole replacement project focuses primarily on replacing the steel poles along the residential area neighborhoods surrounding Bandini Park,

Rosewood Park, and Veterans Park. A stretch of new streetlight replacements is planned for the commercial or industrial section traversing Olympic Boulevard and Gerhart Avenue.

New decorative streetlight poles have already been installed along much of Washington Boulevard due to the current and ongoing street improvement project. Therefore, SCE's project will not replace the newly installed streetlight poles along Washington Boulevard.

Please see *Exhibit 2*. The red dots represent the proposed removal and installation of new streetlight poles, except along most of Washington Boulevard.

City staff met and consulted with SCE representatives on February and March 2017 and discussed the option of installing decorative streetlight poles that were consistent with the ones recently installed along Washington Boulevard, so as to beautify and conform to the surrounding community. However, SCE representatives informed and explained to City staff that it was almost cost prohibitive to install "custom-built" decorative streetlights. That is partially due to the fact that the decorative custom street lights also require undergrounding of the wires. Undergrounding is a very expensive and lengthy process. We were informed that SCE's cost of replacing and installing the new concrete marbelite streetlight poles is estimated to be approximately \$1.6 million to \$2.0 million, to be completely financed by SCE and not by the City. Whereas the installation of "custom-built" decorative streetlights will be at least four times as much, approaching to an estimated project cost of \$8 million, including future maintenance. The additional cost of \$6 million would have to be financed by the City of Commerce.

As an alternative, and per Council direction, staff worked with SCE liaison and staff to identify other ways that the appearance of the poles could be enhanced through "semi-custom" approach. The staff discussions led to identifying other non-standard SCE color and texture that while may cost a little more, it can still enhance the appearance of the poles and further the City brand. Over the past few years, the Beautification Committee and Council have opted for City branding through specific colors, styles and palates that give the City a sense of identity. In staying consistent with the new City color palate, SCE can use the coated black marbelite (Mix 12) (see Exhibit 3). The additional cost per pole is as follows:

Black Aggregate	\$275.28
Clear Coat	\$122.76
Paint Mast Arm	<u>\$179.80</u>
Total Cost per pole	\$577.84

Therefore, the current additional cost for the coated black aggregate for all 217 poles is \$125,391.28

Future Conversion to LED

The new street poles will remain of the High Pressure Sodium type. While the SCE pole replacement process provides an opportunity to upgrade to LED, we are informed by SCE that per the State and PUC rules, they are allowed only to replace the poles (like for like). If the City wishes to convert to LED, City will be responsible for all the costs of the conversion at this time. Alternatively, under the new PUC and State rules, the conversion to LED can occur as early as next year at no cost to the City. The City is required to participate in the program called LS-1 Option E (See Exhibit 4), where the City can finance the cost over twenty years and realize the savings from the start. In order to participate, City must sign up for this program. Staff will bring back recommendations regarding City options for LED conversions in the near future. At this time however, conversion to LED, as part of the pole replacement is not recommended since City can participate in the same program at no cost under LS-1 Option E program as early as next year.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The cost for “semi-custom” coated black aggregate poles is \$125,391.28. It can be funded through Beautification and/or Economic Development component of the Measure AA funds. We expect that there are adequate funds from Measure AA due to savings from projects. Due to Council change, staff did not have the opportunity to take this before the Measure AA. Staff can take this item to Measure AA after it is reconvened.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2012 Strategic Goal to “ develop and invest in infrastructure and beautification projects that support economic growth.”

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Seung Yang, Associate Civil Engineer

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Matthew C. Rodríguez, Interim City Administrator

ATTACHMENTS:

1. *Exhibit 1* – Typical gray Concrete Marbelite Streetlight Pole
2. *Exhibit 2* – Color Palate, Mix 12
3. *Exhibit 3* – Commerce Streetlight Pole Installation Overview Map
4. *Exhibit 2* – Various LED conversion Options