

MEMORANDUM

TO: City Council President Mary Sheffield
FROM: John W. Prymack, Director, Detroit Public Lighting Department
DATE: March 31, 2023
RE: Public Lighting Department Budget Questions FY23-24

1. As said in their mission statement, the Public Lighting Department works with TMC Alliance and DTE Energy to provide reliable power to customers through the City's distribution system. Please share how PLD can assist in ensuring more reliable power service and fewer outages in the next year.

The mission statement has been updated as follows:

The Public Lighting Department (PLD) supports the Public Lighting Authority (PLA) as it maintains the upgraded streetlight system.

On February 5, 2013, the City created the PLA, a separate municipal corporation pursuant to Michigan Public Act 392 of 2012 (as amended) and the Municipal Lighting Authority Act, MCL 123.1261, to manage and maintain the City's public lighting system. Pursuant to an amendment to the City Utility Users' Tax Act, 1990 PA 100 (as amended) MCL 141.1151-MCL141.1177, the PLA utilizes \$12.5 million in utility user tax proceeds to satisfy the debt service obligation of bonds issued to modernize the streetlight system. Through an interlocal agreement, the City provides additional funds to the PLA to finance the operations and maintenance of the street lighting system.

PLD owns and maintains hundreds of miles of underground conduit and poles for overhead lines. Various communication companies rent conduit space and/or pay pole attachment fees that provide significant revenue to the City of Detroit General Fund.

PLD is actively preparing unused substations for sale to private entities returning them to the City's tax base. PLD also is removing unused overhead lines owned by PLD to further enhance citizen safety and reduce blight.

With the EDSA approved by Lansing and the Emergency Manager in 2013, PLD no longer has customers to provide electric service to. PLD cannot affect the reliability of power to DTE's customers.

2. Your budget plan shows that the Public Lighting Department will decrease from two administrative employees to one. Is one full-time employee sufficient to meet the needs of the Department? Please share the findings that supported this decision and the job duties of the remaining employee.

The two FTEs that were in the Budget both retired. They assisted the contractual worker at Mistersky in handling of scrap materials. The amount coming in now can be handled entirely by the contractual worker. The FTE requested in the 2023-2024 Fiscal Year Budget is for a Drafting Tech IV who will be responsible for maintaining GIS mapping for PLD's underground infrastructure.

3. How are conduit leasing and substation sale revenues used? Why are the revenues from use of assets slated to decrease annually over the next 5 years?

The revenues from conduit and substation leasing goes to the General Fund. The revenues listed as "Use of Assets" was reimbursement PLD was getting from DTE under the EDSA. Now that the EDSA is complete, that revenue source is gone. The numbers showing up for future years were developed at the annual Revenue Conference and should be ignored in this instance.

4. My office often receives calls from residents that feel unsafe on their blocks because of a lack of lighting. One of your goals is to provide well-lit streets as defined using photometric analysis. Can you explain this analysis? Please share what makes it a reliable tool for lighting evaluation.

The Public Lighting Authority (PLA) performs this analysis and can better explain the process than PLD.

5. There is a proposed expenditure increase of \$1,095,000.00 for professional & contractual services. Please explain this increase of over 50 percent.

Under the EDSA (which ended December 31, 2022), DTE was responsible for maintaining all PLD owned facilities they were using. They accomplished this using TMC Alliance and paid them for their efforts directly. With the EDSA now complete, these costs revert back to PLD.

6. How does the Public Lighting Department determine which City conduits and substations to lease and which to rent?

Any conduit space requested for lease is available if it has not been requested for other uses such as Public Safety communications. Space is currently leased to Nextel in two substations. That contract was issued in 2002. There has been no interest in leasing space in any other substations.

7. Your metrics show that you respond to 99% of streetlight outages within one week, but a response doesn't necessarily ensure completion of service. If it differs from the metrics provided, please share metrics on the average timeframe from the time of a report made to completion of service.

PLA makes the responses and maintains the records.