



March 28, 2023

TO: Council President Mary Sheffield
FROM: Beau Taylor, Executive Director
Public Lighting Authority
RE: **PLA Response to FY 2023/2024 Budget Questions**

Please find below responses to your questions sent on March 27, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for the Public Lighting Authority.

- 1. Many residents have urged the City to install brighter lights in their neighborhoods. Please share any forthcoming plans to increase neighborhood lighting.**

The PLA continues to comply with the Lighting plan as required in the enabling legislation. A number of second-generation lights are beginning to reach the end of their lifecycle, and the PLA has made replacing those one of its priorities. The PLA is also in the process of replacing and upgrading legacy neighborhood wood poles to reinforce the current lighting system infrastructure.

- 2. Alley Lighting is also a common concern of our resident. Over the past decade the Public Lighting Authority decommissioned over 10,000 alley lights with no plan for new alley light to be installed. Instead, residents were offered a low-cost replacement outdoor protective light from DTE.**

- i. What resident feedback, if any, has the PLA received since this change? My office receives a regular stream of calls from residents who desperately desire alley lighting.**

The PLA receives regular resident feedback about the quality of neighborhood lighting, including about alley lighting. Accordingly, residents inquiring about alley lighting are informed that they are not included in the approved Lighting Plan and are directed to DTE's OPL program.

ii. Is there a possibility to reinstall lights in public alleys? What would this process look like?

The current approved Lighting Plan and operating and maintenance funding do not cover reinstallation of public alley lights. Any project to reinstall alley lighting would begin with revisiting the approved Lighting Plan and associated funding discussions as set forth in the process specified in our enabling legislation.

iii. Which neighborhoods does the department agree that alley lighting is needed for? What is the cost?

In the past, the PLA has worked with residents on blocks where garage access was limited to alleyways, such as on Pallister Street, with different lighting solutions. PLA plans to conduct an assessment to identify other areas where the criteria of garage access may exist.

3. Throughout the city, there are many scarcely lit streets. What is the cost per streetlight? This includes the cost of moving a mid-block light. How many people have called in requesting additional light? How are these requests formally handled? How many of these requests have the department evaluated and agreed that more lighting is needed?

The cost to replace a single streetlight is approximately \$1,800 (materials, equipment, and labor) per light; the cost to operate and maintain that streetlight over its lifecycle averages approximately \$200 per year. Please note, however, that moving a mid-block light may incur additional engineering costs to analyze the light quality and output for new placement.

From July 1, 2022, to present, PLA has had 152 requests for new lights.

The PLA's Director of Government and Community Relations oversees the PLA's analysis and response to each resident and business owner's request for additional streetlighting. The PLA adds lights if the current lighting is somehow defective or does not meet standards of the Lighting Plan.

4. In the budget hearing it was stated that in order to add additional lighting in alleys or street blocks, the lighting plan would have to be altered through a legislative process. What does this process look like? Is the lighting plan established at the local or state level?

In order to revise the lighting plan, it would take a collective legislative effort between the PLA's Board of Directors and the Detroit City Council. Additionally, a very careful analysis would have to be done of the financial impact any adjustment might have on the PLA's ability to maintain the current lighting system including the repayment of the bond debt incurred to rebuild the system.

- 5. Because public lighting is essential to public health and safety, could ARPA funds be used to provide more alley and block lighting? Please share any information that the department has about the possibility to use ARPA funding to increase public lighting.**

The PLA was not a recipient of ARPA funds, therefore any use of any sort of federal and/or state grant funds for streetlighting purposes will be at the discretion and under direction of City of Detroit.

- 6. Does the Public Lighting Authority participate in any community engagement or outreach activities? How much is allocated in your budget for outreach?**

PLA has staff dedicated to external and community relations and participates in all City of Detroit public outreach opportunities. These opportunities include the City's neighborhood meetings, close contact with the District Managers and with City Council members and their offices, and resident meetings.

To further ensure community engagement and outreach, the PLA funds a Director of Government and Community Relations, a 24-hour Call Center, Annual Report production, and additional PLA staff to interact with the public. Note: PLA is embarking on a public service campaign to increase outage reporting.

The total for our Director of Government and Community Relations, our 24/7 call center, our Annual Report, and our public relations outreach is approximately \$260,000 per year.

- 7. Please provide an itemized budget for FY23 and FY24. Budget should show all other income streams and clearly define "other income" and "other expenses."**

Attached FY23 line-item budget includes definitions of all line items. The Budget for FY24 is not yet finalized or approved by the PLA Board of Directors.

- 8. Recently, the Public Lighting Authority launched the Public Lighting Authority Nurturing Talent (PLANT) Program. This program is designed to encourage contractors to hire Detroit residents and train those residents for future careers in skilled trades. Please share a performance report on this program including how the program has impacted employment demographics here in Detroit.**

The program continues to impact employment in two ways: by placement of apprentices on the crews of our electrical contracts, and by encouraging other contractors operating through the local to hire Detroit residents into these good solid careers.

The initial phase of the PLA's program has already successfully helped five (5) individuals from our first cohort to apply and ultimately be accepted into IBEW apprenticeship programs, which serves as a pathway into a career as an electrician and other related skilled trades fields. The program currently has doubled in size and there are eleven (11) program participants in our second cohort, who are

expected to apply for IBEW apprenticeship programs when applications begin to be accepted in the coming months.

The PLA has also partnered with its contractors as part of the PLANT program and its efforts to encourage the hiring of Detroit residents. Universal Contracting Services and Harlan Electric have 65% of their total work forces being made up of Detroit residents.

9. Please share an employment breakdown for the Public Lighting Authority. This should include how many employees you have in each position, and what percentage of each position staffed is comprised of Detroit residents. This should include all employees, include leadership.

PLA staff is as follows:

Position	FTE
Executive Director	1
Chief Administrative Officer	1
Chief Financial Officer	1
Director of Government & Community Relations	1
Director of Inventory & Procurement	1
General Manager of Operations & Maintenance	1
GIS Technician	1
Inventory Specialist	1
Night Surveyors	3
Project Engineer	1
Project Facilitators	3

10 of the 15 are City of Detroit residents.

10. This February marked ten years since the establishment of the Public Lighting Authority. Looking ten years out, what can the City expect from PLA over the next decade?

PLA has developed a Long-Term Strategic Reinvestment Plan that lays out a roadmap for bringing the entire system to a State of Good Repair. The Plan addresses replacement of 22,000 legacy poles and retrofits of photometrics on highly trafficked corridors that weren't addressed in the initial construction phase. It also schedules regular replacement of all 65,000 luminaires in a way that staggers costs so that they are financially sustainable. In the next ten years, the full and true cost of streetlight operation will be stabilized, while annual plan research assures that asset specifications and system technology remain current.

In the coming years, the lighting system will become one of the most important infrastructure within the City of Detroit. It may be used to support new innovations such as electric cars and even citywide wireless internet access. Accordingly, PLA will continue work in close concert with the City to ensure that the streetlight system continues to become more sustainable, while ensuring that the lighting system continues to operate and also offer as much innovation as the City wants of us.

PLA FY23 Budget, with detail

line item category	rev or exp	FY23 budget
Compensation	expense	\$ 1,765,000
payroll		
payroll taxes		
Retirement		
health insurance		
employee pass thru's		
Principal disability		
Professional Fees	expense	1,200,000
contractual staff		
Allen Law		
DataTech		
Gregory Terrell		
Admin Control Mgmt		
CEA engineering studies		
Phares Noel / Diversified		
98 Forward		
Paychex		
Azteca Cityworks		
ArcGIS		
Fifth Third Credit Card		
George Johnson Audit		
Occupancy	expense	220,000
400 Monroe rent		
23rd St warehouse rent		
Security		
Parking		
Time & Units	expense	6,100,000
emergent		
make safe		
traffic control		
non-emergent/non-prev mtc		
Materials	expense	2,000,000
poles		
lums		
arms		
Triplex/Duplex span wire		
lighting controls		
handholes		
Preventative Maintenance	expense	2,100,000
Tree Trimming	expense	500,000
Office Expenses	expense	70,000
Insurance	expense	185,000
Travel, Meeting, Conferences	expense	10,000
Auto Expenses	expense	70,000
fuel		
maintenance		
assets and in-vehicle services		
Public & Community Relations	expense	20,000
operating total		14,290,000
Depreciation (not an outlay)	expense	50,000
Debt Service Expenses	expense	
<hr/>		
interlocal agreement fees	revenue	\$ 10,500,000
Utility User Tax Revenue	revenue	12,500,000
Interest Income	revenue	300,000
Other; Insurance Recovery	revenue	15,000
Others - unrealized gain/loss	revenue	50,000