
**TULSA DEVELOPMENT AUTHORITY BOARD MEETING
WORK SESSION MEETING OF: AUGUST 7, 2017**

**TO: CHAIRMAN AND BOARD MEMBERS
FROM: D.W. GATES ENGINEERING SERVICES
SUBJECT: NORTH PEORIA AVENUE TAX INCREMENT
DISTRICT NUMBER FOUR STATUS AND
AND POTENTIAL EXTENSION**

Background: Owner: City of Tulsa
Location: North Peoria TIF Boundary

Work Activities:

Prepared list of requirements and steps for requesting TDA assistance on TIF project, and forwarded to Pine Place Development and Project Architect Terry Smith.

Met with TDA, City of Tulsa Traffic Engineer Lisa Simpson and PSO representatives to discuss possible arrangements for obtaining maintenance and operational costs support for new lighting going in on N. Peoria between Pine and Apache. Received useful information to apply on future projects.

Reviewed opinion from TDA attorney on why maintenance and operational costs may be an acceptable use of TIF funds based on wording in the actual TIF document.

Researched other options for funding operation and maintenance of lights on Peoria.

Tentatively looked at possible extension of lighting on Peoria from Apache to 36th Street north, but will not actively pursue evaluating this project until advised to by TDA, and after questions about the lighting from Pine to Apache are resolved. I have identified a funded activity on the recently passed Vision Extension that has allocated \$7,000,000.00 for enhancements on N. Peoria from 56th Street North to Mohawk. The line item specifically includes "streetscaping" which typically includes lighting. The area in this item covers 90% of the area desired for lighting, only missing the area between Apache and Mohawk. I do not yet know when this Vision Project will be funded or who will decide what gets built.

Third Generation Electric is continuing to work on the N. Peoria Lighting and has begun receiving material for the installation and plans to start work on the roadway in late September.

North Peoria TIF funding is helping to fund an improved Lacy Park Pool expansion, which is scheduled to start Fall of 2017 after the pools are closed for the season.

TIF Extension

When this effort begins, we are prepared to assist TDA in the development of a new TIF for the area, and share what we have learned in the implementation of the current TIF.



ACTION: APPROVAL: ____ APPROVAL W/ CONDITION: ____ DENIAL: ____ TABLED: ____
VOTE: ____

D. W. Gates Engineering Service

Specializing in Power and Lighting Design

616 South Main Street, Suite #112, Tulsa, OK 74119
Ph: (918) 583-6905 • Fax: (918) 583-4226 • derek@dwgatesengineering.com

August 28, 2017

To: O.C. Walker, TDA Executive Director

North Peoria Lighting Information

As we work towards a solution regarding operation cost and maintenance costs for the light project, let me go over some history. This may help discussions with Kathy Taylor.

You are aware of the background regarding community meetings, that got us to considering the North Peoria lighting plan. During the final planning stage, I approached Jack Henderson about concerns about getting the lights on the City of Tulsa list for lighting cost funding. He told me he would make sure that happened. I believe at this point, adding lights to the approved list requires the approval of the Mayor.

The estimate for the lighting project, when it was approved by the TDA Board on was for \$600,000.00. This is shown in the proposal submitted to TDA in July of 2016. After the project was put out to bid, the engineers estimate was revised to \$568,550.00. The actual bid amount for the lighting (from Third Generation Electric) was \$382,000.00. This is an excellent bid and is \$186,939.00 under estimate.

Project Estimate 7/11/2016	\$600,000.00
Engineers Estimate during bid:	\$ 568,550.00

Bidder low bid amount:	\$381,611.00
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The TDA Board approved the project at the estimated \$600,000.00 construction costs. The actual bid amount is \$ 218,339.00 below the original estimate and \$ 186,939.00 below the final engineers estimate. Even if money is reallocated from the TIF for maintenance and operation, the amount would still be less than what was approved by the board and the difference in actual bid versus the approved estimate would pay for operation and maintenance for 15 years or more.

The cost we need to address are for the following items:

Monthly Electrical costs

(estimated at \$250.00/month) or \$3,000.00/year.

Maintenance Costs

This is a hard to define amount. There is not standard "maintenance" such as replacing bulbs, oiling chains, panting, etc. Basically there is nothing to do until something breaks. The expected maintenance items would be as follows:

1. Mechanical failure of lights or poles due to malfunctioning equipment or bad parts
2. Mechanical failure of lights or poles due to an auto accident
3. Mechanical failure of lights or poles due to vandalism.
4. Mechanical failure of lights or poles due to wear and tear and aging.

Most studies say that a lighting system will have a failure rate of around 6-10% a year on a system. For our system of 58 new lights, that might average out to 4-6 lights needing servicing per year. The truth is no one can really say, but it is pretty certain there will be some maintenance needed on the system each year.

Because the lights have a 5 year warranty, failure modes 1 and 4 are covered for the next 5 years. Items 2 and 3 are hard to predict. I cannot see any signs of cars hitting the medians where we have the Christmas light receptacles, but history shows that where there is heavy traffic, poles are hit and damaged.

Labor estimate for repairs of a system of this size would be \$ 4-10,000.00 per year, with some of that costs initially subsidized by the spare parts provided by the contractor, as part of the construction contract. The current project has 3 light poles and 5 complete light fixtures as spare parts.

The issue of paying for the energy costs for the lights had been addressed to some degree, in 2016 but with the change in counselors and the Mayor's office, we were left without a written resolution.

Why The City Should Consider Paying for North Peoria Lighting

When the realigned highway was completed in 2007, street lighting was not included. This was an error on the part of the City, and not consistent with lighting on similar streets and should not have happened. Also, there was no money set aside for repair and maintenance of the jogging trail lights and they have not functioned in at least 6 years. The lights are now damaged, broken, and wiring and junction boxes broken to the point it would take tens of thousands of dollars to make it functional again. The people on North Peoria between Apache and Pine have no street lights or trail lights at all, with the exception of 6 lights installed on PSO power poles on the South end of the project.

It could be argued that the community has been short changed by a street design omission that left out basic lighting for the roadway. As a minimum the design should have included PSO provided wood poles with cobra head lights. Instead, we got nothing. They have also been denied jogging trail lighting due to the inability of the City to maintain the lights, to the point they have become totally non-functioning. For these reasons, it can be surmised the city of Tulsa has saved 10 years worth of lighting costs that should have been spent on this stretch of roadway. For this reason, I would recommend the City of Tulsa agree to pickup the operational costs for the lights, as part of their agreement for lighting the main streets in this city.

