

City council approves application submission for lighting project

Written by By Cody Begaye Sun Correspondent
Friday, 03 May 2019 06:42



A new system that would □ increase lighting life by 500 PERCENT

The Gallup City Council listened to a request to submit an application to the New Mexico Finance Authority for future LED Street Lighting Project Bonding consideration at their recent regular meeting.

Eric Babcock, interim electrical director for the City of Gallup, spoke for the item. He said that the application is an administrative requirement by the NMFA to be considered for financial bonding.

According to Babcock, the LED streetlight project involves changing over 4,000 street and area lights. The existing light system uses about 4.2 million kilowatt hours to operate for one year, while the new LED system will use about 1.7 million kilowatt hours for a savings of about 2.5 million kilowatt hours, or 61 percent.

“We will save on investment and increase public safety,” Babcock said April 23.

According to an attachment from the City Council agenda, the new system would brighten commercial areas of Gallup for safety, security, and appearance. No specific areas of the city

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were mentioned at the meeting.

The current system also costs about \$448,000 a year for energy and maintenance. The new LED system will cost about \$133,000 a year, for an overall savings of \$315,000 a year. In addition, the new LED system would have a life of over 20 years whereas the current system has an average life of about four years.

The project cost given by Babcock is \$2.5 million, or about \$623 apiece for just over 4,000 lights. Taking the simple payback route with the savings will allow the city to pay off the project in just under eight years.

According to a timeline given at the meeting, approving the application submission now would allow the utilities department to submit the application before the city council's May 23 meeting and then return to the council with an ordinance during one of their June meetings.

Once the city is approved, they will expand on the project. The city will take inventory of all existing poles and lamps for geographic information systems and asset management.

After that, the replacement work will be completed about nine months from the start date. However, there was no start date given at the meeting.

Dist. 3 Councilor Yogash Kumar asked if the LED lighting system carried a warranty. Babcock said that the lights' warranty would be good for five years.

When asked by Dist. 2 Councilor Allan Landavazo about potential cash flow, Babcock said that any projected cash flow would come in the form of savings through maintenance and verification of the LED system.

If the interest rate on the project is reduced, the city would save more money, Babcock said. But if the interest rate on the project increases, those savings would be reduced.

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The motion to go forward with the application was approved with a 5-0-0 vote.

Other items discussed at the regular meeting:

The resolution to recognize the week of May 6-11 as National Economic Development Week was approved with a 5-0-0 vote. Patty Lundstrom, executive director of the Greater Gallup Economic Development Corporation, said that the city will hold numerous events that week including a job fair, the signing of an economic development agreement, business retention and expansion luncheon, and a recruitment conference.

An ordinance to exchange land with Gallup Land Partners, about 160 acres south of Mendoza Road, that would relieve the City of Gallup from liability for using GLP land without permission was approved with a 5-0-0 vote. The city would then attain the land at the east end of Warehouse Lane from GLP for storage purposes.

A budget increase of \$7,000 for the Harold Runnels Athletic Complex to pay part-time salaries for the rest of the fiscal year was approved with a 5-0-0 vote. Vince Alonzo, Parks and Recreation Director, said the complex has a staffing plan in place to avoid this problem in the future.

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