



March 4, 2019

Memo to: Board of Commissioners

From: Josh O’Conner, Recreation Services Director, and Jim Holland, Assistant County Manager, via Avril Pinder, County Manager

Re: Recommendation on Bob Lewis Parking Lot Lighting

As you are aware, Buncombe County staff is requesting Board of Commissioners approval to continue moving forward with the Enka Recreation Destination project. In addition to the approval of agreements to allow the project to move forward, staff is requesting your review and consideration of lighting for parking lots at the Bob Lewis ballpark. The purpose of this lighting is to mitigate safety concerns for visitors to the ballpark that are attending evening games. As you are aware, a critical component of the Enka Recreation Project is the installation of field lighting that allows usage of the fields during evening hours. These costs were not captured in the original TDA grant application process, but nonetheless represent an important contribution to the overall usability and safety of the fields.

Lease v. Purchase Methods

County staff have undertaken initial efforts to analyze the costs of this parking lot lighting and pending your approval will work with the appropriate vendors (e.g., Musco, Duke Energy) to finalize costs. In order to further today’s discussion, staff have conducted preliminary research regarding financing methods and will provide an estimated cost for your consideration.

A primary consideration for parking lot lighting is to purchase or lease lighting. Below are highlights regarding each option followed by an example costs analysis.

Lease Option

Lease options allow for lower upfront costs, but with the potential for higher longterm costs as lease payments accumulate overtime. This option makes sense for projects that are short-term in nature, or where out-of-pocket expense needs to be limited. With regards to lighting, lease options frequently include installation costs and maintenance costs.

Purchase Option

Purchase options create higher upfront costs, but with potential for lower longterm costs after the “breakeven” point. This option makes sense for projects that will be in place for an extended period of time. With regards to lighting, purchase options frequently include maintenance costs, but may require additional installation costs which are captured in the total cost.

Cost Estimates

Figure 1 includes estimates of lighting costs using three (3) cost scenarios (e.g., \$20/light, \$25/light, \$30/light). These estimates are for illustrative purposes and are based on the County’s existing leased lighting contracts (e.g., Sports Park, Owen Park). If directed, staff will continue to work with the appropriate vendors to refine the estimated leased lighting costs. Specific considerations include price escalators, discounted pricing based



on contract length, and lighting specifications and layouts. Note that 2019 costs are prorated and the first full year of costs is 2020.

Figure 1: Estimated Costs (Years 2019 through 2025)

<i>Estimated Annual Cost</i>							
Option	2019	2020	2021	2022	2023	2024	2025
Lease (\$30.00/light)	\$12,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00
Lease (\$25.00/light)	\$10,028.00	\$15,042.00	\$15,042.00	\$15,042.00	\$15,042.00	\$15,042.00	\$15,042.00
Lease (\$20.00/light)	\$8,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00
Purchase	\$300,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Estimated Cumulative Cost</i>							
Option	2019	2020	2021	2022	2023	2024	2025
Lease (\$30.00/light)	\$12,000.00	\$30,000.00	\$48,000.00	\$66,000.00	\$84,000.00	\$102,000.00	\$120,000.00
Lease (\$25.00/light)	\$10,028.00	\$25,070.00	\$40,112.00	\$55,154.00	\$70,196.00	\$85,238.00	\$100,280.00
Lease (\$20.00/light)	\$8,000.00	\$20,000.00	\$32,000.00	\$44,000.00	\$56,000.00	\$68,000.00	\$80,000.00
Purchase	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00

Based on the above information, the “breakeven” point for purchased lights is between 16 and 25 years depending on the final leased cost amount (see Figure 2 below). Note that this estimate does not factor in additional costs incurred for the purchase option for maintenance, repair, and additional utility expense.

Figure 2: Breakeven Point for Lease Options

Option	Years
Lease (\$30.00/light)	16.7
Lease (\$25.00/light)	19.9
Lease (\$20.00/light)	25.0

Additional Considerations

Staff recognize the value of the lighting project, but would also like to note the following:

- Additional change orders may occur over the course of this expansive project
- Potential change orders for facilities included in this project may be in direct competition with other County facilities

Recommendation

Our recommendation is for the Board to authorize the County Manager to negotiate a contract to lease lights for Bob Lewis parking lot lighting. Leased lighting will result in lower, initial out-of-pocket expense, and provide an interim lighting solution for the project. During the lease, staff will continue to review the need for permanent lighting, as well as financing strategy. Based on the initial research conducted, staff requests that the Board authorize the County Manager to approve a contract for leased lighting up to \$16,000 annually. If staff are unable to negotiate a contract under this rate, staff will present an update to the Board at a regularly scheduled meeting.

This project has been many years in the making and could not be possible without continued partnership between public, private and non-profit sectors. We are eager to get started on this project and believe that the end result will be an undeniable benefit to our community, and a truly unique recreational experience.