



**City of Missoula, Montana
City Council Committee Agenda item**

Committee: Budget and Finance

Item: Street Lighting Improvement District Assessments for fiscal year 2024

Date: July 11, 2023

Sponsor(s): Marty Rehbein, Legislative Services Director & City Clerk

Prepared by: Claire Trimble

Ward(s) Affected:

<input type="checkbox"/> Ward 1	<input type="checkbox"/> Ward 4
<input type="checkbox"/> Ward 2	<input type="checkbox"/> Ward 5
<input type="checkbox"/> Ward 3	<input type="checkbox"/> Ward 6
<input checked="" type="checkbox"/> All Wards	<input type="checkbox"/> N/A

Action Required:
Conduct a public hearing and consider a resolution.

Timeline and Recommended Motions:

Committee discussion: July 19, 2023

Council sets public hearing: July 24, 2023

Recommended motion: Set a public hearing on August 14, 2023, on a resolution of the Missoula City Council levying and assessing a special assessment and tax on the lots, pieces and parcels of land situated within all special lighting districts of the City of Missoula, Montana, in the amount of \$285,645.30 to defray the cost of street lighting in special lighting districts during the fiscal year 2024.

Public Hearing: August 14, 2023

Final Consideration: August 21, 2023

Recommended motion: (Adopt/Deny) a resolution of the Missoula City Council levying and assessing a special assessment and tax on the lots, pieces and parcels of land situated within all special lighting districts of the City of Missoula, Montana, in the amount of \$\$285,645.30 to defray the cost of street lighting in special lighting districts during the fiscal year 2024. Click or tap here to enter text.

Background and Alternatives Explored:

Each year, the city levies assessments to pay for the costs of street lighting in the street lighting improvement districts (SLIDs) located throughout the city. The City's Road District Number 1 fund pays for 10% of the costs of lighting and property owners are assessed the remaining 90%. The city charges an administrative fee to cover the staff time to bill and process assessment payments. This year the city anticipates a 19% increase in street lighting rates from Northwestern Energy. To offset this increase to tax payers, the City administration is recommending using a portion of the existing fund balance in the amount of \$73,500 towards this years anticipated expenses.

During fiscal year (FY) 2021, Northwestern Energy installed LED lighting in many of the lighting fixtures in the City's lighting district reducing energy consumption and the amount billed in many

lighting districts. Public Works and Mobility has mapped lighting fixtures in the City's lighting districts and found gaps in street lighting from house to house and block to block. After performing an analysis in fiscal year 2022, PWM determined the savings accrued in each district wasn't sufficient to address gaps in lighting. For fiscal year 2024, City administration applied 50% of the savings accrued in FY 23, and is recommending applying the remaining 50% savings in FY24.

Financial Implications:

This year's assessment is \$285,645.30. Last year's assessment was \$269,457.00, FY24 request is a 6% increase after offsets are applied.

Links to external websites: