

MEETING DATE: 04/8/2019

ITEM: 5

AGENDA ITEM SUMMARY

Subject: South Cedar Terrace Transformer Project

Recommendation: Approve Specification and Plans

Background Summary: We have been working with the electrical engineer retained by Skott and Anderson and Mid American Energy to complete the specifications for the electrical upgrade at South Cedar Terrace. The plans are calling for replacement of the three existing transformers with four and run all new wires from the pole to the transformers and new feeds to the buildings and security lights. Because of the position of the buildings and the transformers, it isn't feasible to trench the lines. The trenches would have to go around the buildings and anything in the way, like sidewalks and parking lots would have to be cut, dug up and repaired. Instead the directional boring can run the wires/conduit underground without having to tear up the sidewalks and landscaping.

There will be an alternate bid with the project to install new security lighting also. The existing lights and poles need to be replaced and MidAmerican Energy has suggested that we purchase and install our own lights. We are charged a monthly lighting charge for each security light in addition to the cost of the electricity. This monthly charge has and will increase annually from \$11.96 in 2014 to \$25.97 in 2023. For only the 16 lights at South Cedar Terrace, it will cost us approximately \$22,000 over the next five years just for the use of them. It makes more sense to install our own lights and use the cost savings to offset the purchase/installation costs.

In order to cover the costs, we are proposing using reserves to fund the entire project. We have budgeted the funds in our 2020 budget. If the bids come in higher than anticipated. We still have \$100,000 budgeted in the 2017 & 2018 Capital Improvement Funds.