

COUNCIL ACTION FORM

SUBJECT: STREET LIGHT INSTALLATIONS OUTSIDE OF ELECTRIC SERVICES' TERRITORY

BACKGROUND:

During recent years, residential subdivisions have been constructed on the outer edges of the City (for example Northridge Heights, Suncrest, and Ringgenberg Park), and the Ames City Limits have expanded to include these subdivisions. However, Ames Electric Services boundaries are set by the Iowa Utilities Board and cannot be expanded to include these new areas.

Since the City is not authorized by the State to provide electric service outside its established boundaries, and in order to satisfy the subject Municipal Code requirement for the City to install the street lights, special agreements have been established in the past to obtain electric service to City-owned street lights in subdivisions located within the City of Ames corporate limits, but outside Ames Electric Services' territory. The three adjacent electric utilities are Alliant Energy, Midland Power and Consumers Energy.

Though other utilities had initially been able to provide service up to the street lights, recent policy changes by Alliant Energy and Midland Power now require the City to own and maintain the service conductor between the street lights and the transformer service points. Alliant additionally requires metering at each transformer service point. This will adversely affect how the lighting system is installed and maintained by Electric Services. These changes will result in increased operating and maintenance costs and complicates the coordination of locating underground electric facilities in these areas. Alliant Energy's additional requirement for street light metering pedestals at transformers would also require another above-grade piece of equipment that is not currently placed in subdivisions.

A meeting was held on January 24, 2008, to discuss how best to provide service to street lights in annexed areas outside of Ames Electric Services' territory. In attendance at this meeting were representatives from City departments, the three adjacent utilities, and developers normally involved in these projects. The developers felt that, as long as Ames' design requirements are met and there are similar choices provided by other utilities for street light poles and fixtures, it would make no difference to them which utility actually provides the street lights. The three adjacent utilities have agreed that they would offer the same styles of poles and fixtures currently offered by Ames Electric Services. **It was determined at that meeting, therefore, that the simplest solution would be to allow developers to obtain street lights from the serving utility. The proposed ordinance change would permit developers to do this, while retaining**

Ames control over street light design and specification standards. The City would continue to purchase power from the outside utility to maintain service to these street lights, as it has done in the past.

ALTERNATIVES:

1. The City Council may direct the City Attorney to prepare an ordinance which will allow utilities other than Ames Electric Services to install street lights within the City limits, but outside of Electric Services' territory, in accordance with adopted City of Ames standards.
2. The City Council may refer this matter back to staff for further study or information.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative #1, and direct the City Attorney to prepare an ordinance which will allow utilities other than Ames Electric Services to install street lights in areas within the City limits as long as those lights are in accordance with adopted City of Ames standards.

This alternative appears to be the most cost-effective way to meet the appropriate lighting standards. This will also simplify the process for the developers, since the other utilities are already installing the infrastructure necessary to serve the buildings to be built in these developments.

CAF APPROVAL

SS SS BK _____ SL SL

DM [Signature] JP _____

To be sent to:

