ITEM # <u>15</u> DATE: <u>09-08-15</u>

COUNCIL ACTION FORM

SUBJECT: STREET LIGHTING SYSTEM OWNERSHIP AND MAINTENANCE IN MIDLAND POWER COOPERATIVE ELECTRIC SERVICE TERRITORY

BACKGROUND:

As the City of Ames expands into the Northern Growth Area, the electric service territory for the Ames Electric Services Department (AMES) is not changing per the boundaries established by the Iowa Utilities Board. A street lighting system is required to be installed in new subdivisions at the developer's expense per City code. Electricity for the street lighting system along streets and roadways in the new subdivisions (ex. Scenic Valley, Quarry Estates, etc.) is being increasingly provided by Midland Power Cooperative (MIDLAND).

The street light offerings from MIDLAND are limited to round wood poles and openbottom "farm" luminaires. AMES offers several pole and luminaire options for developers to choose from as part of our standard inventory. In addition, AMES customers are familiar with the process of reporting non-working street lights to AMES staff.

The electric engineering staffs for AMES and MIDLAND have come to an agreement regarding the ownership and maintenance of the street lighting systems in the City of Ames for areas served by MIDLAND. The agreement has been reviewed and approved by the City Attorney's office. The terms of the agreement include the following items:

- 1. AMES will provide labor and materials to install the entire street lighting system at the developer's expense per AMES standards.
- 2. AMES will maintain ownership of the street light poles and luminaires. See the attached drawing for details.
- 3. MIDLAND will take over ownership and maintenance responsibilities for the buried wires between the light poles and the MIDLAND power sources.
- 4. MIDLAND will provide electricity to the street lighting system and bill AMES monthly at their "energy-only" rate based on the average energy usage per luminaire.

ALTERNATIVES:

- 1. Accept the agreement between AMES and MIDLAND for the ownership and maintenance responsibilities of the AMES street lighting system in MIDLAND territory.
- 2. Reject the agreement and direct AMES staff to request MIDLAND to supply the street lighting system in MIDLAND territory.

MANAGER'S RECOMMENDED ACTION:

Ownership and maintenance of the street lighting poles and luminaires by the Ames Electric Services Department allows the utility to provide a uniform look to the street lighting system throughout the City of Ames and a single point of contact for residents to report non-working lights.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.

