

COUNCIL ACTION FORM

SUBJECT: 111 LYNN AVENUE (UNIVERSITY APARTMENTS) – ELECTRIC FACILITIES AGREEMENT WITH UT LYNN AVE LLC (OWNER OF THE UNIVERSITY APARTMENTS)

BACKGROUND:

The University Apartments building, 111 Lynn Avenue, was built in the 1960s. The standard practice at the time was to install three oil-filled overhead-style transformers in a vault room in the basement to provide electric service to the building. The Electric Services Department would like to remove the transformers from the building and replace them with a padmounted transformer located outside the building. New buried electric service cables would also be installed to connect to the existing electric distribution equipment to remain in the building.

The Electric Services Department has been working closely with the University Apartments owner, UT Lynn Ave LLC, on this project. UT Lynn Ave LLC agrees that removing the transformers from the basement and installing electric service cables fed from an exterior transformer will improve safety for their tenants and Electric Services personnel.

As such, staff has prepared an Electric Facilities Agreement to describe the division of labor, materials and costs of the City and UT Lynn Ave LLC during construction on this project.

ALTERNATIVES:

1. Approve the Electric Facilities Agreement between the City of Ames and UT Lynn Ave LLC, owner of the University Apartments at 111 Lynn Avenue.
2. Delay the University Apartments – Electric Service Replacement.

CITY MANAGER'S RECOMMENDED ACTION:

This work is necessary to remove the transformers from the basement for safety reasons and eliminate the need for specialty transformers to maintain electric service to the building.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.

ELECTRIC FACILITIES AGREEMENT

BETWEEN THE CITY OF AMES AND UT LYNNE AVE LLC

This Agreement is made this ____ day of _____, 2020, by and between Cyclone Inns LLC d/b/a UT Lynn Ave LLC (hereinafter called “Customer”), owner of the commercial building located at 111 Lynn Avenue (hereinafter called “University Towers”) in Ames, Iowa, and the City of Ames as owner and operator of the municipal electric utility (hereinafter called “Utility”), for the purpose of dividing the material and labor activities and costs necessary to replace and upgrade certain electrical infrastructure at Customer’s location necessary to serve the Customer’s facilities.

The Utility currently owns and maintains 3 – 250 kVA overhead transformers located in a room in the basement of the University Towers. These transformers provide electric service to the Customer’s electric distribution equipment in the University Towers. At the time of installation, it was common practice to place overhead transformers in basement rooms of large commercial buildings. Current electrical safety codes and standards make it impractical to operate and maintain overhead transformers in basement rooms.

With the Customer’s cooperation, the Utility would like to remove the transformers located in the basement of the University Towers. The transformers would be replaced with a 750 kVA pad mounted transformer already located outside northeast corner of the building.

New service entrance cables will be buried outside of the building between the Utility pad-mounted transformer and the basement room containing the existing overhead transformers. The service entrance cables will be terminated on the existing secondary bus duct supplying the Customer’s electric distribution equipment for the University Towers.

To meet current National Electric Code requirements, a service entrance electrical switchgear will need to be installed to provide a means of disconnecting the service entrance cables prior to entering the building.

A. Division of Labor, Materials and Costs

1. The Customer and Utility will divide the various preparation tasks necessary for the removal of the overhead transformers from the basement room of University Towers, the installation of the new service entrance cables and switchgear as described in this agreement, and after installation, Utility will own, operate, and maintain the transformer for Customer’s use. The Customer will own, operate, and maintain the service entrance cables and the switchgear.
2. The Utility will hire an engineering consultant to develop plans and specifications to perform the required tasks associated with this project. The Utility will obtain bids on the plans and specifications and award a construction contract to a qualified electrical contractor.

The Utility will manage the project construction and oversee the electrical contractor (and any subcontractors) performing the work.

3. The Utility will conduct work on this project to minimize interference with the Customer's use and operation of the building. This will include phasing the work to keep the building's fire suppression system in operation as much as possible.
4. The Customer will provide the following materials and perform the labor in preparation for removal of the transformers and the installation of the service entrance cables and switchgear:
 - a. Customer will provide building access to Utility personnel and designees (including, but not limited to electrical contractor personnel and consulting engineers). Access will be required during project planning and construction activities. Utility will contact Customer's representatives in the building prior to gaining access to the building;
 - b. Upon receiving notice from the Utility, Customer will be responsible for notifying commercial and residential tenants of the University Towers of any electric service interruptions planned by the Utility to perform construction activities;
 - c. Customer will provide personnel to perform "Fire Watch" duties during times when the building fire suppression system is unavailable due to electric service interruptions required during construction activities. The fire inspector for the City of Ames will determine when "Fire Watch" duties will be required; and
 - d. Coordinate parking and working space during construction with the Customer's property manager. Customer will provide a minimum of three parking spaces on the exterior of the building for electrical contractor personnel and equipment during construction. Storage space for electrical cables and other related materials shall be made available on the exterior of the building;
5. The Utility will provide the following materials and perform the labor in conjunction with the removal of the transformers and the installation of the service entrance cables and switchgear on Customer's site:
 - a. Utility will be responsible for materials and labor to install all of the electrical conduits external to the building for the project, including the installation of an in-ground pull box;
 - b. Utility will be responsible for materials and labor to install all of the electrical conduits internal to the building for the project, including connection to the existing Customer-owned electric distribution equipment located in the

- basement of the University Towers. Work will also include installing electrical conduit for the relocation of the building's fire suppression system;
- c. Utility will be responsible for providing and installing a service entrance electrical switchgear on the exterior of the building, related terminations, and secondary cables between the transformer and the switchgear and between the switchgear and the electric distribution equipment in the basement of the University Towers. New secondary cables will be installed to serve the building's fire suppression system. The electrical switchgear will consist of a 3000 amp circuit breaker and a 600 amp disconnect switch for the building fire suppression system;
 - d. Utility will remove and dispose of all debris related to the conduit installation, including concrete and earth spoils. Utility will restore all excavations and concrete surfaces to pre-construction conditions; and
 - e. Utility will remove and dispose of the old transformers from the basement of the University Towers and all old electric cables in the existing unused electrical conduits.
 - f. Utility will insure any of its contractors on site shall procure, pay for, and maintain the insurance as required under **Exhibit A** attached hereto. The insurance policies described in **Exhibit A** shall be procured from an insurance company or insurance companies reasonably acceptable to Owner and with an A.M. Best Rating of A- or better.
6. The Customer agrees that it will pay the actual costs to perform the services and provide the materials outlined in 4a – 4d above.
 7. The Utility agrees that it will pay the actual costs to perform the services and provide the materials outlined in 2, 3, and 5a - 5e above.
 8. Customer may assign or otherwise transfer this Agreement without the prior written consent of Utility; however, notice of the transfer must be provided to the Utility prior to or as soon as possible after the transfer.
 9. Agreement shall terminate upon completion of the work.
 10. Any outage shall be limited in time and duration by the Utility, and all shall be coordinated in advance with the Customer; though in no case shall be longer than eight (8) hours, without prior written approval of Customer.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed in triplicate the day and year first written.

CITY OF AMES, IOWA

UT Lynn Ave LLC

By: _____
JOHN A. HAILA, MAYOR

By: _____

Date: _____

Date: _____

ATTEST:

By: _____

DIANE VOSS, CITY CLERK

Attachment A - Insurance Requirements

1. **STATUTORY WORKER’S COMPENSATION, EMPLOYERS’ LIABILITY** (not less than \$100,000.)

2. **COMMERCIAL GENERAL LIABILITY**, to be provided on an “OCCURRENCE” basis, with coverage to include explosion, collapse and underground hazards (XCU), Blanket Contractual, Products, Independent Contractors, Completed Operations, Personal Injury, and Employees as additional insured. General Liability insurance shall not contain any residential limitation or residential exclusion related to premises operations or products completed operations coverage. “Claims Made” Form Not Acceptable.

BODILY INJURY LIMITS

\$1,000,000 each occurrence
\$1,000,000 aggregate*

PROPERTY DAMAGE LIMITS

\$1,000,000 each occurrence
\$1,000,000 aggregate*

PERSONAL
INJURY LIMITS

\$1,000,000 each occurrence

\$1,000,000 aggregate*

GENERAL AGGREGATE SHALL APPLY TO THIS PROJECT ONLY (aggregate not to include other projects) AND MUST BE IDENTIFIED AS SUCH ON THE CERTIFICATE OF INSURANCE.

3. **AUTOMOBILE LIABILITY**, including owned, non-owned, and hired automobiles. Automobiles of Subcontractors and material suppliers must meet the same insurance requirements.

BODILY INJURY LIMITS

\$500,000 each person
\$500,000 each occurrence

PROPERTY DAMAGE LIMITS

\$250,000 each occurrence

4. **EXCESS UMBRELLA LIABILITY**, to provide insurance in excess of Employers’ Liability, Commercial General Liability, and Automobile Liability policies required hereunder. Excess Umbrella Liability insurance shall not contain any residential limitation or residential exclusion related to premises operations or products completed operations coverage.
\$5,000,000 each occurrence and \$5,000,000 general policy aggregate.

5. The Utility shall be responsible for and maintain property insurance coverage at his option and expense to cover tools, equipment, etc. owned or rented the capital value of which is not included in the cost of the work.

6. All policies are to be written by insurance companies licensed to do business in the state in which the work is to be performed.
7. All certificates are to contain substantially the following statement: *“The insurance covered by this certificate shall not be canceled, nor materially altered, except after THIRTY (30) days prior written notice to Gilbane Development Company.”*
8. Each insurance certificate must contain the following conditions on the certificate:
 - A. Certificate Holder:

Gilbane Development Company d.b.a. UT Lynn Ave LLC
7 Jackson Walkway
Providence, Rhode Island 02903
 - B. Description of Operations must read as follows: *RE: Mixed Use Development University Towers. Certificate holder and others as noted herein are Additional Insured (General Liability, Automobile and Umbrella Policies). Coverage is Primary & Non-Contributory (General Liability). Waiver of Subrogation (General Liability & Automobile Liability) applies. This form is subject to all policy forms, terms, endorsements, conditions definitions and exclusions. Additional Insured are Gilbane Development Co, it’s Manager.*
 - C. General liability, general aggregate is per project.
 - D. Products completed operations will be in force for a minimum of 3 years after the completion of the work. At no time shall the completed operations coverage provided under general liability and umbrella liability contain a residential exclusion.