

## COUNCIL ACTION FORM

**SUBJECT: 161-KV TRANSMISSION LINE ROUTING SELECTION STUDY –  
APPROVAL OF CHANGE ORDER**

### **BACKGROUND:**

Since 2004, a project has been underway to install a 161-kV interconnection with MidAmerican Energy Company (MEC). This project will provide an additional transmission line to connect to the regional electric transmission grid resulting in improved service reliability for the City's electric customers. The City determined the Ames to Ankeny route based on years of system impact studies, a route study, and substation and transmission line design work. In July 2008 the Iowa Utilities Board (IUB) issued its final ruling, effectively denying the City's petition for a franchise to construct its 161 kV transmission line outside the Ames city limits to the MidAmerican Energy substation in NE Ankeny.

In August 2008, proposals were solicited for professional services to conduct a new routing study conforming to *Iowa Code* and franchising requirements. On September 9, 2008, City Council awarded a contract to Burns & McDonnell of Kansas City, Missouri, in the amount of \$117,250 for these services.

Feedback from the IUB has now identified the need for discussion and evaluation of potential route variations for the route study. This will involve additional investigation of various routing alternatives and revising the routing study, going beyond the scope of the original contract. Additional tasks necessary to complete the extra work include identifying alternative routes, field review of alternative routes, comparison of alternative routes, another siting report, and additional public meetings. The cost of the additional work to complete these tasks will not exceed \$24,900. City purchasing policies require City Council approval of this change, since it exceeds 20% of the original contract amount. There have been no prior change orders to this contract.

### **ALTERNATIVES:**

1. Approve Change Order No. 1 to the 161 k-V Transmission Line Routing Selection Study for Electric Services at a cost not to exceed \$24,900. The revised contract price will be a not-to-exceed amount of \$142,150.
2. Do not approve this change order or have the additional work performed.

**MANAGER’S RECOMMENDED ACTION:**

The proposed additional work on the routing study is in response to feedback from the Iowa Utilities Board. It is imperative that the City respond to the issues raised by the IUB in order to proceed with this vital transmission link.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving Change Order No. 1 to the 161 k-V Transmission Line Routing Selection Study for Electric Services at a cost not to exceed \$24,900. The revised contract price will be a not-to-exceed amount of \$142,150. Funding is available within the project budget.