

COUNCIL ACTION FORM

SUBJECT: RELOCATION OF 161 KV TRANSMISSION LINE FROM AMES PLANT TO NE ANKENY FOR IOWA D.O.T.

BACKGROUND:

The Iowa Department of Transportation is carrying out two highway improvement projects along Interstate 35 at the Highway 30 interchange and in the vicinity of the Skunk River. These two projects will require the relocation of a portion of the new Ames 161kV transmission line. **All costs associated with this relocation project will be covered by the Iowa Department of Transportation.**

The engineer's estimate for the construction phase of this relocation project is \$870,000. The approved FY 2015/16 Capital Improvements Plan includes \$800,000 for engineering and construction under the project titled 161 kV Line Relocation.

Council previously approved two engineering-reimbursement agreements with IDOT, one for the Skunk River relocation, and the second for the I-35/Highway 30 relocation. Council also approved professional services agreements with DGR for the design and engineering of these projects in the combined total amount of \$140,000. Funding for the engineering and relocation work will be charged to the FY 15/16 Capital Improvement Project established for the Skunk River project, which has a current balance of \$800,000. The combined total of \$140,000 for engineering for the two IDOT projects leaves a balance of \$660,000 for construction.

No funds were budgeted for the I-35/Hwy 30 relocation, since plans were not yet available from IDOT prior to preparing the current CIP. However, IDOT staff has verbally committed to provide reimbursement funds to offset all expenses for both projects. The City budget will be amended later to accommodate the addition of the second location.

All engineering and construction expenses for both relocation projects will be reimbursed by IDOT. **A separate IDOT construction reimbursement agreement with specific estimated construction costs for both areas will be brought to Council for approval at the same time as the award recommendation for this construction-phase of the project.** Both projects are being bid out together in an effort to get better bids.

ALTERNATIVES:

1. Approve plans and specifications for the Ames Plant to NE Ankeny 161 kV Transmission Line Iowa DOT Relocation and set August 10, 2016, as the bid due date and August 23, 2016, as the date of public hearing and award of contract.

2. Do not approve plans and specifications at this time, which would delay the IDOT's project.

MANAGER'S RECOMMENDED ACTION:

In order to facilitate these IDOT improvements, the City's 161 kV transmission line must be relocated in both areas. To meet the IDOT's timeline, it is necessary to go out for bid at this time. Staff is also working with IDOT on finalizing a reimbursement agreement on the construction portion of the project. We will not proceed with the project until both the construction bids and the reimbursement agreement are brought before Council for approval.

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