

MEMO

To: Honorable Mayor and City Council

From: Maria D'Andrea, Director of Public Works

Subject: Recommendation to Approve Expenditure of Funds from the Xcel Energy 1% Franchise Fee Fund for Conversion of Electrical Service Lines related to Highway 2 Widening Project, Project No. PW-02-2014

Date: October 3, 2016

Item:	Conversion of overhead electrical distribution lines to underground
Contractor:	Xcel Energy
Contract Amount:	\$478,545.67

Project Description

At the request of the City, Xcel Energy provided a cost estimate to convert the existing overhead electrical distribution lines to underground service at two locations, adjacent to Highway 2:

Location	Cost
88 th Avenue to 96 th Avenue	\$296,643.91
77 th Avenue to Quebec Street	\$181,901.76
Total	\$478,545.67

Xcel Energy will contract with a company directly to perform this work. They will coordinate with the City's contractor, Flatiron Constructors, Inc. as well as Comcast and Century Link. A few poles will need to remain in place to serve adjacent properties or feed lines across Highway 2.

Financial Impact

Funding for the project will come from the City's 1% franchise fee fund which Xcel Energy maintains & monitors. Therefore, no direct funds will be expended by the City. Instead, this amount will be deducted from the City's current balance of \$4,593,874.



MEMO CONTINUED

Staff Recommendation:

Staff recommends authorizing the expenditure of \$478,545.67 from the City's Xcel Energy 1% franchise fee fund to complete this work.

