

STAFF REPORT

To: Finance Committee Date: April 26, 2016
From: Sam Powers, Economic Development Director Prepared by: Stephanie Monson Dahl
Via: Gary Jackson, City Manager
Subject: Utility Relocation Agreements for the RADTIP Project

Summary Statement: The consideration of a resolution authorizing the City Manager to sign Utility Relocation Agreements for the RADTIP Project with Duke Energy and other secondary utility providers for the project.

Review: The River Arts District Transportation Improvement Project (RADTIP) project is moving toward the construction phase in early 2017. In advance of that time, private utility companies will begin relocation of the utilities as necessary to construct the project. The main provider, Duke Energy will begin relocation activities in the summer of 2016.

The City will enter into a Utility Relocation Agreement (URA), which includes a commitment from the City to reimburse Duke Energy and other utility providers for the costs of the improvements. The costs associated with Duke Energy, along with smaller costs associated with secondary utility providers are already part of the FY17 capital budget for RADTIP construction. The estimated breakdown of costs to Duke Energy is as follows:

Duke Transmission – Riverside Drive	\$1,034,000
Duke Transmission – Amboy	\$ 300,000
Duke Distribution	\$2,750,000
<u>SUBTOTAL</u>	<u>\$4,084,000</u>
<u>Contingency 20%</u>	<u>\$ 816,800</u>
<u>TOTAL</u>	<u>\$4,900,800</u>

The RADTIP project has been in the planning phase since 2010 and is now beginning to move into the construction phase. Utility relocation is scheduled to begin in the fall. This fits into the City Council’s visioning plan by helping to create a well-planned and livable city, transportation and accessibility, and a clean and healthy environment. This project implements a portion of the Wilma Dykeman Riverway Plan and is part of the Tiger VI Program.

Pros:

- Able to move into the construction phase of the RADTIP Project.
- Consolidate and upgrade utilities in the corridor.

Cons:

- Relocation work will potentially be disruptive to business owners and tenants in the area.

Fiscal Impact: The funds for utility relocation are part of the FY17 capital budget for RADTIP construction.

Recommendation: Staff recommends that the Finance Committee review the estimated costs and move the resolution authorizing the City Manager to sign Utility Relocation Agreements with Duke Energy and other secondary utility providers for the project to Council for approval.