



# **TOWN OF PARADISE VALLEY**

## **APS DISTRICT 30**

**February 22<sup>nd</sup>, 2018**

# RECOMMENDED ACTION

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**Authorize the Town Manager to enter into a contract with Arizona Trench Company for trenching, installation of underground conduits, pull boxes and equipment pads for District 30 Overhead to Underground Conversion Project in an amount of \$659,196 and authorize payment of \$159,757 to Arizona Public Service and \$113,286.63 to CenturyLink upon completion of District 30.**

**Authorize a budget transfer from FY2017-18 CIP Project 2016-14.1 Lincoln Drive – Ritz Related Roadway Improvements to CIP Project 2016-02 APS District 60 to fund the town's portion of the project.**



# AGENDA

- **APS Undergrounding Agreement**
- **District 30 History**
- **Scope of Work**
- **Project Budget**
- **Project Schedule**





# WHAT HAVE WE ACCOMPLISHED?

- Removal of 1,958 poles in 36 Districts
- Removal of over 74 miles of overhead lines
- Installation of over 112 miles of new underground infrastructure
- Significant financial investment of \$42 Million
  - Town \$26.1 Million
  - Town Residents \$500k +
  - APS \$15.4 Million



# APS UNDERGROUNDING AGREEMENT

- Originally executed in 1988 with four extensions, expires in 2018
- Intent to underground all APS overhead lines within the town, Resolution 577 and 813
- Town pays 100% of telco undergrounding (Cox, CenturyLink, etc.)
- Undergrounding of power lines cost breakdown:

	APS
Town	55%
Town Residents	\$1,500 Per Lot*
Service Provider	45%

\* \$4,500 for hillside lots





# DISTRICT 30 HISTORY

- 30 lots within the district
- First attempted in 2009, only 2 contributions
  - Main issue, backbone line outside of the Town
- Town Staff reached out to the City of Scottsdale
  - Unwilling to participate financially
- APS agreed to extend cost sharing for backbone line
  - February of 2017 - Town Council directed staff to convert the Scottsdale portion too, if Scottsdale residents contribute





# PROJECT BUDGET

- **Included in FY2016-17 CIP Budget**

Funding Source	Cost
Town of Paradise Valley	\$ 634,793
APS	\$ 292,913
Total	\$ 927,000

- **Actual project cost, once bids were received, is \$1,677,198**



# PROJECT COSTS

- Costs broken down as follows

Row	Item	Calculation	Budget	Actuals
A	Town Trenching Contractor			\$ 659,196.00
B	Town Payment to APS			\$ 159,757.00
C	Town Payment to CenturyLink			\$ 113,286.63
D	Subtotal (Town's Spending Authority)	A + B + C	\$ 634,793.00	\$ 932,239.63
E	Town/Scottsdale Resident Contributions			\$ 114,494.00
F	Town Portion Remaining	D - E		\$ 817,745.63
G	APS Portion		\$ 292,913.00	\$ 744,959.00
H	Project Total	D + H	\$ 927,706.00	\$ 1,677,198.00



# PROJECT COSTS

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- **Estimate was off due to the following:**
  - **Original estimate was based of a previous project cost per lot, not per linear foot**
  - **Trenching pricing has increased**
- **APS is willing to help:**
  - **Originally extended our agreement to adjacent Scottsdale Residents**
  - **Contribute more than 45% of the total project cost**
    - **Contribute an additional \$150,000 above the 45%**



# PROJECT COSTS

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- **Budget Adjustment**
  - **Have the money, need the budget authority**
  - **Original budget FY16-17 = \$634,793, not spent**
  - **Require an additional \$297,447**
  - **Total is \$932,240**
  - **Use FY18 Budget Authority in Lincoln Dr. – Ritz Related = \$2,941,800**
  - **Won't be fully spent in FY18**
  - **Re-established in FY19 by eliminating \$320,000 for phone project**



# SCHEDULE

Task	2018						
	Feb	Mar	Apr	May	Jun	July	
Council Action	★						
Contract Start		★					
Trenching		→					
Electrical Conversion				→			



# RECOMMENDED ACTION

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- 2. Authorize payment of \$159,757 to Arizona Public Service**
- 3. Authorize payment of \$113,286.63 to CenturyLink**
- 4. Authorize a budget transfer from FY2017-18 CIP Project 2016-14.1 Lincoln Drive – Ritz Related Roadway Improvements to CIP Project 2016-02 APS District 60 to fund the town's portion of the project.**



# THANK YOU!

# Questions?

