

REQUEST FOR COUNCIL ACTION

Date: 3/19/12
Item No.: 13.b

Department Approval



City Manager Approval



Item Description: Discuss Undergrounding of the Overhead Electric Lines along Rice Street for next phase of reconstruction

BACKGROUND

Ramsey County is developing plans for reconstruction of Rice St. from Transit Ave. to County Road C-2. The actual construction is expected to begin in the spring of 2013. The cities of Roseville and Little Canada cooperated on the Highway 36 interchange project to have Xcel bury the overhead power lines that currently run along the west side of Rice Street. These overhead electric lines and poles continue north from the previous project and blight the corridor. Little Canada has stated an interest in continuing this effort on this corridor for this next phase of reconstruction.

Xcel Energy has provided a preliminary estimate of \$1,322,343 to bury the power lines from County Road B-2 to County Road C2. Xcel is continuing preliminary design and refinement of the scoping estimate. In the previous project the costs were split equally between the two cities despite the majority of the overhead lines are located on the Roseville side of Rice St. There are also some additional costs for easements necessary for ground mounted transfer switches and other equipment. There are also costs for undergrounding of several private overhead electric services that are not included in the estimate above. There will have to be a determination of whether the service costs are a public cost or are a private property cost.

The Council authorized staff to work with Xcel Energy on a surcharge option for the Xcel to recover their incremental costs incurred in Roseville on the previous project. The surcharge option, CRFS (Community Requested Facility Surcharge) is available for these projects where each rate payer of the city will have a small surcharge added to their electric bill based on a citywide formula to finance the cost of the work over a period of time. Staff would recommend the Council consider the CRFS option on this next phase of reconstruction as well.

Roseville and Little Canada staff agree that burying the power lines along Rice Street will dramatically improve the appearance along this important stretch of roadway that serves as a gateway to both cities. Both cities have received comments from the public on the improvement to the corridor from the first project without the overhead electric lines. Burying the power lines will mean the overhead communication lines will need to be relocated underground as well since they are on Xcel's power poles by agreement.

FINANCIAL IMPACTS

We have not received the per customer cost at this time from Xcel. The Roseville rate payers cost share for the undergrounding of the overhead electric lines is proposed to be financed by a

(CRFS) surcharge on Roseville's Xcel electric customers. The impact on a residential class rate payer is currently being determined by Xcel but we would expect it to be a similar cost when proportioned to the length of the project. This project is twice the length of the previous project. The equal sharing of these costs may require Little Canada to pay Roseville an amount which Roseville will in turn submit to Xcel for the remainder of the cost of the work on the Roseville side of Rice St. Staff will prepare an agreement with Little Canada regarding this transaction and will submit it for Council approval at later meeting if directed to move forward on this project.

STAFF RECOMMENDATION

Staff recommends the Council discuss the undergrounding of the overhead electric lines along Rice St. as a part of the next phase of reconstruction utilizing the Minnesota Public Utilities Commission authorized surcharge. Staff is seeking direction on the private utility service line work necessary for this project as well. Formal authorization and approval of agreements will occur at a future meeting if the Council wants to move forward with the undergrounding.

REQUESTED COUNCIL ACTION

Discuss the undergrounding of the overhead electric power lines along Rice St. from Co. Rd. B-2 to Co. Rd. C-2 utilizing the CRFS financing option.

Prepared by: Duane Schwartz, Public Works Director
Attachments: A. Location Map



Prepared by:
Engineering Department
March 14, 2012

Data Sources and Contacts:
 * Ramsey County GIS Base Map (2/27/12)
 * City of Roseville Engineering Department
 For further information regarding the contents of this map contact:
 City of Roseville, Engineering Department,
 2660 Civic Center Drive, Roseville MN

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