



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: April 1, 2019

Re: Appropriation of funds for Capital Projects identified in FY 2019 CIP Budget

## Executive Summary

Staff has prepared for Council consideration an ordinance appropriating funds from an existing Capital Improvement Project, which does not need funding this fiscal year, to existing Capital Improvement Projects that currently need funding this fiscal year. This appropriation will transfer funds from a project that was scheduled to be funded from the first sale of electric bond to projects that were scheduled to be funded with the second sale of bonds. The project with reduced funding from this transfer, E0148 Mill Creek Substation Transmission project, will receive additional funding once the second bond sale occurs.

## Discussion

During the FY 2019 budget process, there were five CIP projects that were originally scheduled to be funded with the second sale of bonds from the 2015 voter approved bond issue. The second sale of these bonds was originally scheduled to take place in 2019

Staff is requesting the following appropriation of funds:

1. \$800,000 to E0021 - Annual Distribution Transformers and Capacitors  
This project is for annual funding to purchase required transformers and capacitors for electric distribution system. Typically this covers the replacement of 2% of installed kVA on the distribution system annually and any new capacity requirements.
2. \$250,000 to E0153 - Annual Replace Circuit Breakers  
This project is for annual funding for replacement of 69 kV and 161 kV station class circuit breakers. There are currently 45 circuit breakers of this class and this level of funding would allow the replacement of approximately 1 per year.
3. \$250,000 to E0107 - Annual Replacement of Existing Underground System  
This project is for annual funding used to replace the existing underground electric distribution system. There are currently over 570 miles of underground electric facilities in the distribution system. This funding allows the replacement of approximately 1/2 mile of distribution system per year.
4. \$100,000 to E0101 - Annual Transmission System Replacement  
This project is for annual funding used to replace the existing electric transmission system. There are currently over 70 miles of overhead 69 kV and 161 kV lines. This funding allows the replacement of approximately 1/2 mile of the transmission system per year.
5. \$600,000 to E0192 - Substation Transformer Replacement



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

This project is for 2 years of funding for replacement of 69 kV and 161 kV station class transformers. There are currently 30 transformers of this class and this funding level would allow the replacement of approximately 1 every other year.

A total of \$2,000,000 is requested to be appropriated from the Mill Creek Substation Transmission project (E0148) which does not need funding this fiscal year. This appropriation will transfer funds from a project that was scheduled to be funded from the first sale of electric bond to projects that were scheduled to be funded with the second sale of bonds. The project with reduced funding from this transfer, E0148 Mill Creek Substation Transmission project, will receive additional funding once the second bond sale occurs.

## Fiscal Impact

Short-Term Impact: Appropriate \$2,000,000 from unspent bond funds in Mill Creek Substation Transmission project

Long-Term Impact: Appropriate \$2,000,000 back to the Mill Creek Substation Transmission project once the second bond sale occurs

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action

## Suggested Council Action

Approval of the \$2,000,000 appropriation of funds to the five CIP projects identified.