

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b> March 7, 2017	<b>AGENDA ITEM NUMBER</b>
--------------------------------------	---------------------------

TO: Mayor Benetti and City Councilors

FROM: Jennifer Wirsing, Wastewater Project Engineer

THROUGH: Rodger Craddock, City Manager  
Jim Hossley, Public Works Director

ISSUE: Approval of Pacific Power Charges for the Pump Station Upgrade Project

**SUMMARY:**

Pacific Power is requiring reimbursement for adding additional electrical capacity to the grid associated with Pump Station 1. The details of this scope of work are in an agreement that outlines two options for payment:

1. Refund Option. The total customer advance for this work is \$32,236, the balance due is \$32,236, and Customer remains eligible for refunds. Company will refund part of the Customer Advance if additional customers connect to the Improvements within sixty months of the date the Company is ready to supply service.
2. Contract Administration Credit Option. Customer chooses to receive a Contract Administration Credit of \$250 and waives their right to refunds should additional applicants connect to the improvements. Accordingly, the balance due is \$31,986.

**ACTION REQUESTED:**

1. Provide direction to staff regarding which is the preferred Pacific Power payment option.
2. Approve payment to Pacific Power for the preferred option.

**BACKGROUND:**

On June 7, 2016, Council approved the Pump Station 1 upgrade. The upgrade project is on schedule and anticipated to be completed Summer 2017. Included with the pump station upgrade, is an upgrade to the electrical, however Pacific Power must upgrade the capacity in this area. Prior to Pacific Power providing capacity for the upgrade, they are requesting that the City enter into an agreement, sign an easement, and provide reimbursement (to Pacific Power) for the upgrade. This is standard for Pacific Power. However due to the cost of work, it exceeds the City Manager's signing authority and as such must have Council approval. Approving this action will allow the project to stay on schedule and avoid construction delays.

**BUDGET IMPLICATIONS:**

Funds will be obtained from the Wastewater Improvement Fund 29, Wastewater Collection System – Capital Projects (29-810-530-3004)