



Memorandum

August 1, 2019

To: Acting Municipal Administrator

Cc: Assembly Members

From: Bryan Bertacchi, Utility Director

Subject: Marine Street N-1 Project Update

Executive Summary:

Over eighty percent of Electric Customers are served from the forty year old Marine Street Substation and a failure of this critical substation would result in a complete power loss for those customers for an extended period (likely months). Originating in 2016 the Assembly approved an appropriation for a total of \$4.3M for the Marine Street N-1 project which was funded by existing unspent bond proceeds and did not require new funding. This project will provide for a redundant substation directly adjacent to the existing substation at Marine Street and will allow needed maintenance for the old substation. Although the major equipment has been procured within budget, it is expected that unforeseen costs will require an increase in the total appropriation for this project. It is expected that a more detailed and accurate estimate will be available within a few months and the Electric Department will return to the Assembly for approval of a modification to the original appropriation. This new appropriation will result in a consolidated plan that will delay other existing capital projects, rather than requiring new and unknown capital funding. Overall, a total of \$1.7M has been expensed on this project with an additional \$1.5M encumbered leaving a current balance of \$1.1M. Of that remaining \$1.1M a contract with CBC for the civil portion of the work is being executed for approximately \$978,000 which leave approximately \$120,000 balance of the total appropriated funds for this project.

Detail:

Some of the causes of this change are:

1. Detailed Geo Technical drilling results revealed that significant additional and unforeseen civil work would be required (A large retaining wall and much greater excavation and fill).
2. The detailed survey revealed that the forty year old electric transmission poles on the Marine Street route will need to be replaced.
3. A detailed survey indicated that the underground Electric Feeders along the route will need to be replaced.
4. Accommodation for increases in load on Japonski Island needed to be incorporated in the design.

5. Delays in the procurement process caused unforeseen delays in the project schedule resulting in overall inflation impacts.
6. Escalation due to these unforeseen delays

Project Expense Performance Report

Fiscal-Year-to-Date And Life-to-Date To: 8/1/2019

Project Number	Description	Status	Budget	Expenses	Encumbrances	Balance	% Used
Project 90823	Marine St. N-1 Design to New HPR	Active					
Sub Project: 1000	Revenues	Active					
Sub Project 1000 Total:			YTD \$0.00	\$0.00	\$0.00	\$0.00	+++
			LTD \$0.00	\$0.00	\$0.00	\$0.00	+++
Sub Project: 3000	Expenses	Active					
Sub Project 3000 Total:			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%
Project 90823 Total:			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%
Grand Total:			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%

Project Expense Performance Report

Fiscal Year-to-Date And Life-to-Date To: 11/14/2018

Project Number	Description	Status	Budget	Expenses	Encumbrances	Balance	% Used
Project: 90823	Marine St. N-1 Design to New HPR	Active					
Sub Project: 1000	Revenues	Active					
Sub Project 1000 Total:			YTD \$0.00	\$0.00	\$0.00	\$0.00	+++
			LTD \$0.00	\$0.00	\$0.00	\$0.00	+++
Sub Project: 3000	Expenses	Active					
Sub Project 3000 Total:			YTD \$0.00	\$72,450.83	\$298,771.17	(\$371,222.00)	+++
			LTD \$4,300,000.00	\$702,601.40	\$298,771.17	\$3,298,627.43	23%
Project 90823 Total:			YTD \$0.00	\$72,450.83	\$298,771.17	(\$371,222.00)	+++
			LTD \$4,300,000.00	\$702,601.40	\$298,771.17	\$3,298,627.43	23%
Grand Total:			YTD \$0.00	\$72,450.83	\$298,771.17	(\$371,222.00)	+++
			LTD \$4,300,000.00	\$702,601.40	\$298,771.17	\$3,298,627.43	23%