



City of Grand Island

Tuesday, September 23, 2003

Council Session

Item G7

#2003-270 - Approving Sale of Electric Distribution to Nebraska Veterans Home

Background:

Grand Island Utilities serves electricity to the Nebraska Veterans Home on Capital Avenue. The service includes both overhead and underground lines that are located on the west and north side of the campus, including north across Highway 2 to the old farm buildings. The service is primarily metered along Capital Avenue.

Discussion:

Nebraska Veterans Home is in the process of adding an emergency standby generator that will have the capability to handle the entire electrical load of the campus. As part of the emergency system, they will place all primary and secondary lines on the campus underground at their expense. By owning their internal distribution system, they qualify for a 5% reduction in the demand portion of their utility bill.

To keep the outages caused by the change to a minimum, they wish to purchase the underground cable and transformers now provided and owned by Grand Island Utilities.

Staff has researched and discussed the cost of installation of existing underground and the removal of overhead lines with Nebraska Veterans Home. The value arrived at is \$62,000.

Recommendation:

Staff recommendation is to have City Council authorize the sale of the existing underground conduit, cable, cabinets, and transformers to the Nebraska Veterans Home and the removal of the overhead system, all for \$62,000. The Utilities Department will work with the contractor to minimize outages to the Nebraska Veterans Home.

Fiscal Effects:

Grand Island Utilities will receive \$62,000.

Alternatives:

As suggested by City Council. See attached RESOLUTION.

Staff Contact: Gary R. Mader

R E S O L U T I O N 2003-270

WHEREAS, the Utility Department serves electricity to the Nebraska Veterans Home on Capital Avenue; and

WHEREAS, the electrical service includes both overhead and underground lines that are located on the west and north side of the campus, with the service primarily metered along Capital Avenue; and

WHEREAS, the Nebraska Veterans Home is in the process of adding an emergency standby generator which will have the capability to handle the entire electrical load of the campus; and

WHEREAS, in conjunction with the emergency system, all primary and secondary lines on the campus will be placed underground at their expense; and

WHEREAS, in order to keep outages to a minimum during the transition, they wish to purchase the underground cable and transformers now owned and provided by the Grand Island Utilities; and

WHEREAS, the value of such equipment is \$62,000.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the existing underground conduit, cable, cabinets, and transformers providing electrical service to the Nebraska Veterans Home is hereby approved for sale in the amount of \$62,000; and the removal of the overhead system providing service to the Nebraska Veterans Home is hereby authorized.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 23, 2003.

RaNae Edwards, City Clerk