

FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
City Light	Andy Strong 386-9741	Anthony Colello 684-5292

Legislation Title:

AN ORDINANCE relating to the City Light Department; revising project allocations for certain projects in the 2013-2018 Adopted CIP in order to allow for additional expenditures for Boundary Powerhouse, Generator Unit 53; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

In the spring of 2013, one of the generators at the Boundary Powerhouse (Unit 53) suffered a severe electrical malfunction, details of which are explained in the accompanying report. After investigating the damage, it was determined that the unit cannot be repaired without a complete rebuild of the generator. Accordingly, an emergency has been declared to allow for an accelerated contract procurement process and efforts are under way to prepare and sign contracts for the rebuild. The full set of generators at Boundary is used only during the spring runoff period; between now and that time in 2014, the financial impact from the loss of the generating capacity of Unit 53 will be minimal. However, it is highly desirable to have Unit 53 repaired and back on line in time for the 2014 spring runoff as the value of the generation that would be lost if the Unit is not repaired by this time would be substantial.

There is an existing project in the current CIP (6352, Boundary Powerhouse - Unit 53 Generator Rebuild) to perform the rebuild; however, the work on the project was not scheduled to begin until 2017. This ordinance would move allocations from other projects scheduled for 2013 into the Rebuild project and allow the work to begin immediately. The allocation changes for 2013 resulting from project deferments and cancellations are detailed in Section 1 of the Ordinance.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:

Please check any of the following that apply:

This legislation creates, funds, or anticipates a new CIP Project.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	Existing 2013 Appropriation	New 2013 Appropriation (if any)	2014 Anticipated Appropriation
TOTAL					

*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

Spending Plan and Future Appropriations for Capital Projects:

Spending Plan and Budget	2013	2014	2015	2016	2017	2018
Current Allocations	0	0	0	125	6,586	1,110
Proposed Allocation Changes	12,550	6,970* (Estimated)	0	(125)	(6,586)	(1,110)

*The remaining project costs will be funded through project transfers, deferrals and cancellations that will be detailed in SCL's 2014 Proposed CIP Plan

Spending Plan and Budget Notes:

Funding Source:

Funding Source (Fund Name and Number, if applicable)	2013	2014	2015	2016	2017	2018	Total
TOTAL							

Funding Source Notes:

Bond Financing Required:

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
TOTAL					

Bond Notes:

Uses and Sources for Operation and Maintenance Costs for the Project:

O&M	2013	2014	2015	2016	2017	2018	Total
Uses							
Start Up							
On-going							
Sources (itemize)							

Operation and Maintenance Notes:

Periodic Major Maintenance Costs for the Project:

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL			

Funding sources for replacement of project:

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position Title and Department*	Position # for Existing Positions	Fund Name & #	PT/FT	2013 Positions	2013 FTE	2014 Positions **	2014 FTE **
TOTAL							

* List each position separately

** 2014 positions and FTE are total 2014 position changes resulting from this legislation, not incremental changes. Therefore, under 2014, please be sure to include any continuing positions from 2013.

Position Notes:

Do positions sunset in the future?

(If yes, identify sunset date.)

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
 In order to accelerate the rebuild of Unit 53, a number of other capital projects are being deferred.

- b) What is the financial cost of not implementing the legislation?**
If the Unit is not on line for the spring 2014 runoff, approximately \$10.5 million in revenue will be lost. Refer to the attached report on the generator failure.
- c) Does this legislation affect any departments besides the originating department?**
No.
- d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None.
- e) Is a public hearing required for this legislation?**
No.
- f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) Does this legislation affect a piece of property?**
No.
- h) Other Issues:**
None.

List attachments to the fiscal note below: