



Memorandum

Meeting Details: February 8, 2023

Prepared For: Mayor & Board of Commissioners

From: Megan Wepfer, Public Works Director

Subject: Approval of Duke Energy's Binding Cost Estimate for the final Phase III of Gulf Blvd. Undergrounding Utilities

Background

The City of Madeira Beach started working with consultants in 2012 for the Underground of all utilities along Gulf Blvd. Staff has been working with Utility Consultants of Florida for nearly a year to finish the final phase of undergrounding. The Final Phase III will start at 144th Ave and go to 129th Ave. Previous staff started working with Duke Energy in 2020 to start the binding cost estimate (BCE) and staff just received from Duke Energy. Duke Energy has been advising staff along with the consultants that the cost would be around \$2.1M to \$2.2M but the estimate came in at \$2,809,777.35. We have met with Duke Energy to discuss how to bring the cost down and the only option they gave was to not finish the Final Phase and leave a few blocks of poles and wires.

Fiscal Impact

Budgeted in FY23 was \$2.5M to pay for the construction of the undergrounding project. Staff expected to pay Duke Energy BCE in FY22 budget, budget amendment discussed at January 25th Workshop for Undergrounding. Pinny for Pinellas Money total for 2020 to 2025 would total \$4,585,671.00 after paying Utility Consultants of Florida and Duke Energy we are over budget by -\$672,365.66. If the BCE would have been what was expected we would have a balance of nearly \$60,000.00. Spreadsheet attached.

Recommendation(s)

Staff recommends approval for the Binding Cost Estimate from Duke Energy in the amount of \$2,809,777.35.

Attachments

- Duke Energy BCE
- Utility Consultants Task 1
- Utility Consultants Task 2
- UG Cost Summary for Madeira Beach