



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: PARK/NAGLEE UNDERGROUND
UTILITY DISTRICT

DATE: 03-08-06

Approved

Date 3/14/06

Council District: 6

RECOMMENDATION

Conduct a Public Hearing and upon its conclusion approve an ordinance establishing a Rule 20A Underground Utility District on Naglee Avenue between Bascom Avenue and Park Avenue and on Park Avenue between Naglee Avenue and Hanchett Avenue.
CEQA: Exempt, PP06-002.

EXECUTIVE SUMMARY

City staff recommends conducting a public hearing and establishing an ordinance for the proposed Park/Naglee Underground Utility District. Establishing an ordinance for an underground utility district will require utility companies to remove utility poles and aerial cables from the City right-of-way. The proposed project is located along Naglee Avenue between Bascom and Park Avenues and along Park Avenue between Naglee and Hanchett Avenues. It will compliment the Rose Garden Park and new Rose Garden Branch Library along Naglee Avenue. The project will be funded by utility company funds designated by Rules 20A and 32 of the California Public Utilities Commission and per the City's settlement agreement with Comcast.

BACKGROUND

The Department of Public Works manages the Rule 20A Underground Utility Program for the City of San José. Through Rule 20A, the California Public Utilities Commission requires Pacific Gas and Electric Company (PG&E) to annually set aside funds for financing the undergrounding of overhead distribution facilities located on public streets within the City of San José.

The proposed Park/Naglee Underground Utility District (District), as shown in Attachment A, is included in the 2004/05-2009/10 Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility

Program Five Year Workplan reported to Council on March 23, 2005. It meets all the criteria approved by the CPUC and the criteria established by the City in 1978 to complete the undergrounding of utilities that front City facilities such as parks and libraries. In this case the proposed District will front the new Rose Garden Branch Library and the Rose Garden Park.

ANALYSIS

On March 8, 2006, notices of the public hearing were mailed to all utility companies and owners of properties adjacent to the proposed District.

A schedule for establishment and implementation of the proposed Underground Utility District is presented in Attachment B.

OUTCOME

Approval of this ordinance will establish the Park/Naglee Underground Utility District in accordance with the San José Municipal Code. In addition, it will enable City staff to direct utility companies to begin design of the project. Establishment of this district will improve the appearance, pedestrian mobility and ease of utility equipment maintenance.

PUBLIC OUTREACH

A community meeting was held on January 25, 2006, to inform the public of this undergrounding project. All present at the meeting were in support of the proposed project. City staff also presented PG&E's desire to obtain no-cost easements to install 26 aboveground cabinets in easements on private property.

Most questions from the community meeting were regarding further details on the conversion of electrical services, costs and private property owner responsibility. City staff used displays of previous projects and schematic drawings to explain the modifications required to accept the new underground service and identify property owner responsibility. Typical costs for the conversion of private electrical services on previous projects were discussed.

Some property owners asked where the aboveground cabinets would be located within the District. City staff indicated that the majority of the easement requests were on the lands of Hoover Middle School and Trace Elementary School. Only a few private properties on Naglee and Park Avenues would be impacted, and on March 6, 2006, letters were mailed out to those individual property owners with a request to respond by March 22. If property owners refuse to grant easements, then PG&E would have to redesign the system.

On March 27, 2006, staff will transmit a supplemental memo should any comments or protest be received for consideration at the public hearing.

Upon Council's approval of the ordinance at the public hearing, staff will send notices of adoption of the ordinance to all utility companies, owners and occupants of the properties adjoining the proposed District.

Prior to the start of construction activities, PG&E will place "Door Hanger" construction notices on properties adjoining the proposed District and those affected by construction.

COORDINATION

The establishment of the proposed District and project schedule has been coordinated with PG&E, SBC, Comcast, Rose Garden Neighborhood Preservation Association and the Shasta Hanchett Park Neighborhood Association. The City Attorney's Office has reviewed the required ordinance to establish the District. This memo was coordinated with the Planning, Building and Code Enforcement Department and the City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: None

2. COST OF PROJECT (ESTIMATED):

COST TO UTILITIES:

PG&E Rule 20A Allocation	\$1,058,000
SBC Rule 32	874,000
Comcast	368,000
Total Cost to Utility Companies	2,300,000

COST TO CITY:

Project Development, Administration and Construction Inspection (Fund 416)	220,000
Construction:	
City Facilities Conversion (20A) (Fund 429)	180,000
Total Cost to City	400,000

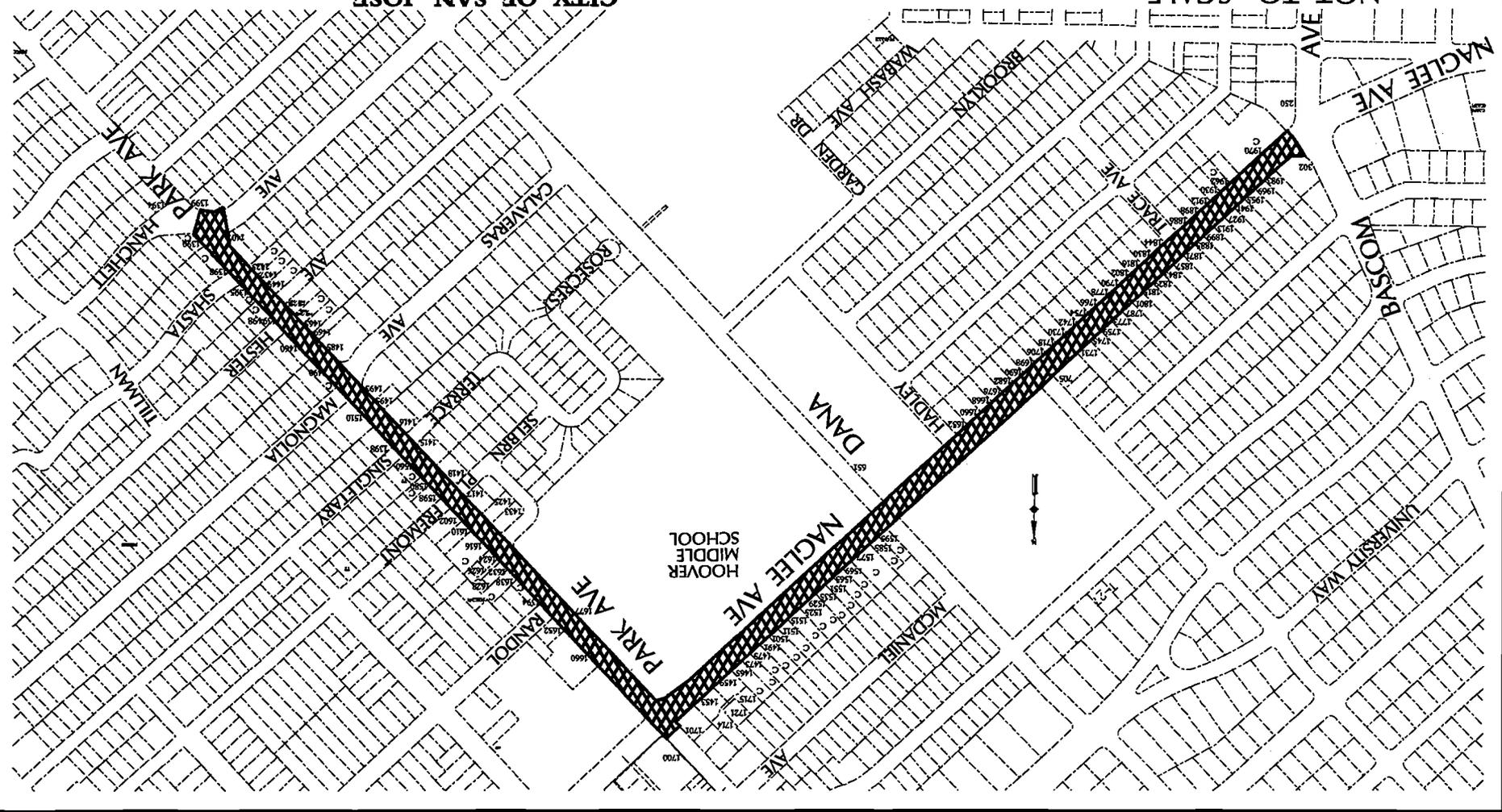
TOTAL PROJECT COSTS (ESTIMATED): \$2,700,000

PARK/NAGLEE UNDERGROUND UTILITY DISTRICT

PARK AVENUE - FROM NAGLEE AVE TO SHASTA AVE
NAGLEE AVENUE - FROM PARK AVE TO BASCOM AVE

- 1970 ADDRESS
- UTILITY DISTRICT BOUNDARY
- REQUIRES ELECTRICAL CONVERSION

LEGEND
NOT TO SCALE



CITY OF SAN JOSE

UNDERGROUND UTILITY DISTRICT AT PARK/NAGLEE

Establishment Schedule

- | | |
|----------------|--|
| March 7, 2006 | City Council adopts a resolution setting a time and place for a Public Hearing. |
| March 8, 2006 | Director of Public Works mails a notice of Public Hearing to all adjacent property owners. |
| March 27, 2006 | Director of Public Works transmits a report of comments and/or protests received for consideration at the Public Hearing. |
| March 28, 2006 | City Council conducts a Public Hearing and at its conclusion approves an Ordinance establishing an Underground Utility District on Park Avenue between Naglee Avenue and Shasta Avenue and on Naglee Avenue between Park Avenue and Bascom Avenue. |

Project Implementation Schedule

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|---------------|---|
| April 2006 | Utility companies begin design of substructure, conduit, vaults, electric and cable facilities. |
| June 2006 | Utilities obtain environmental clearances. |
| November 2007 | Construction starts |
| December 2008 | Utility companies complete connections and remove overhead wires and poles. |