



COUNCIL AGENDA: 08-12-08

ITEM: 2.5

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

**SUBJECT: ABORN ROAD RULE 20A
UNDERGROUND UTILITY
DISTRICT**

DATE: 07-21-08

Approved

Date

7/24/08

COUNCIL DISTRICT: 8

RECOMMENDATION

Adoption of a resolution to consider the establishment of a Rule 20A Underground Utility District along Aborn Road, between Pumpherston Way and White Road, and setting a public hearing on September 16, 2008, at 1:30 p.m.

OUTCOME

Approval of this resolution will enable the Council to hold a public hearing resulting in the establishment of the Aborn Road Underground Utility District. Establishment of this District will improve the appearance, pedestrian mobility and facilitate utility equipment maintenance within the area described above.

EXECUTIVE SUMMARY

The proposed underground utility district as specifically described above and depicted in Attachment A will require utility companies to remove utility poles and aerial cables from the public right-of-way and install a new, improved underground system. The proposed underground utility district is located along Aborn Road, between Pumpherston Way and White Road. This proposed project will compliment the Evergreen Branch Library, and other improvements by businesses and residents in the neighborhood. The project will be funded by utility company funds designated by Rules 20A and 32 of the California Public Utilities Commission (CPUC) and the City's franchise agreement with Comcast.

BACKGROUND

Through Rule 20A, the CPUC 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. AT&T and Comcast are also required to set aside funds for these projects.

The proposed Aborn Road Rule 20A Underground Utility District (District) is included in the revised 2007/2008 – 2012/13 Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program Workplan reported to Council in April 2008. It meets criteria approved by the CPUC and the criteria established by the City in 1978 to complete projects that front City facilities such as parks, libraries and fire stations.

ANALYSIS

The provisions and procedures to establish underground utility districts are defined in Chapter 15.24 of the San José Municipal Code. The Code requires the Council to conduct a public hearing and adopt an ordinance prior to the establishment of an underground utility district. The proposed District also meets the following California Public Utilities Commission and Municipal Code criteria for establishing underground utility districts:

- Such removal and replacement will eliminate, and such prohibition will avoid, an unusually heavy concentration of poles and overhead wires within said area.
- The public streets or rights-of-way within said area are extensively used by the general public and carry a heavy volume of pedestrian or vehicular traffic.
- The public streets or rights of way within said area adjoin or pass through a civic area or public recreation area or an area of unusual scenic interest to the general public.

Within the limits of this project, the majority of the facilities will be placed in underground vaults, and utility companies may need to install above ground structures (cabinets) for equipment that cannot be placed in underground vaults. These cabinets may be placed in public right-of-way or on private properties. The size, quantity and actual location of the cabinets will be determined during the design phase of the project. Establishment of the proposed District, as shown on Attachment A, will require the conversion of approximately 1,800 linear feet of aerial facilities to underground facilities.

Within this project, two anchor wire exemptions are expected on the proposed district. The subject anchor wire will have minimum visual impact and is necessary to provide overhead service to the back lots of their existing locations. The proposed anchor wire exemptions are located at the following addresses: 2560 Aborn Rd., and 2540 Aborn Rd. Overall, the removal of aerial wires and utility poles will provide a significant visual benefit to the public.

There are approximately 48 properties adjacent to the proposed District. One of the 48 properties currently receiving overhead service will require electrical service conversion work in order to receive electrical power from the underground system. This will require the private property owner to perform electrical service panel conversion work on their property. The cost of conversion for a single-family residential dwelling is typically \$800 to \$2,500. The cost can be

significantly higher for multi-family and commercial/business buildings. The Public Utilities Commission provides that Rule 20A monies may be utilized to reimburse private property owner's expenses for conversion work up to \$1,500 per service entrance. The cost difference for electrical panel conversion work beyond \$1,500 is borne by the property owner. Additionally, PG&E, Comcast and AT&T will provide up to 100 feet of trenching and conduit installation for properties requiring conversion within the District, from the front property line to the building structure. The remaining properties receive utility service from outside the proposed District boundaries and will not be affected by this project.

The utility companies will obtain all environmental clearances prior to construction of the project.

The project is projected to begin construction in October 2009 and to be completed in March 2010. A detailed schedule for the establishment and implementation of the proposed District is presented in Attachment B.

EVALUATION AND FOLLOW-UP

Council will conduct a public hearing at the September 16, 2008 City Council meeting. Any comments received by staff from the residents, property owners and other stakeholders will be conveyed to Council.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The action requested by Council does not meet any of the three criteria listed above, but the following outreach will be conducted as part of Section 15.24 of the Municipal Code for the purposes of establishing underground districts.

A community meeting was held on July 1, 2008, to inform the public of this undergrounding project. The property owners attending were concerned with the cost of conversions, process to upgrade services, and phasing of construction (service interruptions). Staff provided information on options to minimize the cost of conversions and explained the PG&E policy and procedure for

the \$1,500 service conversion reimbursement. Property owners were informed that staff would provide contact information and deadlines to ensure upgrades would be appropriately incorporated into the undergrounding design. Upgrades to existing service panels, if desired by the property owner, would require additional non-reimbursable cost.

Property owners were assured that the utilities would minimize impacts of service interruptions and provide approximately one-month notification of service interruptions. It was explained that power interruptions typically last 3 to 4 hours and other utility interruptions are shorter in duration. In general, the attendees supported the undergrounding and were satisfied with the responses from staff.

Upon Council's adoption of a resolution setting a public hearing, staff will send notices of the public hearing to all utility companies and owners and occupants of properties adjoining the proposed District. A Notice of Public Hearing will be posted at City Hall and the City Council's Agenda website will also be utilized.

Should the District be legislated, a Notice of Establishment will be mailed within 20 days of the effective date of the ordinance. Additional correspondence will occur with property owners requiring electrical panel service conversions throughout the proposed project. Prior to the start of construction activities, PG&E will place "Door Hanger" construction notices on adjacent properties.

This memorandum will be posted on the City's website for the August 12, 2008 City Council meeting.

COORDINATION

The establishment of the proposed District and project schedule has been coordinated with the Department of Transportation, PG&E, AT&T, Comcast, Caltrans, County of Santa Clara, City Manager's Budget Office, and Planning, Building and Code Enforcement Department. The required resolution to set the public hearing has been reviewed by the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: None

COST TO UTILITIES:

PG&E Rule 20A Allocation	\$950,000
AT&T Rule 32A.1	490,000
Comcast	<u>160,000</u>
Total Cost to Utility Companies	1,600,000

COST TO CITY:

Project Development, Administration and Construction	
Inspection (Fund 416)	170,000
City Facilities Conversion (20A) (Fund 429)	<u>120,000</u>
Total Cost to City	290,000

TOTAL PROJECT COSTS (ESTIMATED): **\$1,890,000**

2. COST ELEMENTS OF AGREEMENT/CONTRACT: 0
3. SOURCE OF FUNDING: Fund 416 - Underground Utility Fund
Fund 429 - Building and Structure Construction Tax Fund
4. OPERATING COSTS: The proposed operating and maintenance costs of this project have been reviewed and will have no significant impact on the General Fund operating budget.

BUDGET REFERENCE

The table below identifies the funds and appropriations proposed to fund the project recommended as part of this memo.

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Contract	2008-2009 Proposed Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
416	4654	Underground Utility Program	\$1,100,000	N/A	V-17	N/A
416	5147	Underground Utility Admin. (20B)	\$135,000	N/A	V-25	N/A
416	4786	Underground Utility Admin. (20A)	\$350,000	N/A	V-24	N/A
429	5063	Underground Utilities-City Conversions	\$650,000	N/A	V-906	N/A
Total Current Funding Available			\$2,235,000			

HONORABLE MAYOR AND CITY COUNCIL

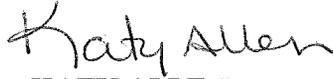
07-21-08

Subject: Aborn Road Rule 20A Underground Utility District

Page 6

CEQA

CEQA: Exempt, PP08-128.



KATY ALLEN

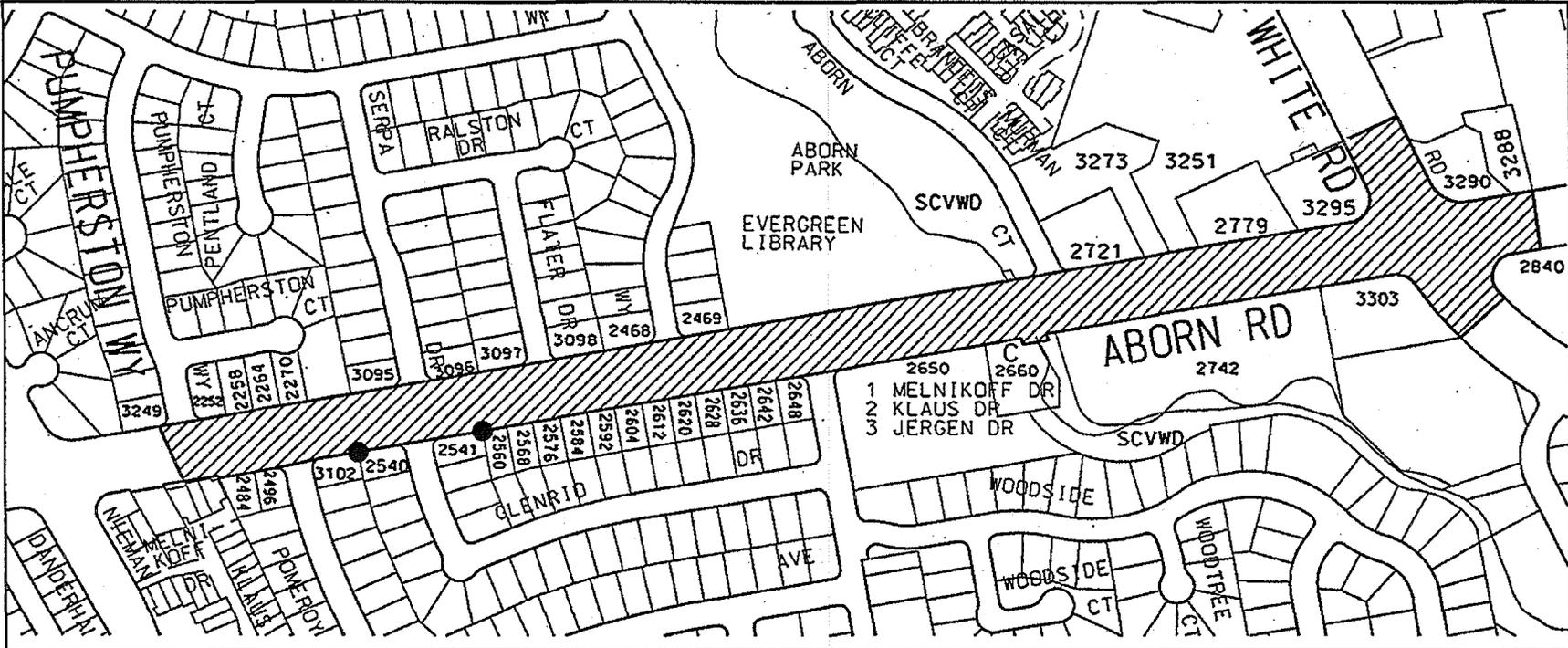
Director, Public Works Department

For questions please contact TIMM BORDEN, DEPUTY DIRECTOR, at (408) 535-8300.

CM:SK:RV

rv070308 cm Reso Memo Aborn Rd. doc

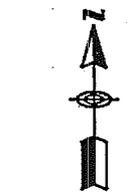
Attachments



CITY OF SAN JOSE

ABORN ROAD
UNDERGROUND UTILITY DISTRICT

LEGEND



NOT TO SCALE

 RULE 20A BOUNDARY

- C - ELECTRICAL CONVERSION
- ANCHOR WIRE EXEMPTION

ATTACHMENT A

ATTACHMENT B

UNDERGROUND UTILITY DISTRICT along Aborn Road, between Pumpherston Way and White Road.

Establishment Schedule

- | | |
|--------------------|--|
| August 12, 2008 | City Council adopts a resolution setting a time and place for a Public Hearing. |
| August 13, 2008 | Director of Public Works mails a notice of Public Hearing to all adjacent property owners. |
| September 8, 2008 | Director of Public Works transmits a report of comments and/or protests received for consideration at the Public Hearing. |
| September 16, 2008 | City Council conducts a Public Hearing and at its conclusion approves an Ordinance establishing Aborn Road Rule 20A Underground Utility District |

Project Implementation Schedule

- | | |
|---------------|---|
| November 2008 | Utility companies begin design of substructure, conduit, vaults, electric and cable facilities. |
| March 2009 | Utilities obtain environmental clearances. |
| October 2009 | Construction starts |
| March 2010 | Utility companies complete connections and remove overhead wires and poles. |