

Memorandum

To: HONORABLE MAYOR
AND CITY COUNCIL

From: Katy Allen

SUBJECT: SEE BELOW

DATE: 05-11-09

Approved

Date

5/18/09

COUNCIL DISTRICT: Citywide

**SUBJECT: REPORT ON THE RULE 20A AND RULE 20B (IN-LIEU FEE)
UNDERGROUND UTILITY PROGRAM AND 2008/09- 2013/14 WORKPLAN**

RECOMMENDATION

Approval of the proposed Fiscal Year 2008/09 - 2013/14 Workplan for the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program

OUTCOME

Approval of the proposed Fiscal Year 2008/09 - 2012/13 Workplan for the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program will guide Public Works staff and utility companies to program funds, assign project priorities, and establish, design and construct the proposed overhead-to-underground utility conversion projects.

EXECUTIVE SUMMARY

The Rule 20A and 20B (In-Lieu Fee) Underground Utility Program provides information on the utility undergrounding program and projects. In addition, the proposed workplan will guide Public Works staff and utility companies to program funds, assign project priorities, and establish, design and construct overhead-to-underground utility conversion projects. The proposed workplan represents a schedule that focuses on timely delivery of projects and allows for more aggressive draw-down of City of San José's current Rule 20A allocation balance. Staff continues to meet monthly with all utilities to monitor schedule and address issues and concerns as they arise.

BACKGROUND

Three methods are used to fulfill the General Plan goal of converting overhead utilities to underground systems. They are summarized below and are described in greater detail in this report.

- Rule 20A Program – The Rule 20A Program is the City’s use of PG&E rate-payer money on underground conversion projects. Although the funds for this program are never actually transferred to the City, City staff programs the money toward conversions on arterial and major collector streets. The 2009 calendar year allocation of PG&E funds for the City of San José is approximately \$4.3 million. These allocations accumulate until they are expended for undergrounding projects.
- Rule 20B (In-Lieu Fee) Program – Undergrounding may be accomplished through the City's In-Lieu Fee Program which allows the City to accumulate funds from developers to underground large aggregated projects rather than requiring developers to perform the undergrounding on a piecemeal basis. This results in more efficient use of engineering staff, construction crews, and utility company resources, resulting in lower unit costs for design and construction.
- Rule 20C – In some instances, developers or other agencies may pursue completing underground conversions themselves. These conversions do not meet the criteria for Rule 20A or 20B, are typically less than 600 feet long, and are coordinated directly with the utility companies.

Rule 20B funds are leveraged against 20A allocations as opportunities arise, to construct one larger project. The majority of proposed Rule 20A projects complement transportation capital improvement projects.

The Rule 20A Underground Utility Program is currently administered in accordance with the Rule 20A 2007/08 - 2012/13 Workplan accepted by Council on April 29, 2008.

Accompanying this report are the following attachments related to the Rules 20A and 20B Programs:

- 2007/08 - 2012/13 Workplan Status (Attachment A)
- 2008/09 - 2013/14 Workplan (Attachment B-1)
- 2008/09 - 2013/14 Workplan by Council District (Attachment B-2)
- Summary of Changes since the Last Report (Attachment D)
- Proposed Future Rule 20A Underground Utility Projects (Attachment E)
- Criteria for Evaluating Rule 20A & 20B (In-Lieu Fee) Underground Utility Projects (Attachment F).
- Best Practices (Attachment G)

The Workplan guides Public Works staff to establish, design, and construct the proposed overhead-to-underground utility conversion projects.

RULE 20A PROGRAM – In 1968, the California Public Utilities Commission (CPUC) and utility companies established a program to underground utilities across the State. Under Rule

20A, Pacific Gas and Electric Company ("PG&E") allocates funds, on a calendar year basis, to convert existing overhead electrical facilities to underground electrical facilities within the communities it serves. PG&E considers Rule 20A allocations as a tool to allow cities and counties to evaluate and prioritize undergrounding projects within their respective jurisdictions. These allocations accumulate until they are expended for undergrounding projects. PG&E uses its own funds to design and construct Rule 20A projects, and once the projects are completed, the cost is recovered through incremental utility rate increases.

The 2009 calendar year allocation of PG&E funds for the City of San José is \$4.3 million. Other CPUC rules, tariffs and legislation require AT&T to convert its facilities in a similar manner to the Rule 20A Program. Pursuant to federal law and its franchise agreement with the City, Comcast is required to budget its own funds for the conversion of its facilities within the districts legislated for Rule 20A funding.

RULE 20B (IN-LIEU FEE) PROGRAM – Undergrounding may be accomplished through the City's establishment of an In-Lieu Fee Program which allows the City to accumulate funds from developers to underground large aggregated projects rather than requiring developers to perform the undergrounding on a project-by-project basis. This results in the more efficient use of engineering staff, construction crews, and utility company resources, thus lowering unit costs for design and construction.

The San José Municipal Code requires that developers pay a fee, per foot of frontage, in-lieu of performing the overhead-to-underground conversions along the street frontage where their development is occurring. Only those projects that develop adjacent to designated streets as defined in the Municipal Code are subject to the undergrounding in-lieu fee conditions.

The current In-Lieu fee for utility undergrounding is \$395 per linear foot per frontage foot. Fees are collected from developments on both sides of the street regardless of the side which has the actual overhead facility. This was based on an average City cost of \$790 per linear foot to complete larger undergrounding conversion projects. In accordance with City Council direction last year, staff will be bringing forward a revision to the Underground Utility Fee Ordinance in June 2009. The revision will enable the fee to be adjusted annually based on the Engineering News Record's 20-City Average Construction Cost Index. Furthermore, the revision will allow reimbursement to developers for completing underground utility projects that they would not otherwise be required to perform under the Ordinance.

In-Lieu fees are programmed to be expended in areas per the In-Lieu Fee Undergrounding Master Plan. As long as these fees are committed to projects in the approved Master Plan, they are considered programmed and not subject to refund. The In-Lieu Fee Master Plan was approved by Council on December 9, 2008.

UNDERGROUND UTILITY PROGRAM ACTIVITY - Since 1968, the City has legislated 128 Underground Utility Districts, of which:

- 122 projects have been completed
- 2 projects are in construction
- 5 projects are in design

The current status of the Rule 20A and Rule 20B programs and the implementation of the current Workplan are presented in Attachment A.

ANALYSIS

2008/09 - 2013/14 RULE 20A AND 20B (IN-LIEU FEE) WORKPLAN

The report on the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Programs was submitted to the City Council in April 2008.

In prior years, there was a backlog of Rule 20A projects due to utility company funding and resource issues. During the course of the past two years, staff held several workshops with PG&E and developed guidelines to implement the program in a timelier manner. As a result, PG&E and the other utility companies agreed to revise the project schedule from a five-year work plan to a three-year workplan. But, some of the projects in the three-year work plan have been delayed due to PG&E and utility company resource, design and coordination challenges. However, there has been a dramatic increase in the amount of design and construction activities in 2008-2009 as compared to previous years.

The following highlights some of the actions that have been taken by PG&E to support San José's overall utility undergrounding program and improve the Rule 20A processes;

- Dramatic increase in the amount of construction activity taking place in 2009 (approximately \$20 million)
- Allowing 20A allocations to be used for easement work and subsurface equipment
- Targeting approximately 25% of PG&E's total 20A budget in the San Francisco-Bay Area region to City of San José project work in 2009
- Improved communications and joint approach to problem solving
- Change in program process to convert private electrical services first utilizing PG&E resources, instead of property owner responsibility. This change should shorten construction duration, improve efficiency, and reduce City of San José allocations spent on 20A project.
- Working with City of San José to explore city as lead agency for engineering and construction

The future workplan (Attachment B-1 and Attachment B-2 by Council District) has been revised to reflect the changes discussed above. The future workplan is presented on a fiscal year basis, summarizes program expenditures, preliminary project cost estimates, Rule 20A allocations, and In-Lieu Fee Fund balances. The proposed projects are listed in sequence of the target start dates

for proposed construction, and legislation of the underground utility districts. Projects in the Rule 20B (In-Lieu Fee) program have been reprioritized and/or rescheduled since the last report mainly due to lower revenue projections in future years. Overall, the projects in this program are reprioritized in accordance with the council approved criteria, available resources and focus in completing the workplan. A summary of the changes that have occurred since the last report is presented in Attachment C.

A listing of potential Rule 20A project areas is identified in Attachment D, and a summary of the Criteria for Evaluating Underground Utility Projects is presented in Attachment E. These criteria provide a rational process for the selection of projects presented in the proposed workplan.

There is a current beginning balance of nearly \$43 million in accumulated Rule 20A allocations for the City. Approximately \$16 million is allocated to be spent in 2008-2009 and \$21 million in 2009-2010. Historically, the City had experienced challenges in implementing the approved workplan, due to a shortfall in utility company staff resources and funding. Compounding these difficulties, the California Public Utilities Commission (CPUC) mandates that PG&E's top priority shall be the maintenance of its system reliability without compromising safety. The CPUC has essentially taken the position that Rule 20A utility undergrounding services for existing customers are secondary to storm and heat related repairs, general system maintenance, and electrical hookups for new customers and system upgrades to improve capacity. Also, there are always unforeseen circumstances such as weather-related emergencies that utility company resources may be diverted to respond to and may delay Rule 20A projects.

To monitor schedule and ensure timely delivery of projects, staff will continue to meet with utility companies regularly to address issues and concerns as they arise. To date, utility companies are collaborating with the City and with each other to maintain the agreed upon schedule and have given the best efforts with available resources. One of the challenges has been coordinating all three major utility companies' internal approval process and timelines. Each utility company has various stages of internal review and approval process for design, construction and funding. To streamline and simplify the process, as a guide, staff worked closely with utility companies and developed a Best Practices guideline (Attachment F).

Finally, aside from the challenges presented above, the proposed workplan is designed to draw down the accumulated and future Rule 20A allocations in an effort to maximize the number of undergrounding projects that can be delivered.

EVALUATION AND FOLLOW-UP

No additional follow up action with the Council is expected at this time.

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)**

While this action does not meet the \$1 million threshold under Criteria 1, this memorandum will be posted on the City's website for the June 2, 2009 Council agenda.

COORDINATION

This report has been coordinated with the San José Redevelopment Agency, the Departments of Transportation and Planning, Building and Code Enforcement, the City Attorney's Office, and the City Manager's Budget Office. The Workplan has been coordinated with PG&E, AT&T and Comcast.

COST SUMMARY/IMPLICATIONS

RULE 20A PROGRAM - The cost of the overhead-to-underground conversion of PG&E facilities in the public right-of-way within underground utility districts is funded through the PG&E Rule 20A allocation to the City. It includes up to \$1,500 per service entrance for private service panel conversions. The total cost for conversion work varies project by project. Other utility companies underground their facilities at their own cost.

The administration of the Rule 20A program has historically been funded through the Operating Budget with General Funds. However, due to budget constraints in recent years, staff has been using In-Lieu fee funds for administrative costs since Fiscal Year 2003-2004 and recommends the continued use of In-Lieu Fee Funds, approximately \$355,000 per year, to support the administration of the Rule 20A program this fiscal year. Use of the fees for administration costs is consistent with the scope of uses permitted in Section 15.26.120 of the Underground Utility Fee Ordinance. However, staff will be adding language to the ordinance clarifying the use of in lieu fees for 20A administrative costs when they bring forward other revisions to the Underground Utility Fee Ordinance for the Council's consideration in June. Over the life of the undergrounding program Rule 20A projects will reduce the overall costs of the Rule 20(B) (in lieu) fee program.

Administration of both programs includes the legislation of utility underground districts, hosting community meetings, reviewing and coordinating responsibilities during the design and construction phases of the project, and construction inspection. Additionally, the City is responsible for the conversion of its facilities within the Rule 20A underground utility districts, including streetlights, traffic signals, fire stations, libraries, and other City facilities. Funding in the amount of \$991,000 for the conversion of City facilities is budgeted in the Traffic CIP Program.

RULE 20B (IN-LIEU FEE) PROGRAM – The cost for the undergrounding of utilities is funded through the In-Lieu Underground Utility Fund. In addition, staff estimates a yearly funding need of approximately \$15,000 for private service conversions, or \$1,500 per service entrance. This funding has been approved in the FY 2008-2009 Operating Budget.

In addition, funding in the amount of \$45,000 is currently budgeted for PG&E’s Rule 20A private service panel conversion reimbursement program as part of the City’s annual budget process. Under PG&E’s Rule 20A Tariffs and Regulations, PG&E reimburses property owners up to \$1,500 per service entrance for electrical service panel conversion to receive service from the underground system. Payments, however, are made via the City. The allocation is used to accept funds from PG&E and reimburse property owners for conversion work on their properties. Beginning in FY 2010-2011, the funding may not be needed as PG&E will be taking responsibility on performing the electrical service panel conversion work themselves on all future projects. With city oversight to ensure proper outreach efforts, PG&E will directly coordinate conversion work with property owners.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Contract	2008-2009 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			N/A			
Current Funding Available						
416	4654	Underground Utility Program (20B)	\$1,614,000	N/A	Capital, V-19	2/10/09 Ord. No. 28492
416	5147	Underground Utility Admin. (20B)	\$135,000	N/A	Capital, V-27	N/A
416	4786	Underground Utility Admin. (20A)	\$350,000	N/A	Capital, V-26	N/A
429	5063	Underground Utilities – City Conversions	\$987,000	N/A	Capital, V-1167	10/21/08 Ord. No. 28422
Total Current Funding Available			\$3,086,000			

HONORABLE MAYOR AND CITY COUNCIL

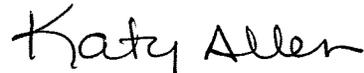
05-11-09

Subject: Report on the Rule 20A and 20B Underground Utility Program and 2008/09-2013/14 Workplan

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CEQA

CEQA: Not a project.



KATY ALLEN

Director, Public Works Department

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

RC:SK:ea

Attachments A-F

ATTACHMENTS

RULE 20A & 20B (In-Lieu Fee) PROGRAM

- A** - Status of the 2007/08 - 2012/13 Rule 20A & B (In-Lieu Fee) Workplan
- B-1** - 2008/09 - 2013/14 Rule 20A & 20B (In-Lieu Fee) Workplan
- B-2** - 2008/09 - 2013/14 20A & 20B (In-Lieu Fee) Workplan By Council District
- C** - Summary of Changes since the Last Report
- D** - Areas Identified for Consideration as Future Rule 20A Underground Utility Projects
- E** - Criteria for Evaluating Rule 20A & 20B (In-Lieu Fee) Underground Utility Projects
- F** - Best Practices –Utility Undergrounding

STATUS OF THE 2007/08 - 20012/13 RULE 20A & RULE 20B (IN-LIEU FEE) WORKPLAN

1. RULE 20A UNDERGROUND UTILITY PROGRAM

Guadalupe Gardens Rule 20A Underground Utility District (UUD),

Hedding/Taylor/Coleman: This project complements the Guadalupe Gardens Master Plan, and the Taylor Street Roadway Widening and Coleman/I-880 Interchange Projects. It was legislated in January 2003, but construction was delayed due to ongoing negotiations with PG&E with regard to aboveground cabinets and easement issues. Both issues have been resolved and the project started construction in January 2007.

To avoid further delays in the overall delivery of the Guadalupe Gardens UUD and coordinate work with the repaving of Hedding Street, the project was constructed in two phases. Phase I, area bounded by Hedding Street, Coleman Avenue, Interstate 880 and Guadalupe River, was completed in December 2007. In addition, PG&E completed placement of underground facilities on Taylor Street in advance of the Taylor Street Widening Project. The construction of Phase II of this UUD commenced in January 2008 and was completed in December 2008. Utility companies are currently pulling and splicing wires, and installing equipment in the substructures. All the utility poles are expected to be removed by December 2009.

Stevens Creek Rule 20A UUD: This project was legislated in February 2004 as a complement to the City of Cupertino's utility undergrounding project on Stevens Creek Boulevard. This project is scheduled to start construction in July 2009. The project was delayed for the following reasons: (1) Pending issues regarding aboveground cabinets and easements within the City of Cupertino, and (2) the City of San Jose has included in its schedule a number of higher-priority projects.

Jackson/ Taylor Rule 20A and Rule 20B UUD: This project was legislated in November 2005, and construction started in March 2009. This project was delayed because of design issues and coordination amongst utilities. This project is funded through a combination of Rule 20A and Rule 20B (In-Lieu-Fee) funds and is being constructed as one large project. This project is being coordinated with San Jose Redevelopment Agency's plans for the Japantown neighborhood.

Park/Naglee Rule 20A UUD: This project was legislated in May 2006 to complement the Rose Garden neighborhood and the new Rose Garden Library. The project is in design and scheduled to start construction in August 2009.

Prior to start of design, several property owners were contacted by the City on behalf of PG&E to obtain easements for above ground cabinets. All, but two property owners denied the request. However, because of successful negotiations with PG&E on the aboveground cabinet and easement issues, this is a non-issue as PG&E has agreed to place majority of the facilities subsurface in the public rights-of-way.

Evergreen Park Rule 20A UUD: This project was legislated in June 1988 and is scheduled to start construction in December 2009. This project was originally delayed because PG&E was unable to obtain easement from the School District on the north side of Yerba Buena Road (east of San Felipe Road) for the placement of facilities. PG&E is redesigning the project to develop an alternate solution to the easement issue.

Market/Almaden Rule 20A UUD: This project was legislated in June 2006 and is currently in construction. The construction start of this project was slightly delayed because of utility company resources issues and coordination challenges with the Market/Almaden Neighborhood Association (MANA). Staff continues to work closely with MANA and SJRA schedule updates and service conversions.

Delmas/Park Rule 20A/B UUD: This project was legislated in February 2008 and is being funded by Rule 20A and Rule 20B (In-Lieu Fee) funds. The project is in design and is scheduled to start construction in October 2009.

2. RULE 20B (IN-LIEU FEE) UNDERGROUND UTILITY PROGRAM

Saratoga Avenue Rule 20B UUD: This project was designed and construction managed by city staff. Construction of utility company substructure installation began in January 2007 and was completed in May 2007. PG&E has completed its portion of work and has removed the utility poles. AT&T is currently completing pulling wires and installing equipment and is expected to be completed by April 2009.

Fruitdale Avenue UUD – This UUD was legislated in 1996. Design and construction of this project has been postponed because of uncertainty with the adjacent development project.

**RULE 20A and RULE 20B (IN-LIEU FEE)
UNDERGROUND UTILITY PROGRAM
2008/09 - 2013/2014 WORKPLAN**

PROPOSED PROJECT	TYPE OF PROJECT	COUNCIL DISTRICT	ADOPTED OR PROPOSED LEGISLATION DATE	CONST-RUCTION START	IN-LIEU FEE PROGRAM EXPENDITURES (Estimated)	RULE 20A PROGRAM EXPENDITURES (Estimated)
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FY 2008/2009

BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$3,560,497	\$43,182,547
2008/2009 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$875,000	\$4,249,962
2008/2009 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
2008/2009 ANTICIPATED REVENUE - PG&E/PRIVATE SERVICE CONVERSION					\$45,000	
2008/2009 ANTICIPATED EXPENDITURE-PG&E/PRIVATE SERVICE CONVERSION RIEMBURSEMENT					(\$45,000)	
GUADALUPE GARDENS (Phase I) - Hedding/Coleman	20A	3	1/14/03	Complete		(\$1,250,000)
GUADALUPE GARDENS (Phase II) - Hedding/Taylor/Coleman (In Construction)	20A	3	1/14/03	Jan-08		(\$5,700,000)
MARKET/ALMADEN AVE. - Reed, Pierce, William, Balbach, Viola (In Construction)	20A	3	6/13/06	Nov-08		(\$4,000,000)
JACKSON/TAYLOR - 4th to 9th (In Construction)	20A & B	3	11/18/05	Mar-09	(\$1,614,000)	(\$5,150,000)
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$135,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$84,000)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$18,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$350,000)	
SUBTOTAL (EXPENDITURES)					(\$2,246,000)	(\$16,100,000)
ENDING FUND BALANCE					\$2,348,497	\$31,332,509

FY 2009/2010

BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$2,348,497	\$31,332,509
2009/2010 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$950,000	\$4,600,000
2009/2010 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
2009/2010 ANTICIPATED REVENUE - PG&E/PRIVATE SERVICE CONVERSION					\$125,000	
2009/2010 ANTICIPATED EXPENDITURE-PG&E/PRIVATE SERVICE CONVERSION RIEMBURSEMENT					(\$125,000)	
STEVENS CREEK BLVD - Stearns to Calvert	20A	1	3/26/04	Jul-09		(\$650,000)
PARK/NAGLEE - Park, Naglee to Shasta & Naglee, Park to Bascom	20A	6	5/12/06	Aug-09		(\$6,000,000)
DELMAS/PARK: Delmas, San Fernando, Cahill, Auzerals, Park Ave & Cahill Park	20A & B	3	2/29/08	Oct-09	(\$1,700,000)	(\$5,500,000)
EVERGREEN PARK - Yerba Buena Rd. & San Felipe Rd.	20A	8	7/29/88	Dec-09		(\$3,000,000)
MONTEREY RD. - Willow to Curtner, inc. Cadwaller Plaza	20A	3,7	7/28/89	Feb-10		(\$3,000,000)
CAMDEN AVENUE, Bascom to Leigh	20A	9	9/17/93	Apr-10		(\$3,000,000)
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$110,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$15,900)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$20,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$355,000)	
SUBTOTAL (EXPENDITURES)					(\$2,325,900)	(\$21,150,000)
ENDING FUND BALANCE					\$1,211,597	\$14,782,509

FY 2010/2011

BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$1,211,597	\$14,782,509
2010/2011 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$1,000,000	\$4,900,000
2010/2011 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
WHITE ROAD at Alum Rock Avenue (Alum Rock Library)	20A	5	09/05/08	Jul-10		(\$2,000,000)
ABORN ROAD - Pumpherson Wy to White Rd (Evergreen Library)	20A	8	10/31/08	Aug-10		(\$2,500,000)
TULLY ROAD, Kenoga Dr to Senter Rd	20A	7	May-09	Nov-10		(\$2,500,000)
COLEMAN AVENUE - Hedding St to Basset	20A	3	Aug-09	Dec-10		(\$2,500,000)
LINCOLN AVENUE - San Carlos to Coe	20A	6	Jan-10	Mar-11		(\$1,800,000)
De ANZA BLVD. - Rainbow to Prospect	20A	1	May-10	Jun-11		(\$2,000,000)
McKEE ROAD - Jackson to Jose Figueres	20B	5	Feb-10	Jun-11	(\$1,000,000)	
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$120,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$15,900)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$20,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$360,000)	
SUBTOTAL (EXPENDITURES)					(\$1,515,900)	(\$13,300,000)
ENDING FUND BALANCE					\$809,697	\$6,382,509

**RULE 20A and RULE 20B (IN-LIEU FEE)
UNDERGROUND UTILITY PROGRAM
2008/09 - 2013/2014 WORKPLAN**

PROPOSED PROJECT	TYPE OF PROJECT	COUNCIL DISTRICT	ADOPTED OR PROPOSED LEGISLATION DATE	CONSTRUCTION START	IN-LIEU FEE PROGRAM EXPENDITURES (Estimated)	RULE 20A PROGRAM EXPENDITURES (Estimated)
FY 2011/2012						
BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$809,697	\$6,382,509
2011/2012 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$1,100,000	\$5,200,000
2011/2012 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
KIRK PARK, Foxworthy - Yucca to Briarwood	20A	9	Jun-10	Oct-11		(\$2,000,000)
GROSBECK PARK, Kilen Rd. - Hill to Norwood	20A	8	Aug-10	Dec-11		(\$1,800,000)
HAMANN PARK, Westfield - Central to Daniel	20A	6	Oct-10	Mar-12		(\$1,800,000)
Montgomery Street - Santa Clara Street to Park Avenue	20A	3	Dec-10	Jul-12		(\$1,500,000)
McABEE ROAD - Peralta to Camden	20A	10	Nov-10	May-12		(\$1,700,000)
McABEE ROAD - Juli-Lynn to Peralta	20B	10	Nov-10	May-12	(\$1,000,000)	
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$130,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$15,900)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$21,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$265,000)	
SUBTOTAL					(\$1,431,900)	(\$8,800,000)
ENDING FUND BALANCE					\$591,797	\$2,782,509

FY 2012/2013						
BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$591,797	\$2,782,509
2012/2013 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$1,200,000	\$5,500,000
2012/2013 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
PROSPECT ROAD - Saratoga to De Anza	20A	1	Jan-11	Aug-12		(\$2,000,000)
BLOSSOM HILL, SNELL AVE - Judith to Snell, Gluffrida to Cheyenne	20A	2	Feb-11	Jan-13		(\$2,000,000)
MUNICIPAL GOLF COURSE - Lundy/Old Oakland Rd./Murphy	20A	4	Jan-12	Aug-13		(\$1,500,000)
MERIDIAN AVENUE - Park to Auzerais	20B	6	Jan-11	Jun-13	(\$1,000,000)	
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$140,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$15,900)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$17,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$270,000)	
SUBTOTAL (EXPENDITURES)					(\$1,442,900)	(\$5,500,000)
ENDING FUND BALANCE					\$462,897	\$2,782,509

FY 2013/2014						
BEGINNING FUND BALANCE/RULE 20A ALLOCATION					\$462,897	\$2,782,509
2013/2014 REVENUE(ANTICIPATED)/RULE 20A ALLOCATION					\$1,300,000	\$5,800,000
2013/2014 ANTICIPATED REVENUE - INTEREST INCOME					\$114,000	
MINNESOTA AVE. - Lincoln to Iris	20A	6	Feb-12	Oct-13		(\$1,500,000)
North 4th Street, St. John Street to St. James Street	20A	3	Aug-12	Apr-14		(\$1,500,000)
North 5th Street, St. John Street to Japan Town	20A	3	Jan-13	Jun-14		(\$1,500,000)
LOS GATOS/ALMADEN ROAD - Union to Warwick	20B	9	Aug-12	May-14	(\$1,000,000)	
RESERVE FOR FUTURE SJRA PRIORITY PROJECTS	20A					
RESERVE FOR FUTURE PARKS PROJECTS	20A					
RESERVED FOR FUTURE RULE 20A PROJECTS	20A					
PROGRAM ADMINISTRATION (In-Lieu Fee-Rule 20B)					(\$150,000)	
PUBLIC WORKS CAPITAL MANAGEMENT COSTS					(\$15,900)	
TRANSFER TO CITY HALL DEPT SERVICE FUND					(\$17,000)	
PROGRAM ADMINISTRATION (Rule 20A)					(\$275,000)	
SUBTOTAL (EXPENDITURES)					(\$1,457,900)	(\$4,500,000)
ENDING FUND BALANCE					\$418,997	\$4,082,509

Future Priority Projects

PEARL/HILLSDALE - Capitol to Hillsdale to Summer Creek	20B	6			(\$750,000)	
CANOAS GARDEN, Almaden to Masonic	20B	6			(\$750,000)	
LUNDY AVE - Murphy to Old Hostetter	20B	4			(\$800,000)	
JULIAN STREET, The Alameda to Cinnabar	20B	6			(\$800,000)	
VASONA LRT: FRUITDALE AVENUE - Southwest to Meridian (Project on hold)	20B	6			(\$1,500,000)	

Notes:

1. Construction of Rule 20A Undergrounding projects are funded by utility companies.
2. Rule 20A Program administration cost is borne by the City.

**RULE 20A AND RULE 20B (IN-LIEU FEE)
UNDERGROUND UTILITY PROGRAM**

ATTACHMENT B-2

2008/09 - 2013/2014 WORKPLAN - BY CITY COUNCIL DISTRICT

PROPOSED PROJECT	TYPE OF PROJECT	COUNCIL DISTRICT	LEGISLATION ADOPTION DATE	CONSTRUCTION START	IN-LIEU FEE PROGRAM EXPENDITURES (Estimated)	RULE 20A PROGRAM EXPENDITURES (Estimated)
DISTRICT 1						
De ANZA BLVD. - Rainbow to Prospect	20A	1	May-10	Jun-11		(\$2,000,000)
STEVENS CREEK BLVD - Stearns to Calvert	20A	1	2/10/04	Jul-09		(\$650,000)
PROSPECT ROAD - Saratoga to De Anza	20A	1	Jan-11	Aug-12		(\$2,000,000)
DISTRICT 2						
BLOSSOM HILL, SNELL AVE - Judith to Snell, Giuffrida to Cheyenne	20A	2	Feb-11	Jan-13		(\$2,000,000)
DISTRICT 3						
Coleman Avenue - Hedding St to Basset	20A	3	Aug-09	Dec-10		(\$2,500,000)
GUADALUPE GARDENS (Phase I) - Hedding/Coleman	20A	3	1/14/03	Complete		(\$1,250,000)
GUADALUPE GARDENS (Phase II) - Hedding/Taylor/Coleman	20A	3	1/14/03	Jan-07		(\$5,700,000)
JACKSON/TAYLOR - 4th to 9th	20A & B	3	11/18/05	Mar-09	(\$1,614,000)	(\$5,150,000)
MARKET/ALMADEN AVE. - Reed, Pierce, William, Balbach, Viola	20A	3	6/13/06	Nov-08		(\$4,000,000)
DELMAS/PARK: Delmas, San Fernando, Cahill, Auzerais, Park Ave & Cahill Park	20A & B	3	1/29/08	Oct-09	(\$1,700,000)	(\$5,500,000)
Montgomery Street - Santa Clara Street to Park Avenue	20A	3	Dec-10	Jul-12		(\$1,500,000)
North 4th Street, St. John Street to St. James Street	20A	3	Aug-12	Apr-14		(\$1,500,000)
North 5th Street, St. John Street to Japan Town	20A	3	Jan-13	Jun-14		(\$1,500,000)
DISTRICT 4						
MUNICIPAL GOLF COURSE - Lundy/Old Oakland Rd./Murphy	20A	4	Jan-12	Aug-13		(\$1,500,000)
DISTRICT 5						
WHITE ROAD at Alum Rock Avenue (Alum Rock Library)	20A	5	11/05/08	Jul-10		(\$2,000,000)
McKEE ROAD - Jackson to Jose Figueres	20B	5	Feb-10	Jun-11	(\$1,000,000)	
DISTRICT 6						
HAMANN PARK, Westfield - Central to Daniel	20A	6	Oct-10	Mar-12		(\$1,800,000)
LINCOLN AVENUE - San Carlos to Coe	20A	6	Jan-10	Mar-11		(\$1,800,000)
PARK/NAGLEE - Park, Naglee to Shasta & Naglee, Park to Bascom	20A	6	5/12/06	Aug-09		(\$6,000,000)
MERIDIAN AVENUE - Park to Auzerais	20B	6	Jan-11	Jun-13	(\$1,000,000)	
MINNESOTA AVE. - Lincoln to Iris	20A	6	Feb-12	Oct-13		(\$1,500,000)
DISTRICT 7						
TULLY ROAD, Kenoga Dr to Senter Rd	20A	7	May-09	Nov-10		(\$2,500,000)
MONTEREY RD. - Willow to Curtner, inc. Cadwaller Plaza	20A	3,7	6/20/89	Feb-10		(\$3,000,000)
DISTRICT 8						
ABORN ROAD - Pumphreton Wy to White Rd (Evergreen Library)	20A	8	10/31/08	Aug-10		(\$2,500,000)
EVERGREEN PARK - Yerba Buena Rd. & San Felipe Rd.	20A	8	6/21/88	Dec-09		(\$3,000,000)
GROSBECK PARK, Klien Rd. - Hill to Norwood	20A	8	Aug-10	Dec-11		(\$1,800,000)
DISTRICT 9						
CAMDEN AVENUE, Bascom to Leigh	20A	9	8/17/93	Apr-10		(\$3,000,000)
KIRK PARK, Foxworthy - Yucca to Briarwood	20A	9	Jun-10	Oct-11		(\$2,000,000)
LOS GATOS/ALMADEN ROAD - Union to Warwick	20B	9	Aug-12	May-14	(\$1,000,000)	
DISTRICT 10						
McABEE ROAD - Peralta to Camden	20A	10	Nov-10	May-12		(\$1,700,000)
McABEE ROAD - Juli-Lynn to Peralta	20B	10	Nov-10	May-12	(\$1,000,000)	

**RULE 20A AND 20B (IN-LIEU FEE) UNDERGROUND UTILITY PROGRAM
SUMMARY OF CHANGES SINCE LAST REPORT**

ATTACHMENT C

PROJECT	TYPE OF PROJECT	COUNCIL DISTRICT	2007/08-2012/13 WORKPLAN (submitted to Council in April 2008)		2008/09 - 2013/14 WORKPLAN (PROPOSED)		REASON FOR CHANGE (SEE NOTES)
			LEGISLATION ADOPTION DATE	CONSTRUCTION START	LEGISLATION ADOPTION DATE	CONSTRUCTION START	
ABORN ROAD - Pumpherston Wy to White Rd (Evergreen Library)	20A	8	2008	2009	Legislated	2010	C, D
BLOSSOM HILL, SNELL AVE - Judith to Snell, Giuffrida to Cheyenne	20A	2	2011	2012	2011	2013	D
CAMDEN AVENUE, Bascom to Leigh (In Design)	20A	9	Legislated	2009	Legislated	2010	C, D
CANOAS GARDEN, Almaden to Masonic	20B	6	2011	2012			G
COLEMAN AVENUE, Hedding St to Basset	20A	3	2008	2009	2009	2010	D
De ANZA BLVD. - Rainbow to Prospect	20A	1	2009	2010	2010	2011	D
DELMAS/PARK: Delmas, San Fernando, Cahill, Auzerais, Park Ave & Cahill Park	20A & B	3	2008	2009	2008	2009	C
EVERGREEN PARK - Yerba Buena Rd. & San Felipe Rd. (In Design)	20A	8	Legislated	2008	Legislated	2009	A, C
GROSBECK PARK, Klien Rd. - Hill to Norwood	20A	8	2010	2010	2010	2011	D
GUADALUPE GARDENS - Hedding/Taylor/Coleman (Phase I)	20A	3	Legislated	Completed	Legislated	Completed	
GUADALUPE GARDENS - Hedding/Taylor/Coleman (Phase II)	20A	3	Legislated	In Construction	Legislated	In Construction	
HAMANN PARK, Westfield - Central to Daniel	20A	6	2010	2010	2010	2012	D
JACKSON/TAYLOR - 4th to 9th	20A & B	3	Legislated	2008	Legislated	In Construction	
JULIAN STREET, The Alameda to Cinnabar	20B	6	2012	2013			G
KIRK PARK, Foxworthy - Yucca to Briarwood	20A	9	2009	2010	2010	2011	D
LINCOLN AVENUE - San Carlos to Coe	20A	6	2009	2010	2010	2011	D
LOS GATOS/ALMADEN ROAD - Union to Warwick	20B	9	2010	2011	2012	2014	D
LUNDY AVE - Murphy to Old Hostetter	20B	4	2012	2013			G
MARKET/ALMADEN AVE. - Reed, Pierce, William, Balbach, Viola	20A	3	Legislated	2008	Legislated	In Construction	
McABEE ROAD - Peralla to Camden	20A	10	2009	2010	2010	2012	D
McABEE ROAD - Juli-Lynn to Peralla	20B	10	2009	2010	2010	2012	D
McKEE ROAD - Jackson to Jose Figueres	20B	5	2009	2010	2010	2012	D
MERIDIAN AVENUE - Park to Auzerais	20B	6	2010	2011	2011	2013	D
MINNESOTA AVE. - Lincoln to Iris	20A	6	2012	2013	2012	2013	D
MONTEREY RD. - Willow to Curtner, inc. Cadwaller Plaza	20A	3, 7	Legislated	2009	Legislated	2010	C, D
Montgomery Street - Santa Clara Street to Park Avenue	20A	3			2012	2014	F
MUNICIPAL GOLF COURSE - Lundy/Old Oakland Rd./Murphy	20A	4	2012	2013	2012	2013	D
North 4th Street, St. John Street to St. James Street	20A	3			2012	2014	F
North 5th Street, St. John Street to Japan Town	20A	3			2013	2014	F
PARK/NAGLEE - Park, Naglee to Shasta & Naglee, Park to Bascom	20A	6	Legislated	2008	Legislated	2009	C, D
PEARL/HILLSDALE - Capitol to Hillsdale to Summer Creek	20B	6	2011	2012			D
PROSPECT ROAD - Saratoga to De Anza	20A	1	2013	2014	2011	2012	D
SARATOGA AVENUE - Route 280 to Kiely	20B	1	Legislated	Completed	Legislated	Completed	
STEVENS CREEK BLVD - Stearns to Calert	20A	1	Legislated	2008	Legislated	2009	C, D
TULLY ROAD, Kenoga Dr to Senter Rd	20A	7	2008	2009	2009	2010	D

**RULE 20A AND 20B (IN-LIEU FEE) UNDERGROUND UTILITY PROGRAM
SUMMARY OF CHANGES SINCE LAST REPORT**

ATTACHMENT C

			2007/08-2012/13 WORKPLAN (submitted to Council in April 2008)		2008/09 - 2013/14 WORKPLAN (PROPOSED)		
PROJECT	TYPE OF PROJECT	COUNCIL DISTRICT	LEGISLATION ADOPTION DATE	CONSTRUCTION START	LEGISLATION ADOPTION DATE	CONSTRUCTION START	REASON FOR CHANGE (SEE NOTES)
VASONA LRT: FRUITDALE AVENUE - Southwest to Meridian	20B	6	Legislated	2015	Legislated		E
WHITE ROAD at Alum Rock Avenue	20A	5	2008	2009	2008	2010	C, D

BOLD PRINT indicates changes since last report.

NOTE: REASON FOR CHANGES

- A. Difficulty in obtaining easements needed for underground substructures. Project being re-engineered.
- B. Delay in project schedule because of PG&E resources issues and design challenges.
- C. Project in design
- D. Workplan reflects rescheduled target dates due to schedule changes in prior year projects.
- E. Project postponed from the workplan because of uncertainty with the adjacent development project.
- F. New project complements SJRA and DOT projects.
- G. Rule 20B projects reprioritized because of lower revenue predictions. Funding will be evaluated on yearly basis and projects will be reprioritized accordingly.

**AREAS IDENTIFIED FOR CONSIDERATION AS
FUTURE RULE 20A UNDERGROUND UTILITY PROJECTS**

PROPOSED PROJECT AREA

1. COUNCIL MEMBER REQUESTS

- White Road, McKee Road to Eastside Drive
- White Road, Park Lane to Ocala/Martin Ave.
- Areas north of the Reid/Hillview Airport
- Alviso/1st Street

2. REDEVELOPEMENT GREATER DOWNTOWN PRIORITY AREAS

- Post St. - Almaden Blvd. to San Pedro - Almaden Ave. - Post St. to Santa Clara
- Julian/St. John, Autumn St. to 87; Almaden Blvd.- Julian St. to Carysle
- St. John & Almaden Ave. - Carysle to St. James
- Autumn/Montgomery - Julian to St. John
- Coleman Ave. - 87 to Hobson, Santa Teresa – Coleman Ave. to Ryland St.
- Third Street – St. James to railroad tracks; Julian St. – First to Fifth Streets
- Stockton Ave. - Santa Clara to Julian St.; Julian St. – Stockton to Montgomery St.
- Julian/St. John – 5th St. – to 8th St.
- San Salvador - 4th St. to 10th St.
- Empire/Hensley - 2nd St. to 4th St.
- Second, Third and Fourth Streets – Railroad tracks to Empire
- Julian/St. James - Notre Dame to 1st St. (Rule 20C project funded by Agency and housing developers)
- St. James to Basset - 87 to San Pedro (Rule 20C project funded by Agency and housing developers)

3. CITIZEN REQUESTS

- Meridian Ave., Fruitdale to Hamilton
- Croyley/Morrill Ave. (A citizen on Morrill Ave. requested undergrounding of utility lines along Morrill Ave., between Junewood Ave. and Tobin Drive. This segment on Morrill Ave. is to be included with the future Croyley Ave. Rule 20A project.)

4. SOUTH CAMPUS NEIGHBORHOOD: – Streets requested for consideration by the Planning Department on behalf of the South Campus Neighborhood Revitalization Plan Advisory Group and the residents of the area. Streets requested are as follows:

- Reed Street, 2nd St. to 4th St.
- William Street, 2nd St. to William Street Park
- 7th Street, I-280 to SJSU Campus
- 10th & 11th Streets, I-280 to E. Santa Clara Street

5. PROJECTS THAT WILL COMPLIMENT CIP PROJECTS - Streets requested by the Department of Transportation that will compliment CIP projects. Streets/area requested as follows:

- Almaden Expwy./Coleman Road Area - will remove conflicts from Almaden POC project. Almaden Expwy. is in Santa Clara County jurisdiction and the project was legislated in 2007.
- Taylor Street - Guadalupe Gardens to Japantown (coordinate with Taylor/First project and close gap between other undergrounding projects on Taylor)
- Julian/St. James Couplet Corridor - remove conflicts from signal conversions
- 5th Street Corridor - create attractive pedestrian corridor from SJSU/City Hall to Japantown (relates to HIP grant)
- 3rd/4th Street Couplet Corridor - enhance Hensley Historic District
- Hamilton Avenue between Meridian Ave. and Hamilton Way

**SUMMARY OF CRITERIA FOR EVALUATING
UNDERGROUND UTILITY PROJECTS**

RULE 20A UNDERGROUNDING UTILITY PROJECTS

Approved by CPUC, 1968, revised 2002.

The governing body of the City or County in which such electric facility are and will be located has determined, after consultation with the Utility and after holding public hearings on the subject, that such undergrounding is in the public interest for one or more of the following reasons:

- a. Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electrical facilities.
- b. The street or road right-of-way is intensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic.
- c. The street or road right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public.
- d. The street or road or right-of-way is considered an arterial or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines.

ADDITIONAL CRITERIA ESTABLISHED BY THE CITY OF SAN JOSE:

1. Projects that complement City capital improvement projects (1978).
2. Completion of undergrounding adjacent to undergrounding accomplished by other projects (1978).
3. Projects that front city facilities, such as: parks, libraries, and fire stations (1978).
4. Projects in the Core (Downtown) Area (1978).
5. Projects that minimize costs to single family residences (1978).
6. Projects that are done in conjunction with light rail transit projects (1985).
7. Projects that are on gateway streets to the downtown area (1985).
8. Twenty percent (20%) of Rule 20A funds will be designated for projects adjacent to city parks (1986).
9. Projects in Redevelopment or Neighborhood Business District areas (1987).

RULE 20B (IN-LIEU FEE) UNDERGROUNDING UTILITY PROJECTS

Approved March 16, 1993

The criteria and procedures to create underground utility districts are specified in the San José Municipal Code. Proposed districts must be determined be in the general public interest for one or more of the following reasons:

ATTACHMENT E

SUMMARY OF CRITERIA FOR EVALUATING UNDERGROND UTILITY PROJECTS

Page 2 of 3

- a. Such removal and replacement underground will eliminate an unusually heavy concentration of poles and overhead wires within said area;
- b. 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;
- c. 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.

GENERAL CRITERIA

The purpose of the General Criteria is to ensure that all projects included in the Workplan provide opportunities for cost effectiveness due to lower unit costs resulting from large aggregated projects, and are in areas where in-lieu fees have been paid. To date, in-lieu fees have been paid for 509 private development projects throughout the City. The Undergrounding Master Plan, listing 268 proposed projects areas that meet the General Criteria, has been developed by staff and is presented in Attachment E. The listing is presented in sequence of the percentage of proposed project frontage for which in-lieu fees have been paid (highest to lowest). The Undergrounding Master Plan is developed through consideration of the following General Criteria:

1. A minimum 600 feet of overhead facilities to be replaced. Projects that meet this criterion are eligible for certain credits from utility companies resulting in a lower cost per foot to complete the project.
2. Percentage of proposed project frontage for which in-lieu fees have been paid. The percentage of frontage length paid to date, the higher the priority.
3. Development frontages where undergrounding in-lieu fees have been paid and held by the City for five or more years. Fees must be returned if a project area cannot be identified (as shown in the Master Plan) within five years.

SPECIFIC CRITERIA

The purpose of the Specific Criteria is to provide specific guidelines for staff in selecting project areas for the Workplan. The Specific Criteria ensure that actions required of the City by executed agreements are implemented and also provide the flexibility to coordinate with other scheduled projects and programs. The proposed workplan, presented in Attachment B, has been developed through an evaluation of the Specific Criteria applicable to the listing of proposed project areas identified in the Undergrounding Master Plan.

- a. Projects for which agreements with the Utility Companies have been executed or approved for execution.
- b. Projects for which Legislation (City Ordinance) establishing an underground utility district have been adopted.
- c. Projects proposed in the last approved workplan for which review, field investigation and coordination with the utility company representative have begun.

ATTACHMENT E

SUMMARY OF CRITERIA FOR EVALUATING UNDERGROND UTILITY PROJECTS

Page 3 of 3

- d. Projects requiring completion by specific dates to avoid return of fees paid per executed agreements (Improvement District Projects).
- e. Projects that can be constructed in conjunction with other planned improvements by the City (CIP Projects).
- f. Projects that can be implemented in conjunction with private development construction activities.
- g. Projects that were proposed in the last approved workplan for which coordination with utility companies has not begun.
- h. Distribution among Council Districts in as equitable manner as possible.

BEST PRACTICES –Utility Undergrounding

Objective: The following “Best Practices” are to provide a utility undergrounding/conversion process.

Step 1 - SCHEDULE WALKTHROUGHS AND PRELIMINARY ENGINEERING (CITY AND UTILITY COMPANIES)

- a. Schedule walkthroughs on prioritized project locations with all utility companies and any other stakeholders (1 - 2 days)
- b. Identify any changes in scope determined in the field during the walkthrough (1 week)
- c. Identify utility underground district boundary, project scope and service conversions (1 week)
- d. City – Legislation process to adopt underground utility district (3 - 4 months)

Step 2 - DESIGN OF THE UTILITY UNDERGROUND PROJECT (CITY AND UTILITY COMPANIES)

- a. City staff meets with utilities and provides the approved project documents (Ordinance, Resolution and map)
- b. City schedules a design field meet
- c. Prime Trenching Agent submits Intent drawings to all within 30 days of the design field meeting
 - Intent drawings should include the following:
 - Property and right-of-way line
 - Curb and gutter, driveways and sidewalk
 - Proposed trench line and crossings
 - Laterals/Services to properties and facilities
- d. Engineering (150 - 160 days, depending on the complexity of the project)
 - Utilities begin the design of the undergrounding project and responds to the intent drawings within 60 – 90 days
 - Prime Trenching Agent prepares the composite drawing (45 - 60 days)
 - From B review and approval (30 days)

Step 3 - CONSTRUCTION OF THE UTILITY UNDERGROUND PROJECT (CITY AND UTILITY COMPANIES)

- a. Utilities obtain approval for construction (3 - 4 weeks)
- b. Utilities either bid out or use their own forces to construct the project.
- c. Construction begins. Duration of construction varies upon the scope of the project. Historically the construction of substructure has been 3 - 6 months in duration, conversion of properties in 1 - 12 months, and removal of poles in approximately 4 months.
- d. Typically, the city facilities conversion is concurrent with or immediately following the installation of the utility substructure. Most projects are approximately 2 - 3 months in duration.