



**CITY OF LOS ALTOS
CITY COUNCIL MEETING
November 10, 2015**

CONSENT CALENDAR

Agenda Item # 2

SUBJECT: Receive an update on the First Street Utility Undergrounding, Project CD-01007

BACKGROUND

The First Street Utility Undergrounding, Project CD-01007 (FSUUP) is currently in the final design process with Pacific Gas and Electric (PG&E), Comcast and AT&T. The project will relocate existing aerial utilities to new underground facilities on First Street between San Antonio Road and Main Street. The work will be completed under provisions of the individual utility's California Public Utilities Commission (CPUC) Rule 20 Section A, aerial conversion tariff.

Projects performed under Rule 20A are nominated by a city, county or municipal agency and discussed with PG&E and the other utilities. The majority of the project cost is funded by PG&E's Rule 20A allocation of work credits to the City. The credits represent a value of effort PG&E sets aside for qualified public undergrounding projects as defined under the CPUC Rule 20A.

Los Altos constructed its first Rule 20A utility undergrounding project at Loyola Corners in 2002. City Council prioritized areas for utility undergrounding projects on May 11, 2004 and ranked the downtown triangle area, specifically First Street, as the highest priority. Due to the length of First Street, the project was divided into two phases. Phase I of the First Street project installed utility underground facilities on First Street from West Edith Avenue to Main Street and was completed in 2010.

On average, Rule 20A projects take five to seven years to complete. Council approved proceeding with Phase II of the First Street work at its February 23, 2010 meeting. CPUC requires cities to establish an underground utility district of the parcels affected prior to their involvement with a project. Staff worked with BKF Engineers to determine which parcels would be included in the proposed district. Thirty-five properties were identified for the district. Council approved the ordinance establishing the underground utility district boundaries on August 24, 2010 (Attachment 1).

EXISTING POLICY

Capital Improvement Program Project CD-01007

PREVIOUS COUNCIL CONSIDERATION

February 23, 2010; August 24, 2010; September 14, 2010; and April 8, 2014

DISCUSSION

PG&E engineers have provided the City with an update on the upcoming FSUUP project. The update included minor modifications to both the project's scope and schedule. While the proposed changes will have minor construction impacts, the project's overall cost is anticipated to be completed within the City's existing PG&E Rule 20A credit balance.

Project Scope

As the final design for the FSUUP was developed, PG&E engineers notified the City of an opportunity to eliminate approximately 150 feet of additional overhead utility wires in Plaza 1. Further, the design refinement eliminated the need for installation of one new pole that was included in the original project design. Staff is supportive of the opportunity to remove the additional overhead facilities at little additional cost to the project

Project Schedule

With completion of the refined project design plans, PG&E informed the City the start date for the street cut portion of the project has been pushed back from late January 2016 to early April 2016. This portion of the project is now scheduled to be completed by late July 2016. The individual property panel conversions will commence on schedule in early February 2016. Staff has emphasized to PG&E the importance to have all work be completed on schedule and not in conflict with the 2016 fall holiday shopping season.

During the project's construction period, traffic and parking on First Street and in Plaza 1 will be impacted. The impacts include the temporary elimination of on-street parking on First Street in locations where active construction work will occur. In addition, portions of Plaza 1 will be closed to allow for safe work on overhead utility lines in the plaza. PG&E will provide traffic control on the street to allow access to all impacted businesses. Staff will coordinate with the other First Street development projects to minimize the traffic impacts on First Street.

Cost sharing

Los Altos has a work credit balance of approximately \$1.83 million with approximately \$1.53 million of the credits committed to First Street Phase II. Actual project costs will be determined after construction bids have been received for the project. Other utility companies such as AT&T and Comcast are responsible for undergrounding their own utilities and will coordinate with PG&E.

The City receives an annual allocation of work credits from PG&E. Cities may also utilize up to five years of anticipated credits towards current projects. Attachment 2 is the City's most recent statement of allocated and unallocated work credits from PG&E. The City is responsible for utilizing its own funds for costs associated with the formation of the underground utility district, development of the project's base map, unforeseen obstacles such as contaminated soils, items relating to the coordination of the project and any additional restoration costs beyond the normal City standards.

PUBLIC CONTACT

Posting of the meeting agenda serves as notice to the general public.

FISCAL/RESOURCE IMPACT

There are sufficient funds in Capital Improvement Program Project CD-01007 for the City's portion of the project.

ENVIRONMENTAL REVIEW

Categorically Exempt pursuant to CEQA Section 15301 (c)

Receive an update on the First Street Utility Undergrounding, Project CD-01007

RECOMMENDATION

Receive an update on the First Street Utility Undergrounding, Project CD-01007

ALTERNATIVES

1. Do not proceed with the First Street Utility Undergrounding Project and determine an alternate location for use of the City's PG&E Rule 20A credits; this is not recommended as a significant portion of the current PG&E credit balance has been committed to the design of the proposed project.

Prepared by: Dave Brees, Special Projects Manager

Reviewed by: Susanna Chan, Public Works Director

Approved by: Marcia Somers, City Manager

ATTACHMENTS:

1. First Street Rule 20A Utility Undergrounding Project CD-01007 district map
2. 2015 PG&E Rule 20A Allocation and Work Credit Status letter



LEGEND

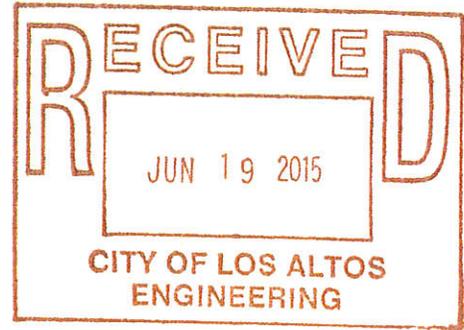
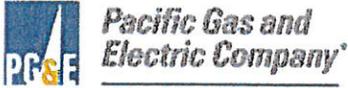
- UNDERGROUND DISTRICT BOUNDARY
- EXISTING PROPERTY LINE
- REMOVE EX OVERHEAD LINE
- EXISTING OVERHEAD TO REMAIN
- OVERHEAD CONSTRUCTED IN PHASE I AND UNDERGROUNDED IN PHASE II
- POLES TO REMAIN
- POLES TO BE REMOVED (10)
- INNER-SET POLE (1) (NO LONGER REQUIRED)
- EXISTING AERIAL SERVICE TO BE CONVERTED
- EXISTING SERVICE IS BEING FED FROM POLES LOCATED IN THE ALLEY TO THE REAR OF THE PROPERTY. THESE AERIAL SERVICES ARE TO REMAIN AND NOT TO BE UNDERGROUNDED UNLESS OTHERWISE NOTED.
- EXISTING UNDERGROUND SERVICE
- REMOVE ANCHOR AND DOWN GUY
- CONVERSION OF AERIAL ELECTRICAL FACILITIES
- CONVERSION OF AERIAL TELEPHONE FACILITIES
- CONVERSION OF AERIAL CATV FACILITIES

NOTE:

THIS EXHIBIT IS SCHEMATIC IN NATURE AND HAS BEEN PROVIDED FOR THE COORDINATION OF THE PHASE II RULE 20A AERIAL TO UNDERGROUND CONVERSION DISTRICT LIMITS ONLY. DESIGN AND CONSTRUCTION DOCUMENTS WILL BE DEVELOPED BY PG&E.

EXHIBIT PROVIDED FOR
COORDINATION PURPOSES ONLY

Date	03/27/2015
Scale	NONE
Drawn	SKS
Checked	SKS
Reviewed	SKS
Project Number	1500000000
Project Name	PHASE II - RULE 20A



May 31, 2015

City Manager
City of Los Altos
One North San Antonio Rd.
Los Altos, CA 94022

Subject: 2015 Rule 20A Allocation and Work Credit Status

Dear City Manager,

The purpose of this letter is to provide you with an update on your 2015 Rule 20A Allocation and Work Credit Status. The table below shows your work credit balance as of April 30, 2015 and includes activity from May 31, 2014 through April 30, 2015. The balance reflects closed projects, your 2015 allocation, work credit transfers, completed or cancelled projects, and the current estimate of projects in progress (projects currently in a design, construction, or close-out phase).

<u>Work Credit Status</u>	
Account Balance as of 5/31/14	\$1,715,133
Closed Projects	\$0
2015 Allocation	\$118,704
Work Credit Transfers	\$0
Account Balance as of 4/30/15	\$1,833,837
Completed Projects	\$0
Projects in Progress *	\$-1,530,251
5 year borrow	\$593,520
Adjusted Balance as of 4/30/15	\$897,106

PG&E values its partnership with your community and we look forward to working with you. If you have any questions regarding your Rule 20A Work Credit Status, or if your community wants to discuss pending Rule 20A projects or potential future projects, please contact Donna Pontrello, your Rule 20A Program Liaison, at (707) 775-7378.

Sincerely,

ANDREA SAMONEK
Manager, Work and Program Management

cc: Public Works Director

* detail attached