



CONSENT CALENDAR

Agenda Item # 5

AGENDA REPORT SUMMARY

Meeting Date: February 14, 2017

Subject: Ordinance 2017-430: Lincoln Park Underground Utility District

Prepared by: Dave Brees, Special Projects Manager

Reviewed by: Susanna Chan, Public Works Director

Approved by: Chris Jordan, City Manager

Attachment:

1. Ordinance 2017-430

Initiated by:

City Council

Fiscal Impact:

The project will utilize a combination of eligible Rule 20A tariff funding and Capital Improvement Project funds for its construction. An estimated \$4,000,000 Rule 20A funds will be provided by the County of Santa Clara as a Term of Sale for the purchase of Lincoln Park and a yet to be determined amount of Capital Improvement Project funds for project expenses not eligible for Rule 20A funding.

Environmental Review:

Categorically exempt under CEQA Section 15301 (b) Existing Facilities

Policy Question for Council Consideration:

- Does Council continue its desire to establish an underground utility district for the purpose of undergrounding the aerial distribution and communication utility lines located within and adjacent to Lincoln Park?

Summary:

Ordinance 2017-430 includes:

- The establishment of an underground utility district encompassing both sides of University and Lincoln Avenues from West Edith Avenue to approximately Sherman street; and
- Requires all parcels within the District to have aerial utilities converted to underground facilities; and
- Identifies County of Santa Clara Rule 20A funds as the primary funding source for the project.

Staff Recommendation:

Move to adopt Ordinance No. 2017-430 for the formation of an underground utility district encompassing both side of University and Lincoln Avenues from West Edith Avenues to approximately Sherman Street



Subject: Ordinance 2017-430: Lincoln Park Underground Utility District

Purpose

Adopt Ordinance No. 2017-430 for the formation of an underground utility district encompassing both side of University and Lincoln Avenues from West Edith Avenues to approximately Sherman Street

Background

At the January 24, 2017 City Council meeting, a Public Hearing was held to receive public comments on the formation of an underground utility district encompassing both side of University and Lincoln Avenues from West Edith Avenues to approximately Sherman Street. Following a brief discussion, Council unanimously approved the draft ordinance proposed by staff. The approved ordinance, Attachment 1, is returning to the Council for the second reading and adoption.

Discussion/Analysis

Ordinance No. 2017-430 will go into effect 31 days after adoption.

Options

- 1) Adopt Ordinance No. 2017-430

Advantages: Implements Council’s intentions as defined in the Purchase Agreement for Lincoln Park

Disadvantages: Requires the City to commit funds from the Capital Improvement Project fund

- 2) Decline adoption of Ordinance No. 2017-430

Advantages: Allows an estimated \$300,000 to \$400,000 of Capital Improvement Project funds to be used for other projects

Disadvantages: The City would forfeit an estimated \$4,000,000 in Rule 20A utility undergrounding funds from the County of Santa Clara

Recommendation

The staff recommends Option 1.

ORDINANCE NO. 2017-430

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS FORMING THE LINCOLN PARK UNDERGROUND UTILITY DISTRICT ENCOMPASSING BOTH SIDES OF UNIVERSITY AND LINCOLN AVENUES FROM WEST EDITH AVENUE TO APPROXIMATELY SHERMAN STREET IN THE CITY OF LOS ALTOS; ORDERING THE REMOVAL OF CERTAIN POLES, OVERHEAD WIRES, AND ASSOCIATED OVERHEAD STRUCTURES

WHEREAS, the City Council of the City of Los Altos hereby acknowledges that this action is categorically exempt from CEQA pursuant to Section 15302(d) of the Guidelines which exempts replacement or reconstruction of existing structures or facilities with new structures located on the same site as the structure to be replaced and has substantially the same purpose and capacity; and

WHEREAS, the City Council of the City of Los Altos (“City”) wishes to form an underground utility district; and

WHEREAS, the California Public Utilities Commission (CPUC) has authorized electric and telecommunication utilities to convert overhead utility lines and facilities to underground pursuant to Electric Rule 20 and Telecommunication Rule 32 (“Rules”); and

WHEREAS, these Rules require that an underground utility district be formed encompassing both sides of the street, and the City has chosen to underground University and Lincoln Avenues from West Edith Avenue to approximately Sherman Street; and

WHEREAS, Ordinance No. 67-12, adopted March 21, 1967, establishes procedures for the formation of an underground utility district, which has been followed; and

WHEREAS, County of Santa Clara will sponsor and use their California Public Utilities Commission Code Rule 20A work credits to pay for aerial to underground electrical service conversions and undergrounding of public utility main and service lines, as more fully described in this Ordinance; and

WHEREAS, Ordinance No. 67-12 further establishes regulations and procedures for the converting of aerial electric and communication facilities along with the removal of their associated support structures to underground facilities for the supply of electric, communication, or similar services in designated districts within the City; and

WHEREAS, on January 24, 2017, the City scheduled a duly noticed public meeting for the purpose of ascertaining whether the public necessity, health, safety, or welfare required the removal of poles, overhead wires and associated overhead structures on both sides of University and Lincoln Avenues from West Edith Avenue to approximately Sherman Street; and

WHEREAS, County of Santa Clara will sponsor and use their California Public Utilities Commission Code Rule 20A work credits to pay for aerial to underground electrical service conversions and undergrounding of public utility main and service lines, as more fully described in this Ordinance; and

WHEREAS, on January 24, 2017 the City Council considered all testimony and evidence, including any written protests previously submitted, and all persons desiring to submit written or oral testimony regarding the City's Lincoln Park Underground Utility District or otherwise desiring to be heard on the matter; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended.

NOW THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. Following notice and public hearing thereon, the Council authorized that an underground district be formed within the area of the City of Los Altos designated as the Lincoln Park Underground Utility District ("District"), as set forth in Exhibit "A," attached hereto and made a part thereof by reference.

SECTION 2. Following notice and public hearing thereon, the Council found that the public necessity, health, safety and welfare require, and this Council hereby orders: (1) the removal of poles, overhead wires and associated overhead structures from the public streets, alleys and ways within the District; (2) the underground installation therein of said wires to supply and distribute electrical energy and service, telephone, telegraph service, cable television service or similar or associated service except as otherwise provided pursuant to Ordinance No. 67-12; and (3) the discontinuance of overhead service upon completion of the underground system. The above finding was made in part by reason of the extensive use of the streets in said District, and the heavy volume of pedestrian and vehicular traffic thereon, and the street adjoins a civic and public recreation area.

SECTION 3. The public streets, alleys and ways, or portions thereof from which such poles and overhead wires and associated overhead structures must be removed, and such underground installation made, are all those within the District, excluding all electric transmission facilities and support pole(s). Said ability for use of the undergrounding portion of the District is expected to be no later than December 31, 2020 or at a date set by Council by resolution. All properties that are to receive underground electric, telephone or cable television service shall be ready to receive such underground service on or before that date. Said removal of poles, overhead wires, and associated overhead structures shall be completed no later than December 31, 2021 or at a date set by Council by resolution.

SECTION 4. The right of entry granted by affected property owners for the performance of work necessary in connection with the construction of the District, authorizes the contractor, public utility or City, and their respective agents and employees to

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enter upon said lot or parcel for such purposes and waives any right of protest or objection with respect to the doing of such work of conversion.

SECTION 5. Pacific Gas & Electric Company shall use the underground conversion allocation, computed pursuant to decisions of the California Public Utilities Commission for the installation of no more than one hundred (100) feet (measured from the property line) of trenching, excavation, conduit installation, conductor, backfill, and surface restoration of each customer's individual service lateral to each qualifying premise affected by the District. Each other serving utility will provide service trenching, excavation, conduit installation, conductor, backfill and surface restoration in accordance with its tariffs on file with the California Public Utilities Commission or as required by its Franchise Agreement with the City.

SECTION 6. Pacific Gas & Electric Company, shall use said underground conversion allowance allocation for the conversion of electric service panels to accept underground service, in the District up to \$1,500 per service entrance, excluding permit fees. City of Los Altos intends to accept an option made available by PG&E as per form 79-1113 (Rev 1/10) Agreement to Perform Tariff Scheduled Related Work - Rule 20A Electric Panel Service Conversions.

SECTION 7. NOTICE. Within ten (10) days after passage of this Ordinance, the City Clerk shall notify all affected utilities and all persons owning real property within the District of the adoption hereof by mailing a copy of this Ordinance, together with a copy of Ordinance No. 67-12, to the affected utilities and to affected property owners as such are shown on the last equalized assessment roll of the County of Santa Clara.

SECTION 8. CONSTITUTIONALITY. If any section, subsection, sentence, clause or phrase of this code is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this code.

SECTION 9. PUBLICATION. This ordinance shall be published as provided in Government Code section 36933.

SECTION 10. EFFECTIVE DATE. This ordinance shall be effective upon the commencement of the thirty-first day following the adoption date.

The foregoing ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on _____, 2017 and was thereafter, at a regular meeting held on _____, 2017 passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Mary Prochnow, MAYOR

Attest:

Jon Maginot, CMC, CITY CLERK