

**Council Meeting: June 23, 2009****SUBJECT: Fair Oaks Avenue Underground Utility District - Phase II -
Public Hearing****REPORT IN BRIEF**

On June 2, 2009, the City Council set a public hearing for June 23, 2009 to form the Fair Oaks Avenue Underground Utility District (UUD) – Phase II (RTC 09-138). The purpose of the UUD is to underground overhead utilities in accordance with Pacific Gas and Electric's (PG&E) Rule 20A Program. A UUD identifies a specific area and must be formed if overhead utilities are to be placed underground using Rule 20A funds. The boundaries of the district are shown in Exhibit A of Attachment A. The public was noticed about the hearing to allow public comment on the proposed action.

City staff recommends Council approve by resolution (Attachment A) the formation of the proposed Fair Oaks Avenue Underground Utility District – Phase II.

BACKGROUND

In 1986, the City Council approved a plan to underground overhead utilities on a priority list of City streets under Pacific, Gas and Electric's (PG&E) Rule 20A program. To date, seven projects have been completed and the next project in line is Fair Oaks Avenue from El Camino Real to approximately Evelyn Avenue. Rule 20A program funding is set aside each year by PG&E to share with cities for the undergrounding of PG&E facilities. Other overhead utilities will participate as part of their franchise agreements for use of the public right-of-way. Relocating wires below ground reduces potential hazards associated with downed lines during or after catastrophic disaster and reduces potential conflicts along travel routes.

Undergrounding distribution lines also requires service laterals and meters to be converted on private properties. These costs will be covered under the Rule 20A program for the first 100 feet of service line on private property and up to \$1,500 per parcel to modify the meter for the underground feed. There is no cost to the property owners for the undergrounding of utilities.

Some modifications to street lighting will be made when overhead service lines and wooden utility poles with street lights are removed. Removed street lights

will be replaced with standard lighting poles served with underground conduit and conductors.

EXISTING POLICY

Community Design Sub-Element:

Policy 2.5B.3 Minimize elements which clutter the roadway and look unattractive;

Action Statement 2.5B3a Maintain the requirements for undergrounding overhead utility wires.

Policy 2.5D3 Work with outside government agencies to achieve attractive public and quasi-public facilities consistent with the quality of development in Sunnyvale.

Action Statement 2.5D3d Encourage PG&E and Southern Pacific Railroad to improve the appearance of transmission line easements and railroad lines.

DISCUSSION

PG&E will schedule the design and construction of the Fair Oaks Avenue, Phase II project in their undergrounding program. A joint trench will be designed and constructed that will also be used by other participants, Comcast Cable and AT&T. PG&E has advised that actual utility undergrounding could take a few years for completion due to PG&E's backlog of work, including undergrounding projects.

FISCAL IMPACT

Project 826730 Underground Overhead Utilities is a budgeted project in Fiscal Year 2008/09, and 2009/10 for \$100,000 each fiscal year from the City's General Fund, to cover estimated costs beyond those applicable under the Rule 20A program. All other costs, roughly estimated at approximately \$3,000,000 will come from the Rule 20A program, held by PG&E.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

In addition, a public notice was published in The Sun, the official newspaper of the City of Sunnyvale; and, notice of this hearing was mailed out to property owners/occupants affected by the proposed underground district.

ALTERNATIVES

1. Approve the resolution forming the Fair Oaks Avenue Underground Utility District – Phase II. This action would prompt PG&E to design and implement relocation of overhead utilities underground along with removal of the related utility poles in the subject area.
2. Take no action to form an undergrounding utility district funded by PG&E Rule 20A program.

RECOMMENDATION

Staff recommends Alternative No. 1: Approve the resolution forming the Fair Oaks Avenue Underground Utility District - Phase II.

Relocating wires below ground reduces potential hazards associated with downed lines during or after catastrophic disaster and reduces potential conflicts along travel routes.

Reviewed by:

Marvin Rose Director of Public Works
Prepared by: Mark Rogge, Assistant Director of Public Works

Approved by:

Gary M. Luebbers
City Manager

Attachments

- A. Resolution establishing the need and formation of the Fair Oaks Avenue Underground Utility District

RESOLUTION NO. ____-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE DETERMINING THE PUBLIC HEALTH, SAFETY AND WELFARE REQUIRE THE ESTABLISHMENT OF AN UNDERGROUND UTILITY DISTRICT AND ORDERING THE REMOVAL OF POLES AND OVERHEAD LINES AND ASSOCIATED STRUCTURES USED OR USEFUL IN SUPPLYING ELECTRIC, COMMUNICATION AND SIMILAR OR ASSOCIATED SERVICES AND THE UNDERGROUND INSTALLATION OF SAID FACILITIES FOR SUPPLYING ELECTRIC, COMMUNICATION OR SIMILAR OR ASSOCIATED SERVICES WITHIN FAIR OAKS UNDERGROUND UTILITY DISTRICT - Phase II

FAIR OAKS UNDERGROUND UTILITY DISTRICT - Phase II

WHEREAS, the City Council on June 2, 2009, adopted Resolution No. 381-09, a resolution of preliminary determination and intention to establish the Fair Oaks Avenue Underground Utility District - Phase II, and to provide for hearing thereon, and appointed Tuesday, June 23, 2009, at the hour of 7:00 P.M., at the regular meeting place of the City Council, Council Chambers, City Hall, 456 West Olive Avenue, Sunnyvale, California, as the time and place for hearing protests and receiving evidence for and against the proposed action and directing notice; and

WHEREAS, notice was given of the time and place therein stated in the manner provided by law as appears from the certificates on file in the office of the City Clerk; and

WHEREAS, the matter came on regularly for hearing at the time therein fixed; and

WHEREAS, all written protests and other written communications were publicly read at the meeting, and evidence duly taken and all persons desiring to be heard were fully heard; and

WHEREAS, this Council has duly considered the matter and all proof, oral and documentary, that was presented;

NOW, THEREFOR, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE that:

1. The public necessity, convenience, health, safety and welfare require the removal of poles and overhead lines and associated structures for the distribution of electric, communication and similar or associated services, and the underground installation of the facilities for supplying electric, communication or similar or associated services in the area hereinafter described.

2. This Council further finds and determines that such undergrounding is in the general public interest for all of the following reasons:

a. Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead distribution facilities;

b. The streets or roads or rights-of-way are extensively used by the general public and carry a heavy volume of pedestrian and vehicular traffic;

c. The streets or roads or rights-of-way adjoin or pass through a civic area.

3. The area comprising the Fair Oaks Underground Utility District - Phase II is located on Fair Oaks Avenue between El Camino Real and Evelyn Avenue and as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

4. From and after the adoption of this Resolution, no person or public utility shall erect or construct any permanent pole, overhead line or associated overhead structure used or useful within Fair Oaks Underground Utility District - Phase II.

5. Affected property owners shall be notified 90 days prior to the date that underground service will be provided by the City's contractor.

6. The removal and installation of facilities in the Underground Utility District shall be completed as follows:

a. City hereby applies Rule 20A funds to financially assist property owners in the cost of trenching, installation of electrical conduit and conductors, backfilling and trench restoration from the property line to a maximum of one hundred (100) feet of individual electric service and conductor (as well as backfill, paving and conduit, if required); and

b. City hereby applies Rule 20A funds to financially assist property owners in the cost of converting the electrical panel, pursuant to the limits provided in Rule 20A, but no more than \$1,500 per electrical meter panel conversion per parcel.

7. All poles and overhead lines and associated structures used or useful in supplying electric, communication and similar or associated services in the proposed district shall be removed and underground installations made, and after completion, no person or public utility shall place, keep, maintain, continue, employ or operate any such facilities within the proposed district.

8. If the affected owners or occupants of any affected property desire to continue to receive service from any utility facilities, the owner or occupant shall provide all necessary facility changes on such premises so as to receive such service from the lines of the supplying public utility at a new location, subject to the applicable rules and regulations and tariffs on file with the California Public Utilities Commission, and to the requirements of state laws and city ordinances.

9. The facilities to be undergrounded will not include poles used exclusively for fire alarm boxes or any other municipal equipment installed under the supervision and to the satisfaction of the Director of Public Works or to any electrolier with continuous underground circuit used" exclusively for street lighting.

10. The facilities to be undergrounded will not include:

(a) Overhead wires (exclusive of supporting structures) crossing any portion of an area within which overhead wires have been prohibited, or connecting

to buildings on the perimeter of an are within which overhead wires have been prohibited, when such wires originate in any area from which poles and overhead facilities are not prohibited;

(b) Overhead wires attached to the exterior surface of a building by means of a bracket or other fixture and extending from one location of the building to another location of the same building or to an .adjacent building without crossing any public street;

(c) Radio antennae, their associated equipment and supporting structures, used by a public utility for furnishing communication services;

(d) Equipment appurtenant to underground facilities such as surface-mounted transformers, pedestal-mounted terminal boxes and meter cabinets and concealed ducts;

(e) Poles, overhead wires and associated overhead structures used for the transmission of electric energy at nominal voltages in excess of 34,500 volts; or

(f) Any overhead facilities used or to be used in conjunction with construction projects.

BE IT FURTHER RESOLVED:

1. The City Clerk shall cause a copy of this Resolution to be published twice in The Sun, the official newspaper of the City of Sunnyvale, and shall cause copies of this Resolution to be posted on each side of the street in each block or portion of block within the area affected; the posting and first publication to be had and completed at least ten (10) days after the adoption of the Resolution.

2. The City Clerk shall also cause copies of this Resolution to be mailed to the owners of the property affected at their addresses as appear on the last equalized County tax roll, or, in the case of transfers, as appears from the records of the County Assessor, or as known to the Clerk, and deposited in the United States mail, postage prepaid, and shall also cause copies of this Resolution to be mailed to each public utility affected at its office in the City, and deposited in the United States mail, postage prepaid, at least ten (10) days after the adoption of said Resolution.

3. The City Clerk shall also cause copies of this Resolution to be served on the occupants of the property affected by leaving a copy thereof with the occupant, if there is one, and if not, by leaving a copy of this Resolution at the premises or mailed to the owner at the address of record, at least ten (10) days after the adoption of the resolution.

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Adopted by the City Council at a regular meeting held on June 23, 2009, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

David Kahn, City Attorney

