



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: May 1, 2006
AGENDA DATE: May 4, 2006
SUBJECT: Project Recommendation for California Public Utilities Commission Rule 20A Utility Undergrounding
TO: Planning Commission
FROM: Public Works, Engineering Division, (805) 564-5372
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Executive Summary

On January 12, 2006, the Planning Commission received a report on proposed prioritization methods for selecting projects for California Public Utility Commission (CPUC) Rule 20A Utility Undergrounding. Rule 20A projects are undergrounding projects paid for with rate-payer funds.

CPUC Rule 20A details four criteria for potential Rule 20A projects; however, only one criterion needs to be met. Since Southern California Edison (SCE) rate-payer funds are used to fund the projects, SCE determines if a proposed project meets one of the following criteria:

- Location is an arterial or major collector road;
- Location has an unusually heavy concentration of overhead lines;
- Location is heavily traveled; and/or
- Location is a civic, recreational or scenic area

Rule 20A projects are paid for by all SCE rate payers. Cities and counties receive annual allocations (based on a calendar year), although the actual accounts are held in escrow by SCE. Santa Barbara's current annual allocation is \$596,000, and the current balance in the City's account is \$2,200,000. This includes the amount allocated for January 2006. The method to determine how much funding a locale receives is based on a formula that compares above ground facilities to underground facilities. The more a locale undergrounds, the less they receive in future allocations.

SCE also permits municipalities to mortgage up to five years of allocations. There are benefits associated with mortgaging, in that it affords the opportunity to accomplish larger scope projects and avoid repetitive mobilization costs for smaller dollar value projects. This can maximize the use of current dollars and offset future construction cost inflation.

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However, the negative side of mortgaging is that there are extended periods of time between projects until the annual allocation accrues to a positive balance.

For example, with the City's current balance of \$2.2 million, a five year mortgage would increase the funds allowable by approximately another \$3 million (5 years X \$596,000). Thus, the City could accomplish a \$5.2 million project, and staff recommends that this approach be used for the FY 2007 Capital Improvement Project.

When a city passes a resolution creating a utility underground district, that resolution, by definition, requires removal of all overhead facilities, and precludes further construction of new overhead facilities. Telephone and cable companies' facilities are required to be undergrounded at their own cost. Typically, they place their undergrounded lines in the same trench used by SCE.

The Planning Commission directed staff to select and prioritize several projects, and to return to present the top priority project at a future date. A prioritization matrix was also presented, and the Planning Commission made several recommendations for additional factors for consideration. This is the subject of today's presentation.

Staff formed a committee consisting of two members from Planning and two members from Public Works. A tour was conducted and, at a subsequent meeting, the top priority project and several alternatives were identified.

The top priority project is Cliff Drive, at the Meigs Road intersection. The recommendation is for a mortgaged \$5.2 million project, extending east and west from Meigs Road, and also including two power poles on Meigs Road north of Cliff Drive adjacent to the shopping complex. Based on SCE rough estimates, it is anticipated that the project would extend east to Fire Station No. 6, and west to Camino Calma. There may be some additional parcels in the east/west directions based SCE's final estimate, existing placement of poles and SCE's recommendations for logical transition points.

With the Planning Commission's concurrence and approval, the project will be recommended to Council for inclusion in the FY 2007 Capital Improvement Program (CIP). Upon Council approval of the CIP as part of the FY 2007 budget, and subsequent passing of a Resolution creating an Underground Utility District for the project area, SCE will commence design and construction of the project.

SCE reports that the time required to accomplish a Rule 20A project is 3-4 years. This includes project design, coordination with the other utilities (telephone and cable), construction and connection to structures, and subsequent removal of the overhead system. The debit from the account to pay for the project is at completion of the project.

Discussion

Staff Committee

Following the Planning Commission direction, a staff committee (Committee) of four was identified: Jan Hubbell and Debra Andaloro from Planning, Mike Grimes for Public Works Facilities, and Homer Smith from Public Works Engineering. At the initial meeting, the revised Prioritization Matrix was explained and provided to committee members. The next step was a comprehensive tour of the City.

Tour

A citywide tour was conducted, with a focus on Cliff Drive, Mission Street, De la Vina Street, and the San Andres/Micheltorena Streets intersection. Other areas included the SCE transformer station to demonstrate the difference between transmission power lines (voltage in excess of 60,000 volts), and distribution power lines (highest distribution lines in Santa Barbara is 30,000 volts). Examples of previous Rule 20A projects were also visited (Milpas Street, State Street, etc.).

Project Selection

The Committee then individually tallied their recommendations for project prioritization recommendations using the matrix. At a subsequent meeting, individual recommendations were discussed and a top priority was agreed upon.

Staff recommends that the top priority project is Cliff Drive at the Meigs Road intersection, extending both east and west as far as the mortgaged amount of \$5.2 million will provide. Based on SCE rough estimates, the eastern limit would likely be Fire Station No. 6, and the western boundary would be Calle Calma. There may be extensions in the east/west direction based on SCE's final estimate, placement of existing poles and SCE's recommendations for logical transition points. There are also two poles on Meigs Road adjacent to the shopping plaza north of Cliff Drive that will be included in the project.

Selection rationale for Cliff/Meigs was based on the following factors:

- Fully meets all of the Rule 20A criteria in that it's an arterial road, is heavily traveled, has a high density of overhead lines, and is a scenic area
- The area has great visual sensitivity
- The road is used by a heavy load of both commercial and tourist traffic
- Meets City policies for enhanced traffic safety and pedestrian safety
- The area is within the coastal zone
- The area has previously completed environmental review for proposed

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improvements

The second priority project is also on Cliff Drive, starting at Flora Vista Drive and proceeding east, possibly as far as the Meigs Road intersection if the \$5.2 million will achieve that distance. Selection rationale was identical to that above, and was rated second because there was more residential and less commercial occupancy.

The third priority is Mission Street, from Bath Street to and across State Street. These three blocks are predominantly commercial and prioritization was based on the following criteria:

- Fully meets the Rule 20A criteria in that it's very heavily traveled, has a high density of overhead lines, and is a major arterial road
- The road is used by a heavy load of both commercial and tourist traffic
- The road is the gateway to the Santa Barbara Mission
- Meets City policies for enhanced traffic safety and pedestrian safety

Next Steps

Subsequent to the Planning Commission's approval of the top priority project, staff will present the results to City Council as the recommended project for the FY 2007 Capital Improvement Program.

Following Council's approval of the project, staff will prepare a Resolution for Council's approval, declaring the project area as a Utility Undergrounding District. This proscribes any future overhead facilities within the project area, and is the point at which SCE commences design.