

**City of Piedmont  
California**



**Date:** May 7, 2007  
**To:** Mayor & Council  
**From:** Ann Swift, City Clerk  
**Subject:** 20A Funds

The city currently has approximately \$460,000 in 20A funds. A question has been raised regarding what type of project might be able to be undertaken to utilize these funds.

Attached is a copy of the council meeting minutes from 1985 when the council discussed its last 20A project on Grand Avenue. As you can see, the priority projects after Grand Avenue were Moraga Avenue and Oakland Avenue. The current cost per linear foot is approximately \$400 (according to Sterling Pflaum at P.G. & E.). The chart below illustrates the total cost in today's dollars for each of these projects and the number of years that the city would need to accumulate 20A funds to pay for them. This is similar to the city's experience with the Grand Avenue project which required 15 years of 20A credit.

<b>Project</b>	<b>Linear Feet</b>	<b>Cost</b>	
Moraga Avenue	3,779	\$ 1,511,600	18 years
Oakland Avenue	5,719	\$ 2,287,600	28 years

The PUC defines a 20A project as follows:

*"Rule 20A funds are only available when undergrounding is "in the public interest" for one or more of the following reasons:*

- a. Such undergrounding will avoid or eliminate an unusual heavy concentration of overhead electric facilities;*
- b. The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic; and*
- c. The street or road or 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.*

*The determination of “general public interest” under these criteria is made by the local government, after holding public hearings, in consultation with the electric utility. “*

In addition, council should note that the homeowners in a 20A project must pay for their Individual Service Connection.

REGULAR CALENDAR

PUBLIC FORUM

No one wished to address the Council.

UNDERGROUND UTILITIES PRIORITY LIST

The Director of Public Works submitted and described a staff prepared street selection criteria and rating system proposal developed in response to Council's March 18 directive (Resolution 41-85) to assist the Council in evaluating the best possible street locations for undergrounding utilities. The following selection categories and rating assignments are a reflection/compilation of extensive staff research and consultation with utility representatives, PUC Rule 20 established criteria, and citizen input obtained at the May 1 and 2 workshops:

<u>Criteria</u>	<u>Maximum Points</u>
1. Heavy concentration of overhead facilities	18
2. Heavy volume of traffic:	
0 - 1000 Vehicles Per Day	3
1000 - 2000 VPD	6
2000 - 5000 VPD	9
5000 - 7000 VPD	12
7000 and above	18
3. Area of Civic, Recreational or Scenic Interest:	
Abuts Park Area	18
Abuts Civic Area	18
Spectacular View	14
Good View	8
4. Sidewalk Condition:	
Sidewalks uplifted by tree roots	5
Cracked sidewalks	2
5. Continuation of Existing undergrounding facility	5
6. Frequency of Service Outages caused by street trees	13
7. Number of poles per 1000 lineal feet	10
8. Critical line on PG&E grid:	
Critical	5
Semi-critical	3
Not critical	0
9. Access for Emergency Equipment	2
10. Lack of Trees	3
11. Lost Savings if construction only required on one side	3

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The Director added that based on this criteria and rating system, 588 lineal feet of Estates Drive (between Selborne and Park) and 2700 lineal feet of Wildwood Avenue (between Highland and Winsor) would be ranked as Priority Projects 1 and 2, respectively, noting that undergrounding of utilities along these areas would probably utilize the total \$500,000 utility undergrounding allocation. Councilmembers Creason, Eigenberg and Herbert questioned the Director as to staff's rationale and justification for certain criteria categories as well as ranking assignments, with Councilmember Eigenberg being strongly critical of Selection Criteria #3's seemingly arbitrary high point rankings and application inconsistency. He felt that Grand Avenue, as a primary arterial, should have been considered as an area of "Civil Interest" per Criteria #3 and, therefore, recommended that the Criteria be re-analyzed and the point assignments re-evaluated to incorporate primary arterials. He also suggested that the number of points awarded merely because an area abuts a City park be reassessed. Councilmember Creason agreed and suggested that "Civic Interest" be expanded to include City entrances and the points awarded to primary entrances be increased to 25. She also suggested that: (1) a category be formulated and points awarded for "Neighborhoods showing an interest in utility undergrounding" (e.g., willing to contribute toward the cost); (2) Criteria #2 be further delineated to create additional subcategories of 7000-10000 VPD and 10000 and above VPD, with this last subcategory being assigned 25 points; (3) the points assigned to Criteria #6 be reduced, since such outages can be remedied by other means such as tree trimming; (4) consideration be given to the number of meter hookups in an area; and (5) consideration be given to reserving a portion of the total allocation as "seed money" or partial contribution to assist interested neighborhoods in establishing assessment districts. Vice Mayor Herbert concurred with regard to a category for City entrances, e.g., Grand, Moraga, Oakland. She also suggested that category consideration be given to areas with no sidewalks.

Speakers: Geoffrey Hayes, 111 Pacific Avenue  
Harold Power, 101 Wistaria Way  
John Morrison, 1450 Grand Avenue

Mr. Hayes, speaking on behalf of the Pacific Avenue neighborhood: (1) disagreed with staff's assignment of zero points for Pacific Avenue under Criteria #4 and submitted a photograph depicting the poor condition of the neighborhood's sidewalks; (2) concurred with Councilmember Creason's suggestion that neighborhood interest/willingness to share in the cost of undergrounding be considered as a Selection Criteria, adding that Pacific Avenue residents have been pursuing utility undergrounding since the 1970's; and (3) suggested that one-half of the total undergrounding allocation be reserved for use in those neighborhoods desiring to share the cost of utility undergrounding. Mr. Power expressed concern that neither Mountain Avenue nor Wildwood Gardens were included in staff's survey and point rating analysis. He also suggested that (1) extremely narrow and congested streets, such as Scenic Avenue, should be given top priority for utility undergrounding and (2) PUC Rule 20 funds be combined with revenue from property assessments in order to increase the amount of money available for undergrounding projects and thus increase the actual number of neighborhoods which can have undergrounded utilities. Mr. Morrison, speaking on behalf of Grand Avenue residents, stated that: (1) the neighborhood is very supportive of undergrounding in their area; (2) the area suffers from a very heavy concentration of overhead wires; (3) Grand Avenue is a heavily used main entrance into Piedmont and an uncluttered appearance is more important from a scenic viewpoint for the entire community than the enhancement of private property views -- undergrounding along Grand Avenue is in the general public interest and hence

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its point rating under Criteria #3 should be much higher than that assigned by staff; (4) Grand Avenue is a historical section of the City; and (5) the points awarded for Criteria #6 should be re-evaluated and reduced -- not significant justification.

The City Administrator briefly expounded on a June 3, 1985, legal opinion from Orrick, Herrington & Sutcliffe regarding the legality of the formation of an assessment district to underground utilities, noting that legal research indicates: (1) special assessment proceedings are appropriate to facilitate conversion of overhead utilities to underground facilities as a public improvement, provided the City complies with the requirements of PG&E Rule 20 and Sections 5896.1 et seq. and 1000 et seq. of the Streets and Highways Code; (2) Articles XIII A & B of the California Constitution (Proposition 13 and 4) do not limit special assessment proceedings; and (3) no case law exists either prohibiting or authorizing the co-mingling of funds from Rule 20 allocations and property owner assessment districts -- this issue will be researched further. The City Administrator also briefly explained the variables involved in bond/debt financing.

Mayor Normart instructed staff to re-evaluate/redraft its proposed Selection Criteria/Point Assignment proposal in accordance with Council suggestions proposed herein and submit the revised version to the Council in advance of the June 17 Council meeting. Staff was further requested to (1) recalculate the lineal footage of Grand Avenue from Wildwood to Oakland; (2) if possible, provide more information regarding the relationship/impact of undergrounding costs and the number of meter hookups; (3) include Mountain Avenue in the survey and point analysis; and (4) reduce the number of points assigned to Criteria #6 and #7.

PUBLIC HEARING: 110 CAMBRIDGE WAY -- ENCROACHMENT PERMIT (fence replacement)

Mayor Normart opened the public hearing with a request for staff report. The Director of Public Works reported that Mr. John Bedbrook is requesting an encroachment permit for rear yard fence construction extending 3' into a City right-of-way. The Planning Commission recommended approval of the 8' high fence and the encroachment permit at its May 13 meeting, conditioning said approval on the fence being stepped in 8' sections. The Director added that staff authorized Mr. Bedbrook to proceed with the fence construction prior to Council consideration and action in response to the applicant's request to complete construction before his expectant wife delivers (desired to avoid construction noise after the new baby is born). Staff approval was conditioned upon Council approval and the applicant was advised that construction was at his own risk in that if Council approval is not granted, he will have to remove the fence -- the applicant acknowledged this stipulation.

Councilmember Creason inquired if the fence was properly designed/engineered to serve as the retaining wall it appears to be. The Director replied that the construction is for a fence which by definition is a non-load bearing structure. He added that the applicant has stated that the fence will not be a retaining wall. Councilmember Creason reiterated her concern that the area sharply drops off and it is only a matter of time before soil will build up behind the fence and put pressure on the structure. She was concerned that such a high fence located on City property directly adjacent to a sidewalk could pose significant liability to the City if not properly engineered. Vice Mayor Herbert agreed, noting that the Planning Commission's finding of fact indicated that the fence will prevent soil erosion onto the street. She concurred with Councilmember Creason that the already built fence appears to be inadequately constructed to hold the slope.

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June 17, 1985

REGULAR CALENDAR

PUBLIC FORUM

No one wished to address the Council.

APPROVAL OF CITY COUNCIL MINUTES

Resolution 84-85

RESOLVED, that the City Council approves as corrected its meeting minutes of June 3, 1985.

Moved by Eigenberg, Seconded by Herbert. MOTION CARRIED UNANIMOUSLY (Normart, Herbert, Eigenberg, Creason, Field)

UNDERGROUNDING OF UTILITIES (Continued from June 3, 1985, Council Meeting)

The Public Works Director recounted the June 3 Council discussion and direction regarding the proposed selection criteria and point ranking system on which street selection for the undergrounding of utilities would be based. Pursuant to Council direction, the criteria and point system presented at the June 3 meeting has been revised as follows: (1) Criteria #1's maximum point allotment has been increased to 20; (2) Criteria #2 has been revised to "Street Classification," consisting of 25 points awarded to Arterial Streets, 15 points to Major Collector Streets, 10 points to Minor Collector Streets, and 5 points to Residential Streets; (3) Criteria #6's maximum point allotment has been decreased to 7; (4) Criteria #7's maximum point allotment has been decreased to 7; (5) Criteria #3 has been expanded to include streets serving as major entrances to the City and as primary access routes to institutional or commercial facilities serving the entire community; and (6) an additional 9 streets were rated resulting in a total of 53 of the City's 153 streets considered/rated for utility undergrounding. Based upon the revised rating criteria, the following areas were rated as the Top Five:

1. Moraga Avenue (Highland to East City Limit) -- 3,469 L.F.
2. Moraga Avenue (Highland to Bonita) -- 310 L.F.
3. Oakland Avenue -- 5,719 L.F.
4. Grand Avenue (Wildwood to Oakland Avenue) -- 1,381 L.F.
5. Grand Avenue (Oakland Avenue to Ronada) -- 2,153 L.F.

Staff recommended that Projects 1 and 2 be approved, but noted that there was very little rating difference between all of the first five projects enumerated. In response to Councilmember Creason's inquiry re the City of Oakland's willingness to consider utility undergrounding along its portion of Grand Avenue, the Director replied that while no Oakland staff could be contacted, PG&E representatives advised that Oakland was not considering undergrounding projects along Grand Avenue.

Speakers: Bill Cox, 244 Scenic Avenue  
John Morrison, 1480 Grand Avenue

Mr. Cox reminded the Council of the hazardous traffic conditions along Scenic Avenue (congested neighborhood, narrow street, multitude of utility poles, heavy traffic volume, etc.) and felt that the Council must assume some responsibility for the

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hazardous condition if it fails to implement utility undergrounding along Scenic, which undergrounding would alleviate some of the hazards, i.e., utility pole removal. Mr. Morrison concurred with the lessening of importance (points) for Criteria #6 and suggested that the Criteria be eliminated altogether since determination accuracy is very low.

The Council discussed various physical aspects of the top 5 rated areas, with Councilmember Eigenberg expressing support for Projects 3, 4 or 5 because of the higher residential densities in those areas -- the beneficial impact of utility undergrounding would affect more citizens. Councilmember Field concurred, noting that undergrounding along Moraga could possibly be considered in connection with potential grass playfield development in the Corporation Yard. Councilmember Creason supported Projects 4 and 5 because of the (1) heavy concentration of overhead utility lines along Grand Avenue; (2) the lack of street trees to help shield the unattractive clutter of overhead lines; (3) if Criteria #6 is discounted because of its inaccuracy, Grand Avenue undergrounding would rank even higher than 4 and 5; and (4) while Project 3 is also warranted, the presence of street trees along Oakland Avenue is a mitigating factor which is not present along Grand. Mayor Normart concurred.

Resolution 85-85

RESOLVED, that the City Council directs staff to utilize the City's accumulated Rule 20 public utility undergrounding allocation to undertake and complete utility undergrounding along 3,534 lineal feet of Grand Avenue (from Wildwood to Oakland Avenue and Oakland Avenue to Ronada) as proposed by staff, contingent upon 70% of the property owners bordering these areas of Grand Avenue agreeing to participate in the undergrounding project; and

RESOLVED FURTHER, that staff is further authorized to pursue and secure any undergrounding funding which the City is eligible to borrow with regard to future allocations of Rule 20 funding.

Moved by Eigenberg, Seconded by Herbert. MOTION CARRIED 4 to 0 (Normart, Herbert, Eigenberg, Creason) Field Abstained

The City Administrator stated that in connection with private property owner costs involved in undergrounding, PG&E and PT&T will conduct a careful cost analysis and provide this information to property owners as an enclosure with the Notices of intent to underground. The Council authorized that said notices be sent without prior Council review, provided that the project costs does not exceed the City's \$500,000 allocation. Councilmember Creason expressed her support that a portion of the City's allocation be held in reserve for use in assisting any neighborhoods which wish to undertake utility undergrounding.

Resolution 86-85

RESOLVED, that the City Council, per staff recommendation, commits a minimum of \$50,000 of future Rule 20A allocations for use in combination with Rule 20B (privately funded) funds for development of additional neighborhood undergrounding projects.

Moved by Eigenberg, Seconded by Creason. MOTION CARRIED 4 to 0 (Normart, Herbert, Eigenberg, Creason) Field Abstained