

Piedmont bus service from the MacArthur BART station during the evening commute is on a 30-minute schedule. Adding a shuttle service would result in a 15-minute schedule. Cost for adding an extra AC Transit bus or a private shuttle is estimated at \$5,300 and \$5,600, respectively, a month.

Correspondence was received from: Steven Hollis, April 30; Tom Reicher, April 30; Bob Frankin; Craig Best, May 7.

Public testimony was received from:

BART Board of Director Bob Franklin distributed information listing the departure times of various AC Transit buses that serve Piedmont from San Francisco, Oakland and BART stations as well as reported on various private car and van pool options available to commuters.

The Council requested that Mr. Franklin's information be posted on the City's website, as well as the AC Transit's Piedmont route map to assist residents in arranging their commute. The Council acknowledged that the repair of the I-580/880 interchange is proceeding on an accelerated time schedule, with some portions of the interchange already open. The Council felt that available public transit options are sufficient to accommodate Piedmont commuter needs and that by the time an extra shuttle service was organized and operational, the freeway will probably be open.

**Piedmont Hills
Utility Undergrounding**

The City Clerk reported that the Piedmont Hills Utility Undergrounding Steering Committee is requesting that its Preliminary Expense Agreement with the City be amended to allow the creation of bid documents and the bidding process to proceed prior to a vote by residents in the district approving proposed assessments. Committee members are also requesting that the City use its Rule 20A undergrounding funds to pay the cost of PG&E final engineering and specification work estimated to range between \$100,000 and \$150,000. If the District is approved, the City would be reimbursed for its Rule 20A expenditure through the sale of bonds; if the District fails, the City would lose these funds. The City Clerk explained how this request differs from the process followed by earlier utility undergrounding districts: currently, the City requires all proposed utility undergrounding districts to cover all expenses prior to balloting. Comprehensive engineering work and bid document preparation has not been authorized until after balloting and district approval so that money expended for such work can be repaid through the sale of bonds. The City Clerk distributed memos summarizing the history of the City's Rule 20A funds, the proposed timetable for the bidding, voting and approval of the Piedmont Hills District and the fact that currently the City has approximately \$460,000 in Rule 20A funds, which can only be expended for the undergrounding of utilities.

Correspondence was received from: Carl Anderson, May 6; George Childs, May 4.

Public testimony was received from:

Piedmont Hills Steering Committee Members Ren Babington, Francois Putting, Lonnie Simonson, Mary Hedley, Ted Buttner, Guy Saperstein,

Tony Trutner and Carl Anderson all urged Council approval of the request, stressing that the purpose of obtaining firm construction costs prior to district balloting is to avoid the problems which occurred with the Central Piedmont Utility Undergrounding District when construction costs greatly exceeded approved assessment amounts. The speakers were confident that residents within the district would approve district formation based upon known construction costs, stating that 80% of district households signed the initiation Petition to form the district and approximately 77% contributed toward the \$250,408 raised to cover preliminary expenses. The speakers also felt that use of City Rule 20A funds to cover the cost of PG&E engineering was appropriate and consistent with the City Council's recent policy supporting utility undergrounding in Piedmont. They emphasized that undergrounding utilities within the Piedmont Hills district will greatly enhance public safety and aesthetics along major Piedmont thoroughfares and therefore, it is appropriate for the City to contribute toward the cost of such an important community benefit. Judge Anderson also commented on his belief that PG&E has reneged on its financial pledge regarding the cost of its engineering work and discussed this issue at length with the Vice Mayor and Council. Because of this breach of good faith with district proponents, Judge Anderson requested that the City assist the district by covering the cost of PG&E work now, with the proponents' firm belief that the City will be fully reimbursed upon the sale of assessment bonds.

George Childs voiced misgivings over the expenditure of City funds in behalf of the private interests of a particular neighborhood, noting concerns over precedent. If such a policy is to be adopted, he suggested that the Council consider limiting the amount of Rule 20A funds any particular district can receive for covering the costs of PG&E engineering.

The Council emphasized that approving the Piedmont Hills District's request is not precedent setting -- it does not commit the Council to allocating Rule 20A funds to other districts in the future nor reflect Council approval of the process model of obtaining construction bids prior to balloting. Such policy issues will be considered as a separate agenda item at a future meeting. The Council noted that action tonight with regard to the Piedmont Hills request is based solely on the merits of this particular request.

Resolution 37-07

RESOLVED, that the City Council approves the amended agreement with the Piedmont Hills Undergrounding District, as submitted, allowing the project to be bid prior to balloting; and

RESOLVED FURTHER, authorizes the use of the City's 20A funds to cover the "anticipated overage" for Pacific Gas & Electric engineering services.

Moved by Barbieri, Seconded by Chiang

Ayes: McEnroe, Friedman, Barbieri, Chiang, Keating

Noes: None

Absent: None

(0045/X1075)