

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
2003 NOV 25 AM 9:07

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: December 9, 2003

RE: **RESOLUTION OF INTENTION TO ESTABLISH UNDERGROUND UTILITY DISTRICT NO. 234: 48TH STREET, BETWEEN TELEGRAPH AND SHATTUCK AVENUES, TO BE FUNDED UNDER CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) RULE 20B; AND TO SET A PUBLIC HEARING FOR JANUARY 20, 2004**

SUMMARY

In January 2003, the City received a letter from Temescal Place, Inc., a development company requesting the City to convert the overhead utility facilities to underground on 48th Street, between Telegraph and Shattuck Avenues under CPUC Rule 20B. The City requested that the developer, Comcast and the utilities first address some preliminary technical issues before the City could proceed with the establishment of the underground utility district. Having met the pre-conditions set, staff feels the City can now proceed with the formation of Underground Utility District No. 234.

This portion of 48th Street is a residential street that connects Telegraph Avenue to Shattuck Avenue, two major arterials used by the general public. In addition, this section of 48th Street carries overhead electric facilities. The developer has been working with the City, Pacific Gas & Electric Company (PG&E), SBC and Comcast on preliminary engineering aspects of this project. CPUC Rule 20 and Ordinance No. 7769 require a public hearing prior to the establishment of an underground utility district. This segment of 48th Street is one block of roadway in length and impacts three properties. The boundary of the underground utility district is shown on the attached *Exhibit A* and is described as follows:

From the meeting point of the northerly and easterly property lines of 4801 Telegraph Avenue at Telegraph Avenue, and from the meeting point of the northerly and easterly property lines of 4799 Telegraph Avenue at Telegraph Avenue, continuing westerly along the northerly property line of 4801 Telegraph Avenue, and along the northerly property lines of 4799 Telegraph Avenue and 4734 Shattuck Avenue, to the westerly limit of Shattuck Avenue;

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and from the meeting point of the northerly and easterly property lines of 4799 Telegraph Avenue at Telegraph Avenue, and from the meeting point of the southerly and easterly property lines of 4799 Telegraph Avenue at Telegraph Avenue, continuing westerly, along the northerly and southerly property lines of 4799 Telegraph Avenue and 4734 Shattuck Avenue, to the westerly property line of 4734 Shattuck Avenue at Shattuck Avenue.

This portion of 48th Street is located in Council District No. 1.

FISCAL IMPACTS

The total cost of the project will be paid for by the developer, Comcast and the utilities in accordance with CPUC Rule 20B. The developer will install and pay the cost of the service laterals and panel conversions on properties in the district that will require them. The developer will also pay the cost of undergrounding the City's streetlight system and City staff's time. Comcast will have payment agreement with the developer. PG&E and SBC will have payment agreements with the City of Oakland respectively as required under CPUC Rules 20B and 32. CPUC Rule 32 covers SBC's undergrounding of its facilities similar to PG&E's Rule 20. After the developer has advanced payment to the City for those costs, the City of Oakland will forward payment to PG&E and SBC for the costs. The project will be at no cost to the City of Oakland.

BACKGROUND

Establishing an underground utility district empowers the City to ensure that all the wood poles and overhead wires are removed upon completion of the project, and it prohibits any future overhead facilities in the district. The City can take legal action against violators.

CPUC Rule 20 establishes the criteria for qualifying a street where overhead facilities can be replaced with an underground system. The prerequisite for qualifying a street is that the street is a least 600 feet or one block in length, and all owners of properties impacted by the project must underground the service to their respective properties at their expense. Temescal Place, Inc. has committed to incur in full undergrounding expenses of owners of properties impacted by this project.

The project, when completed, will meet Mayor/Council Goal and Citywide Objective #1 to **Make Oakland a Safe City** by improving the perception of safety on this segment of 48th Street due to enhanced streetlighting.

KEY ISSUES AND IMPACTS

Undergrounding the utilities on the segment of 48th Street will be a facelift for the North Oakland business community and may provide an incentive for other merchants or developers to undertake similar development projects in their communities or in other parts of the City of Oakland.

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Public Works staff is asking that the City Manager or her designee be authorized to negotiate and enter into agreement with Temescal Place, Incorporated, SBC and any of the parties involved regarding cost sharing and payments, up-front payment for engineering, joint-trench substructure work and related work, provided the City Attorney is satisfied with the limits of City liability.

SUSTAINABLE OPPORTUNITIES

Economic: There is no known direct and immediate economic impact from the undergrounding at this time. However, it is generally believed that undergrounding utilities increases property values, which translates to more property tax revenue for Oakland.

Environmental: When the 48th Street Underground Utility District is implemented, it will eliminate approximately three hundred fifty feet of unsightly overhead utility lines in or affecting the public-right-of-way. It will improve the livability and aesthetics of the neighborhood and reduce the potential for fire, electric danger, or utility outages resulting from trees falling or touching overhead wires.

Social Equity: The disappearance of overhead wires and wood poles will distinguish itself in the North Oakland business community as a showpiece, especially when the commercial property at 4801 Telegraph Avenue, now under construction, is completed.

DISABILITY AND SENIOR CITIZEN ACCESS

The replacement of overhead lines and wood poles with a new underground system will also result in enhanced streetlighting which will improve visibility conditions for the disabled and senior citizens.


RECOMMENDATION AND RATIONALE

Staff recommends that City Council adopt the resolution setting Tuesday, January 20, 2004 as the date for the public hearing pertaining to the establishment of Underground Utility District No. 234, and if the public hearing is satisfactory, adopt the resolution establishing Underground Utility District No. 234 on Tuesday, January 20, 2004.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt the resolution.

Respectfully submitted,



CLAUDETTE R. FORD

Director, Public Works Agency

Reviewed by:

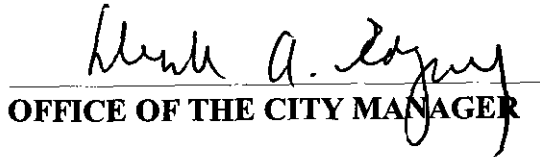
Raul Godinez II, P.E.

Assistant Director, Public Works Agency
Design and Construction Services

Prepared by:

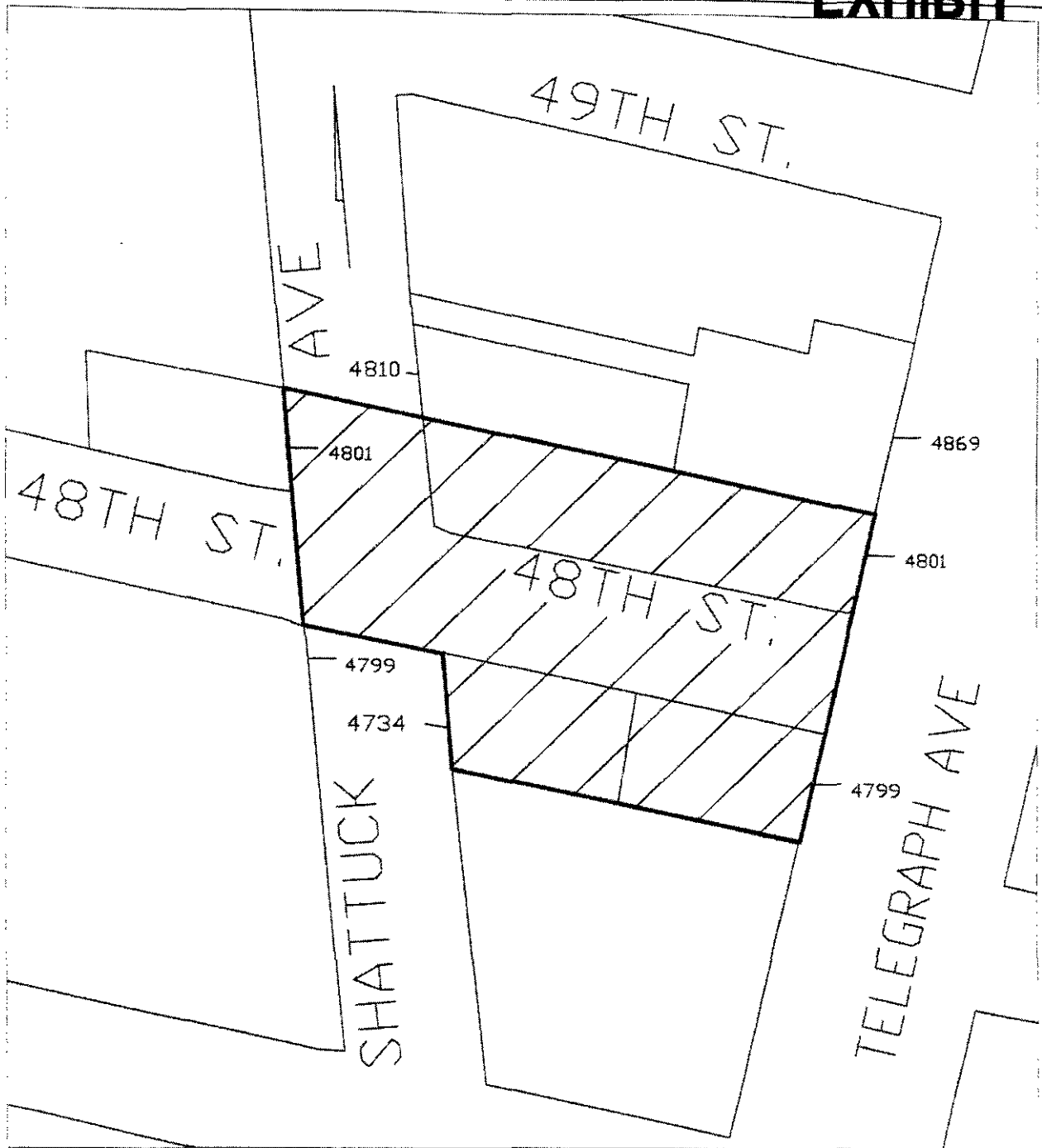
Elroy Holtmann, Manager
PWA-Electrical Services Division

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:


OFFICE OF THE CITY MANAGER

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EXHIBIT A



Legend



Underground Utility District Boundary

CITY OF OAKLAND

PWA - ELECTRICAL DIVISION

APPROVED BY *[Signature]*
ELECTRICAL SERVICES MANAGER

Underground Utility District
No. 234: 48th Street
(CPUC RULE 2000)

DRAWN BY Evan Chang/VVTC

SCALE None

DATE 10/01/2003

DWG. NO.

APPROVED BY

OFFICE OF THE CITY CLERK
2003 NOV 25 AM 9:07

OAKLAND CITY COUNCIL
RESOLUTION No. _____ C.M.S.

INTRODUCED BY
COUNCILMEMBER _____



RESOLUTION OF INTENTION TO ESTABLISH UNDERGROUND UTILITY DISTRICT NO. 234: 48TH STREET, BETWEEN TELEGRAPH AND SHATTUCK AVENUES, TO BE FUNDED UNDER CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) RULE 20B; AND TO SET A PUBLIC HEARING FOR JANUARY 20, 2004

WHEREAS, Ordinance No. 7769 C.M.S. establishes a procedure for the creation of underground utility districts and requires as the initial step in such procedure the holding of a public hearing to ascertain whether public necessity, health, safety or welfare requires the removal of poles, overhead wires and associated overhead structures and the underground installation of wires and facilities for supplying electric, communication or similar associated service in any such district; now, therefore, be it

RESOLVED: That Tuesday, the 20th day of January, 2004, at 7:00 p.m. in the regular meeting place of this City Council, Council Chambers, City Hall, One Frank H. Ogawa Plaza, Oakland, California, be, and the same are appointed and fixed as the time and place of public hearing when and where this Council will allow public testimony regarding the proposed Underground Utility District No. 234; and be it

FURTHER RESOLVED: That the City Clerk shall notify or cause to notify all affected property owners as shown on the last equalized assessment roll and utilities concerned of the time and place of such hearing by mailing a copy of this resolution together with an explanatory letter to such property owners and utilities concerned at least ten (10) days prior to the date thereof. Hearing notices shall also be publicly posted within the area of the proposed district; and be it

FURTHER RESOLVED: That the area proposed to be included in said District No. 234 is shown on Exhibit A attached hereto.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

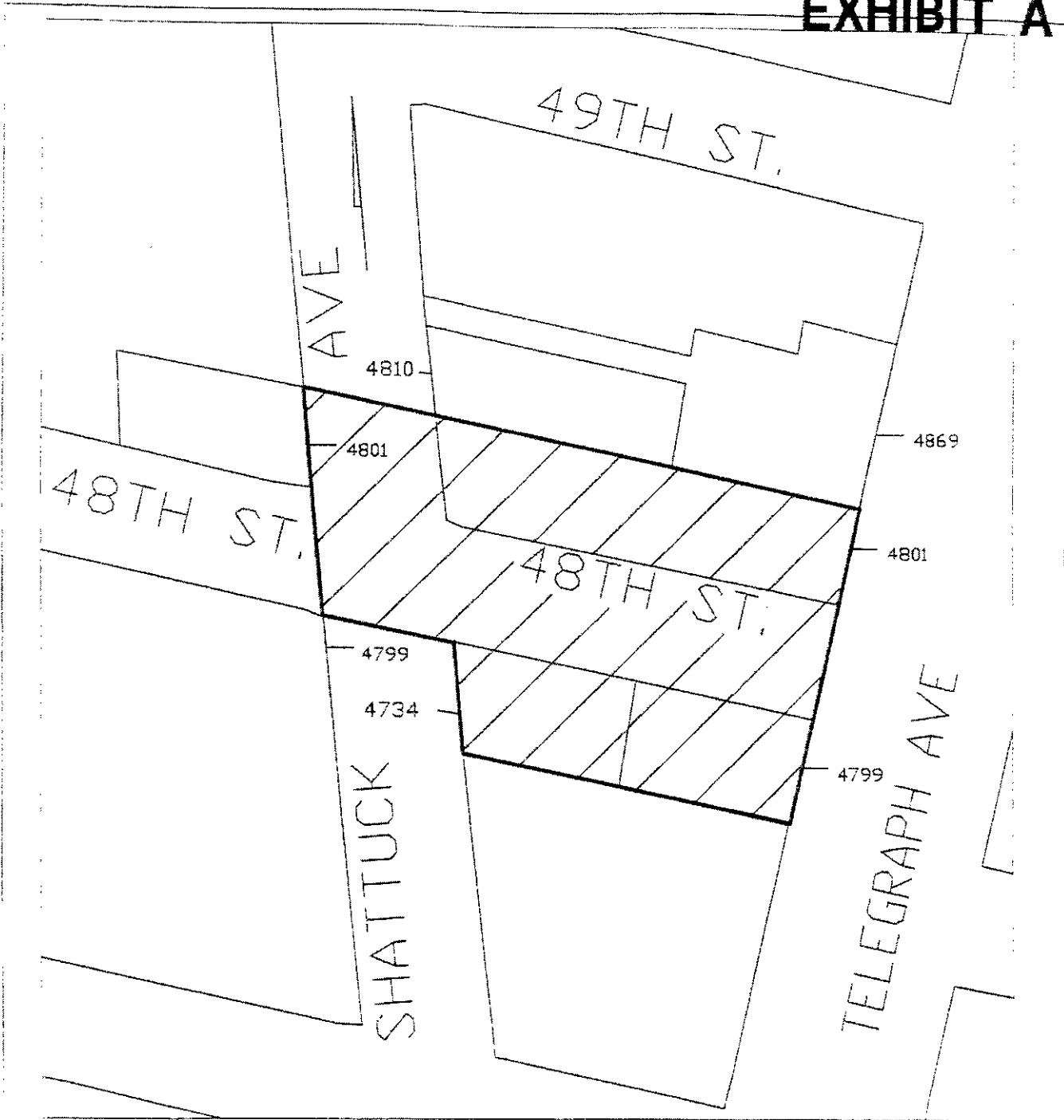
ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

7
PUBLIC WORKS CMTE.
DEC 9 2003

EXHIBIT A



Legend



Underground Utility District Boundary

CITY OF OAKLAND

PWA - ELECTRICAL DIVISION

APPROVED BY
[Signature]
ELECTRICAL SERVICES MANAGER

Underground Utility District

No. 234, 48th Street

(CPUC RULE 200)

DRAWN BY Evan Chang/VWTC

SCALE None

DATE 10/01/2003

DWG. NO.

APPROVED BY

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PUBLIC WORKS CMTE.
DEC 9 2003