

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

2004 JAN -7 PM 3:39

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: January 20, 2004

RE: **RESOLUTION ESTABLISHING UNDERGROUND UTILITY DISTRICT NO. 234: 48TH STREET, BETWEEN TELEGRAPH AND SHATTUCK AVENUES, TO BE FUNDED UNDER CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) RULE 20B AND PURSUANT TO ORDINANCE NO. 7769 C.M.S.**

SUMMARY

In January 2003, the City received a letter from Temescal Place, Incorporated, a development company, requesting that the City establish an underground utility district on 48th Street, between Telegraph and Shattuck Avenues, under CPUC Rule 20B.

By resolution on December 16, 2003, the City Council authorized this public hearing to determine the necessity of establishing Underground Utility District No. 234 on 48th Street. The attached resolution establishes the underground utility district and authorizes the City Manager to enter agreements with the utilities.

This portion of 48th Street is a residential street that connects Telegraph Avenue and Shattuck Avenue, two major arterials which link North Oakland to the City of Berkeley. 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; 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.

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The implementation of this project will have no impact on the sequence or the timeline of the existing proposed and approved Rule 20A projects.

FISCAL IMPACTS

Converting overhead utility facilities to an underground system will cost approximately \$0.3 million to be paid for by all the parties involved in accordance with CPUC Rule 20B. The cost of the project is estimated as follows:

PG&E	\$100,000
SBC	\$50,000
Temescal Place, Inc.	\$110,000
Comcast	\$40,000

By agreement, Temescal Place, Inc., the developer, will pay the City of Oakland up front for all costs associated with the undergrounding of the streetlight system. In addition, Temescal Place, Inc. will reimburse the City for PG&E and SBC's cost to be paid by the City in accordance with CPUC Rules 20B and 32. CPUC Rule 32 is SBC's equivalent of PGE's CPUC Rule 20. 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. CPUC Rule 20B has no established specific criteria for qualifying a street as long as the street is at least 600 feet or one block in length, funds are identified and available to pay for the project, and 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 the 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 that 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, PG&E and SBC regarding cost sharing and payments, up front payment for engineering, payment for 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-way. It will improve the livability, aesthetic 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 allow the disabled and senior citizens to see better.

RECOMMENDATION AND RATIONALE

Staff recommends that the City Council approve the establishment of Underground Utility District No. 234: 48th Street, between Telegraph and Shattuck Avenues, to be funded under CPUC Rule 20B.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution establishing Underground Utility District No. 234.

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 CITY COUNCIL:


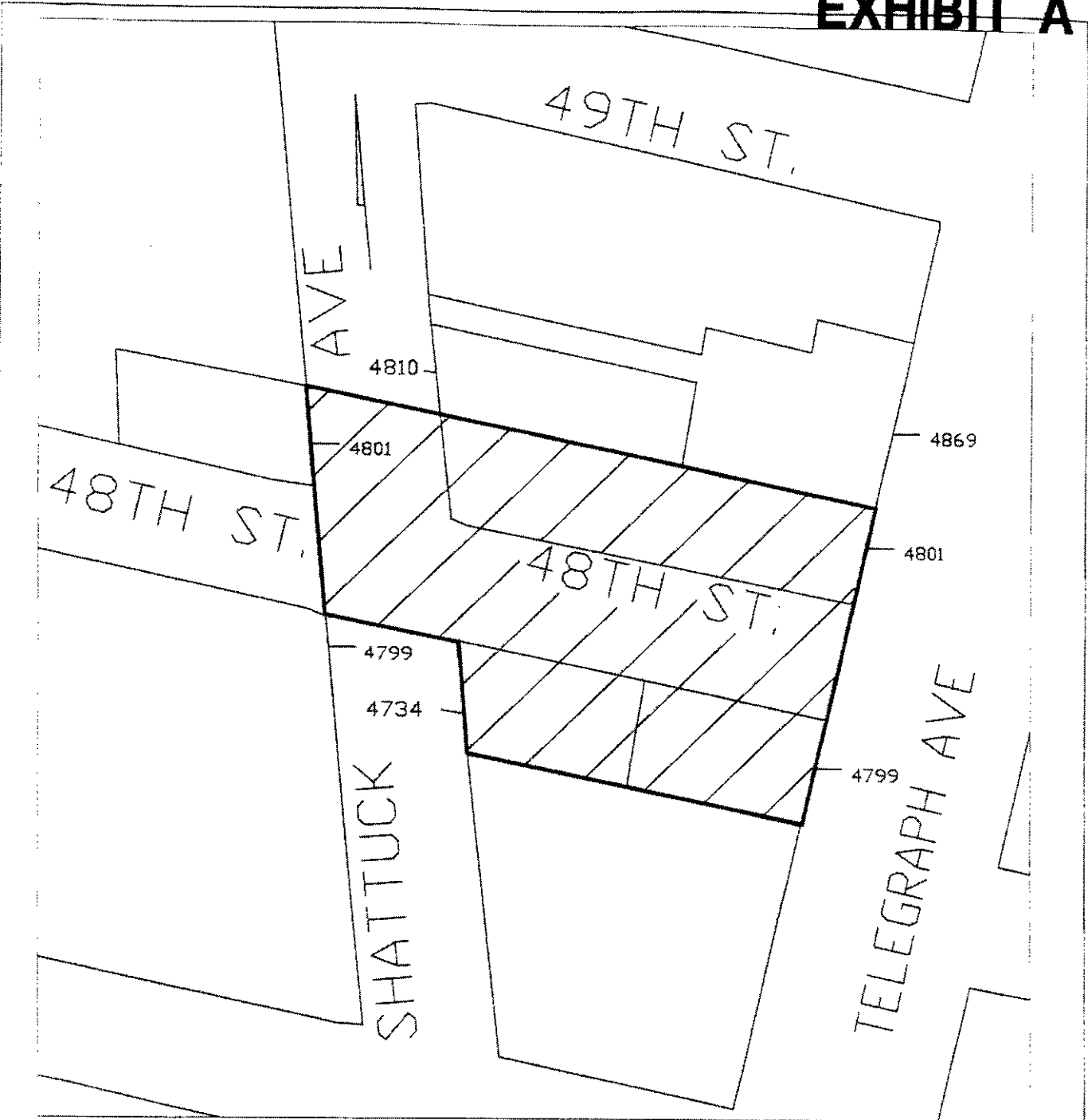

OFFICE OF THE CITY MANAGER

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

DRG. NO.

APPROVED BY

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

FILED
OFFICE OF THE CITY CLERK
OAKLAND

INTRODUCED BY
COUNCILMEMBER _____

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**RESOLUTION ESTABLISHING UNDERGROUND UTILITY DISTRICT
NO. 234: 48TH STREET, BETWEEN TELEGRAPH AND SHATTUCK
AVENUES, TO BE FUNDED UNDER CALIFORNIA PUBLIC UTILITIES
COMMISSION (CPUC) RULE 20B AND PURSUANT TO ORDINANCE
NO. 7769 C.M.S.**

WHEREAS, 48th Street, between Telegraph and Shattuck Avenues, has an overhead electrical and communication facilities and it is used by the general public; and

WHEREAS, this section of 48th Street connects two arterial streets that link North Oakland to the City of Berkeley; and

WHEREAS, undergrounding the utilities on this segment of 48th Street will aesthetically enhance a section of the North Oakland business community; and

WHEREAS, the Rule 20B project on 48th Street will be paid for by Temescal Place, Inc., PG&E, SBC and Comcast; and

WHEREAS, the City Manager or her designee must enter into agreements with Temescal Place, Inc., PG&E and SBC in accordance with CPUC Rules 20 and 32 in order to facilitate payments for the implementation of Underground Utility District No. 234; and

WHEREAS, a public hearing was called for Tuesday, January 20, 2004, at the hour of 7:00 p.m. in Oakland, California, to ascertain whether the 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 or associated service within Underground Utility District No. 234 comprising the area shown on the attached Exhibit A; and

WHEREAS, notice of such hearing has been given to all affected property owners as shown on the last equalized assessment roll and the utilities concerned in the matter and for the time required by law; and

WHEREAS, such hearing has been duly and regularly held and all interested persons have been given the opportunity to be heard; now, therefore, be it

RESOLVED: That the City Council of the City of Oakland hereby adopts and incorporates the report of the Public Works Agency Director dated January 20, 2004, and hereby declares that the indicated area shown in the attached Exhibit A is established and included in Underground Utility District No. 234 hereinafter described as follows:

14.1
ORA/COUNCIL
JAN 20 2004

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; 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; and be it

FURTHER RESOLVED: That the City Council of the City of Oakland authorizes the City Manager or her designee to negotiate and enter into agreements with Temescal Place, Inc., PG&E and SBC on cost sharing and payments, up-front payment for engineering, payment for joint-trench substructure work and for all related work, provided the City Attorney is satisfied with limits of City liability; and be it

FURTHER RESOLVED: That the City Council of the City of Oakland accepts and appropriates funds from the developer, Temescal Place, Inc. or its representative; and be it

FURTHER RESOLVED: That the City Council of the City of Oakland authorizes the City Manager or her designee to expend the funds from the developer, Temescal Place, Inc. or its representative to pay PG&E, SBC and the City of Oakland respectively for engineering design and for other works related to the implementation of Underground Utility District No. 234; and be it

FURTHER RESOLVED: That the underground installations by the utility companies and Comcast shall be made to coordinate with the planned street reconstruction within the limits of Underground Utility District No. 234; and be it

FURTHER RESOLVED: That the underground installations by the utility companies, Comcast and the City, as well as the removal of poles, overhead wires and associated overhead structures by the utility companies and Comcast within Underground Utility No. 234, shall be completed no later than July 31, 2004; and be it

FURTHER RESOLVED: That the City Attorney and the City Manager's Budget Director have approved this resolution, and a copy is on file in the City Clerk's Office; and be it

FURTHER RESOLVED: That pursuant to section 6 of Underground Utility Ordinance No. 7769 C.M.S., the following exceptions to the order for the removal and underground installations are hereby authorized:

- a. Any municipal facilities or equipment installed under the supervision and to the satisfaction of the Electrical Services Division Manager.
- b. Poles, or electroliers used exclusively for street lighting.

- c. Overhead wires (exclusive of supporting structures) crossing any portion of a district within which overhead wires have been prohibited, or connecting to buildings on the perimeter of a district, when such wires originate in an area from which poles, overhead wires and associated overhead structures are not prohibited.
- d. Equipment appurtenant to underground facilities, such as surface mounted transformers; pedestal mounted terminal boxes and meter cabinets, and concealed ducts.
- e. Temporary poles, overhead wires and associated overhead structures used or to be used in conjunction with construction projects.
- f. Overhead utility service to the properties at 4799 Telegraph Avenue and 4734 Shattuck Avenue off wood poles located outside the district on Telegraph Avenue and Shattuck Avenue respectively.
- g. Anchor and down guy in the sidewalk area at 4734 Shattuck Avenue, in front of the westerly property line of 4734 Shattuck Avenue; and be it

FURTHER RESOLVED: That the City Clerk is hereby instructed to notify or cause to notify all affected utilities and Comcast and all persons owning real property within Underground Utility District No. 234 of the adoption of this resolution within ten (10) days after the date of such adoption. Said City Clerk shall further notify or cause to notify said property owners of the necessity that, if they or any person occupying such property desire to continue to receive electric, communication or other similar associated service, they or such occupant shall, by the designated date, provide all necessary facility changes on their premises so as to receive such service from the lines of the supplying utilities or Comcast on file with the Public Utilities Commission of the State of California. Such notification shall be by mailing a copy of this resolution together with a copy of said Ordinance No. 7769 C.M.S. to affected property owners as shown on the last equalized assessment roll and to the affected utilities and Comcast.

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