

..Title

RESOLUTION NO. 2017-193 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA DECLARING THE CITY'S INTENTION TO FORM UTILITY UNDERGROUNDING DISTRICTS ON F STREET FROM BAY BOULEVARD TO BROADWAY (UUD #141) AND ON F STREET FROM BROADWAY TO FOURTH AVENUE (UUD #142) AND SETTING THE DATE OF THE PUBLIC HEARING FOR NOVEMBER 21, 2017

..Body

RECOMMENDED ACTION

..Recommended Action

Council accept the report and adopt the resolution.

..Body

SUMMARY

Since 1995, twenty (20) utility undergrounding projects in the City of Chula Vista have been completed. The cost for the Utility Undergrounding District on Bay Blvd., which represents the last district to be completed, has been repaid and the City now has a positive balance in the undergrounding fund. Staff has prepared a new priority list and recommends other actions that should be taken to continue the utility undergrounding program.

ENVIRONMENTAL REVIEW

Environmental Notice

..Environmental Notice

The Project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act State Guidelines.

..Body

Environmental Determination

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines. Thus, no further environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not applicable.

DISCUSSION

Background

Starting in 1968, developers have been required to install underground electric and communications utilities in new subdivisions. In 2007, a total of 164.63 miles of streets with existing overhead electrical distribution lines existed in Chula Vista, predominantly

west of I-805. Approximately 36 miles (22 percent) of these streets are eligible for funding through "Rule 20A", established by the California Public Utilities Commission (CPUC). The remaining 128.63 miles of residential/local streets would be eligible for the "Rule 20B or 20C" program, whereby undergrounding costs are paid by the property owners.

In order to underground utilities under "Rule 20A", the City is required to form Utility Undergrounding Districts. The City receives an annual allocation credit of \$2.0 million (known as "Rule 20A" funds) from SDG&E that must be spent on undergrounding projects. Typically, when undergrounding occurs, other utilities on the SDG&E poles coordinate their relocation with SDG&E and install their facilities in a joint utility trench at no cost to the City.

In 2002 and 2003, public hearings were held to establish six utility undergrounding districts. A seventh district to underground the high voltage lines along the Bayfront was formed in 2006. Since then, four of the seven utility undergrounding projects have been completed. The four completed districts were:

- Quintard Street (UUD #140): Third Avenue to Orange Avenue - \$333,277
- Fourth Avenue (UUD #133): L Street to Orange Avenue - \$5,976,421
- East L Street (UUD #134): Monserate Avenue to Nacion Avenue - \$3,588,864
- Bayfront (UUD #BAYFRONT-1): Sweetwater River to L Street - \$20,400,000

Attachment 1 is a summary of the City's utility undergrounding districts, including initial and completed costs. Attachment 2 is the current SDG&E "Rule 20A" Conversion Procedure. Attachment 3 is a copy of the most recent annual accounting from SDG&E on "Rule 20A" fund allocations for the City of Chula Vista. As of March 31, 2017, the City had a balance of \$2,135,221. The City is allowed to "borrow ahead" five years of funding without interest (\$10 Million).

Based on the priority ranking system adopted by Council in December 2011, staff has prepared a priority list of streets for utility undergrounding, which are included in Attachment 4. This list has recently been updated to reflect current pavement and traffic conditions.

Recommendations and Future Actions

The City's consultant (MIG Inc.) has almost completed the F Street Promenade Study, which envisions F Street as a gateway promenade, connecting the future Bayfront development to the Civic Center area and downtown Third Avenue. The proposed improvements include bike paths on each side, landscaping, signage, and other

pedestrian enhancements. The undergrounding of utilities on F Street from Bay Blvd. to the Civic Center parking lot by Fire Station #1 west of Fourth Avenue would enhance the pedestrian, bikeway, and visual elements along F Street presented in the Promenade Study.

The pavement in the area west of Broadway is in poor condition and is in need of pavement rehabilitation. This undergrounding could be done in conjunction with the pavement rehabilitation. Due to adjacent land uses and proximity to mass transit, F Street from Bay Blvd. to Broadway can compete well for regional and State Active Transportation grants. The pavement between Broadway and Fourth Avenue received an overlay in 2011, so it is still in very good condition.

On June 1, 2017, SDG&E provided City staff with cost estimates for the undergrounding of utilities along F Street. The current estimated cost provided by SDG&E for undergrounding the utilities from Bay Blvd. to Broadway ranges from \$2.9 million to \$3.2 million and is assuming that directional boring under I-5 would be required. At this time, it is not clear if it will be possible to install the conduit in the bridge structure crossing the I-5 freeway or if it will be necessary to directionally bore under the freeway. SDG&E will need to conduct a field inspection of the bridge to determine which scope will be needed. The current SDG&E estimate for the undergrounding on F Street between Broadway and Fourth Avenue is \$1.5 million to \$1.7 million.

On August 22, 2017, City staff participated with SDG&E in a walk-through of the project area, along with staff from AT&T, Sweetwater Authority and Media 3. The walk-through included identification of potential SDG&E conflicts with other utilities, consideration of the City's proposed F Street Promenade Plan and the Americans with Disabilities Act (ADA) requirements and the properties along F Street and side streets that would need to be converted from overhead to underground utility service. Based on the information obtained during the walk-through and from SDG&E, staff has prepared Boundary Maps for both districts (Attachment 5). The properties that are included obtain utility service from F Street. There will be no cost to the residents for the undergrounding, since the cost of undergrounding the service laterals will be included in the District. Right of way acquisition is not anticipated to be required.

Staff therefore recommends that the City Council adopt a Resolution of Intention to create two new undergrounding districts on F Street, the first being between Bay Blvd. and Broadway (UUD #141) and a second from Broadway to Fourth Avenue (UUD #142), as well as prioritizing completion of these two districts ahead of the other established districts.

After approval of the Resolution of Intention, the following steps will be needed to establish the districts and proceed with the projects:

- The District will be formed at the Public Hearing. Notices will need to be sent to all property owners affected by District formation at least 30 days in advance.
- The Capital Improvement Program (CIP) project STM-394 has been established in Fiscal Year 2017-18 for design costs related to the removal of the wood pole-mounted street lights and their replacement on new concrete standards plus relocation of other City-owned infrastructure to be done in conjunction with the undergrounding. In a subsequent fiscal year, as part of the annual CIP adoption process, additional funding will be requested for construction costs related to signal upgrades, pavement rehabilitation, street lights, and appurtenances.
- SDG&E will prepare and submit the final trench and conduit design to other utilities and staff. It is estimated that SDG&E will request Joint Trench offers from the other utilities. The design process is estimated to take one year to complete.
- Prior to construction, staff will obtain Permits to Enter for SDG&E from property owners located within the District in order to underground their service laterals.
- Utility undergrounding will be coordinated with the relocating of City facilities, the construction of facilities related to F Street beautification, and pavement rehabilitation.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 500 feet of the boundaries of the properties which are the subjects of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(11), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.).

Staff is not independently aware, and has not been informed by any member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The Utility Undergrounding program supports the Economic Vitality goal, as it increases the appeal and marketability of Chula Vista neighborhoods.

CURRENT YEAR FISCAL IMPACT

Passage of this resolution will not have any direct fiscal impact on the City. A total of \$100,000 in TransNet for the design of other public facilities related to undergrounding

(such as streetlights) is included in CIP STM394, Local Street Utility Undergrounding District.

ONGOING FISCAL IMPACT

There will be no direct fiscal impact on the City, since utility undergrounding districts will be financed using 20A funds.

ATTACHMENTS

1. UUD Establishment Data
2. SDG&E 20A Conversion Procedure
3. 2017 20A Conversion Report
4. Undergrounding Priority List
5. Boundary Maps

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