

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Amending Underground Utility District No. 5
DATE: October 4, 2011

Needs: For the City Council to consider amending Underground Utility District No. 5 within the City of Paso Robles.

- Facts:**
1. The City of Paso Robles accrues funds through Pacific Gas and Electric Company for the purpose of undergrounding utilities. These are commonly referred to as Rule 20-A Funds.
 2. Rule 20-A Funds must be used to address blight or safety issues. They cannot be used in conjunction with a development project.
 3. On September 16, 2008 City Council adopted Resolution No. 08-137 to underground overhead utilities along Riverside Avenue from 10th Street to 24th Street.
 4. As of July 1, 2011 the City has accrued approximately \$1.5 million in Rule 20-A funds.
 5. The cost to underground utilities on Riverside from 10th to 24th is estimated at \$3 million.
 6. Rule 20-A funds accrue at an approximate rate of \$85,000 per year. It will require 18 years to accrue the funding to underground utilities along Riverside from 10th to 24th.
 7. Staff met with PG&E and it was suggested that the City could phase the project using existing Rule 20-A funds for a first phase, and then wait to accrue additional funds for a second phase.
 8. By phasing the project, work could begin for Phase 1 in approximately two to three years. If the project is not phased, the work might not be initiated for another eight to ten years.

Analysis and Conclusion:

Council may consider two (2) possible phasing scenarios for Underground Utility District No. 5 as follows:

10th to 18th

If selected, the work could be accomplished shortly after the City completes the installation of a new southbound on-ramp at 17th Street and the reconstruction of the curb returns of the 13th Street Bridge over Highway 101.

18th to 24th

If selected, this option would underground the overhead lines on the east side of Riverside Avenue adjacent to the Paso Robles Event Center offices and event grounds, thus completing the enhancements/upgrades that were initiated along the west side of Riverside. Finally it would be consistent with the projected improvements to be installed with the 21st Street upgrades.

Policy Reference: None

Fiscal Impact: Construction of the selected phase would be funded through the use of accrued Rule 20-A funds and would not impact the General Fund.

Staff requests that City Council select a phase one project for the Undergrounding District by adopting one of the options below.

- Options:**
1. Adopt Resolution No. 11-xx approving construction of Underground Utility District No. 5 in two (2) phases, making a recommendation as to which phase should be constructed first.
 2. Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer:

Attachments: 1) Resolution (two alternates provided)
2) Exhibit

RESOLUTION NO. 11-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AMENDING UNDERGROUND UTILITY DISTRICT NO. 5

WHEREAS, City Council adopted Resolution No. 08-137 on September 16, 2008 to underground overhead utilities along Riverside Avenue from 10th Street to 24th Street; and

WHEREAS, the City of Paso Robles accrues Rule 20-A funds through the Pacific Gas and Electric Company (PG&E) for the purpose of undergrounding utilities; and

WHEREAS, Rule 20-A funds must be used to address blight or safety issues, and may not be used in conjunction with a development project; and

WHEREAS, as of July 1, 2011 the City has accrued approximately \$1.5 million in Rule 20-A funds; and

WHEREAS, the cost to underground utilities on Riverside from 10th to 24th is estimated at \$3 million; and

WHEREAS, City staff met with PG&E and it was suggested that the City could phase the project using the existing Rule 20-A funds for a first phase, and accrue additional funds for a second phase; and

WHEREAS, by phasing the project, work could begin for Phase 1 in approximately 24 to 36; and

WHEREAS, staff proposes that Underground Utility District No. 5 be amended so it could be constructed in two phases, one being undergrounding utilities from 18th Street to 24th Street, and another being undergrounding utilities from 10th Street to 18th Street.

THEREFORE BE IT RESOLVED by the City Council of the City of Paso Robles, that:

SECTION 1 The City Council of Paso Robles hereby amends Resolution No. 08-137 (approving the undergrounding of utilities along Riverside Avenue from 10th Street to 24th Street) so that the undergrounding of this area may be accomplished in two phases: Phase 1 – underground utilities from 10th to 18th Street , and Phase 2 – underground utilities from 18th Street to to 24th Street.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 4th day of October 2011 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk

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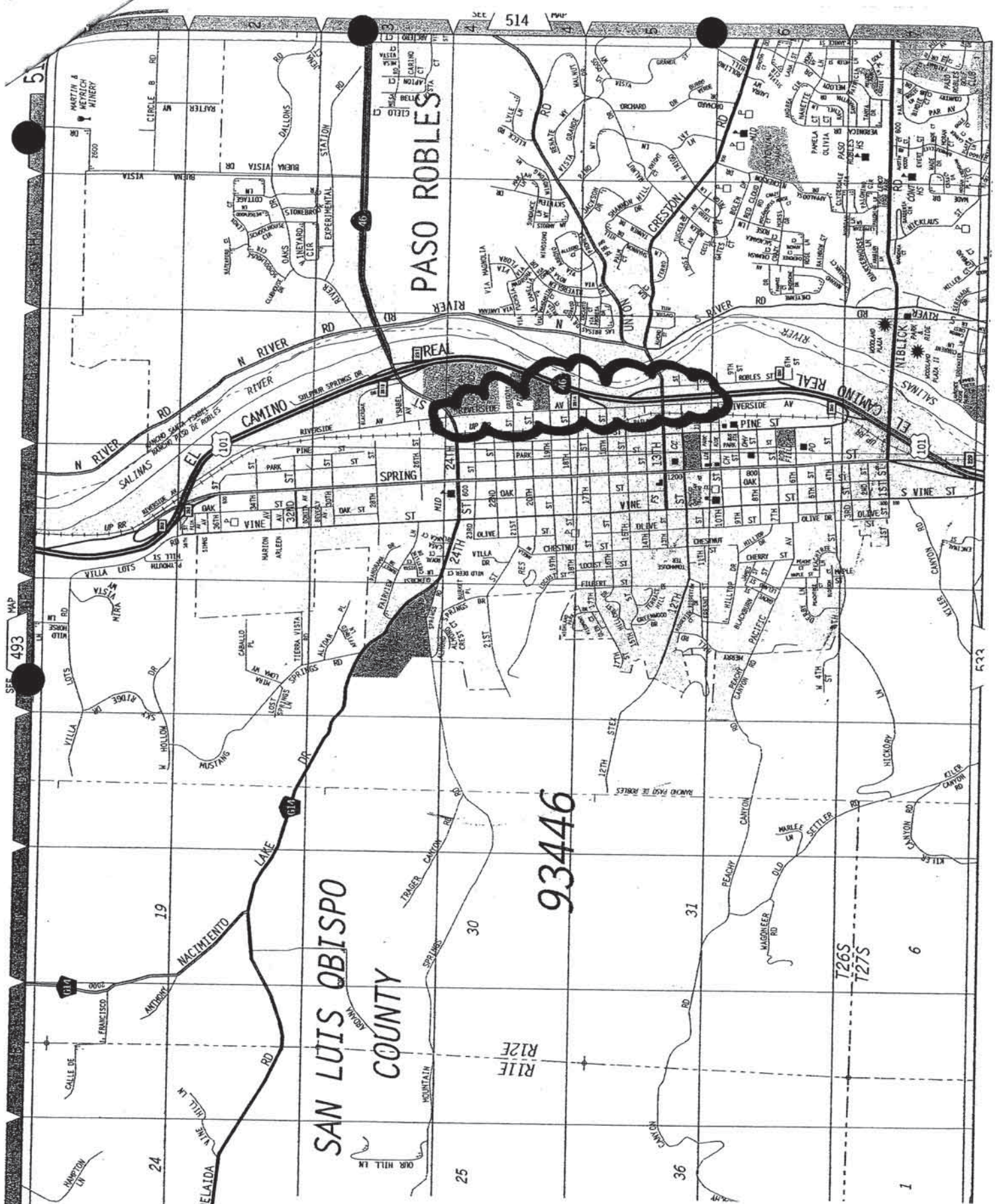
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PROPOSED UNDERGROUNDING DISTRICT
EXHIBIT 'B'
ALONG RIVERSIDE FROM 10TH TO 24TH