TO:	Thomas Frutchey, City Manager
FROM:	Warren Frace, Community Development Director
SUBJECT:	Reconsideration of Conditions, Vesting Tentative Parcel Map PR 15-0058 Tri-West Development
DATE:	June 21, 2016

Needs:	For the City Council to reconsider Conditions of Approval of Vesting Tentative Parcel PR 15-		
	0058 relating to relocation and undergrounding of overhead utilities filed by North Coast		
	Engineering, on behalf of Tri-West Development.		

- Facts:
 The Planned Development Overlay and Vesting Tentative Parcel Map PR 15-0058 was approved by City Council Resolution 15-145 on December 1, 2015. It is a subdivision of a 1.94 acre lot into four lots ranging in size from 33,000 square feet to 17,000 square feet located at 2025 Union Road, see Vicinity Map, Attachment 1.
 - The parcel map included condition #9 with the following requirement: Prior to occupancy of any building permit, the existing overhead utility line across the property shall be relocated underground.
 - 3. The site has historically been occupied by one single family home, with multiple detached accessory buildings (i.e. utility shed & carport). These existing structures will be removed to accommodate the proposed development.
 - 4. Overhead powerlines traverse the site from east to west approximately 80 feet north of Union Road. In accordance with Land Use Element Policy of the General Plan, these lines were required to be relocated underground along with the subdivision improvements.
 - 5. This 40KV (40,000 volts) overhead power line originally ran from River Road, through the Montebello Oaks subdivision to Union Road, and continues today, east along Union Road to east City limits. Arciero relocated the lines underground through Montebello Oaks. The developers of Tract 2571 relocated a significant portion west of Union Road. Steve Sylvester relocated a portion of the lines with his three-lot parcel map on Kleck Road. The Tennis and Swim Club on Union Road will be working on their portion of the project soon.
 - 6. On March 3, 2016, Bryce Overend, representing Tri-West Development submitted a formal request to reconsider the condition of approval for relocation of overhead utilities underground based upon the cost of the work (Attachment 1).

Analysis and Conclusion:

In accordance with Land Use Element goals to maintain and enhance the City's image it is important to reach for quality outcomes where overhead utilities are a constraint. Typically, overhead utilities are located along street frontages and underground relocations serve an aesthetic benefit. In this case, the lines bisect the applicant's parcel and hang over an existing house on an adjacent property. Underground relocation will provide an important safety improvement by separating 40KV power lines from single family dwellings. The applicants propose to leave the lines in place and build a new single family dwelling unit directly underneath the power lines. It would seem that the least desirable outcome is locating wire utilities over the top of new construction. This proposal only aggravates the existing similar condition west of the applicant's property.

The applicant could relocate the poles to the frontage of their property so as to at least remove them from conflict with their development, and the house to the west.

Alternatively, the applicant can relocate the facilities on their property underground. This accomplishes the goals of the Land Use Element of the General Plan for the purposes of the applicant's project. From the standpoint of best use of resources, this appears to be an inefficient approach towards working on ultimately removing the entire pole line from the City.

If possible, shared participation in the development of a comprehensive underground project running from Arciero Way to the east boundary of the applicant's property (or ideally to Golden Hill Road) would be a possible option. We know there is development interest in the lands to the west, but their time frame is well behind the applicant.

At some point in the future, the City could conceivably develop a comprehensive underground utility project. In that case, the applicant would be conditioned to post a security and enter into an agreement to participate. More research is needed with P. G. & E. to develop an estimate of cost for that project. A reimbursement agreement, drafted by the City attorney, would be adopted by the Council, allowing the City to recover their costs as future developers come forward along the line. Regardless of which option the City Council chooses, staff position is that no new structures should be constructed under existing power lines.

Policy Reference:	Land Use Element of the General Plan	
Fiscal Impact:	There may be fiscal impacts if the Council chooses to create a City underground area-wide project and not all properties in the area ultimately develop.	
Options:	After consideration of all public testimony, the City Council may choose one of the following options:	
	a. Approve Draft Resolution A that the applicant, Tri-West Development, be conditioned to enter into an agreement to participate in an area-wide underground utility project and to post securities for their portion of the project based upon an estimate of the project procured from P. G. & E. The overhead power lines would remain in their current location and no	

new structures would be built within 10-feet of the centerline of the pole line.

- b. Approve Draft Resolution B to uphold the Conditions of approval as stated in Council Resolution No. 15-145 and required the applicant, Tri-West Development, to relocate the overhead utility lines on their property underground.
- c. Approve Draft Resolution C to amend Condition No. 9 of Council Resolution No. 15-145 to require that the applicant, Tri-West Development, be conditioned to relocate the overhead utility lines to the frontage of their property.
- d. Approve Draft Resolution D to relieve the applicant, Tri-West Development, of Condition No. 9 of City Council Resolution No. 15-145 regarding relocation of overhead utilities. The overhead power lines would remain in their current location with a utility easement to ensure no new structures would be built within 10-feet of the centerline of the pole line.
- e. Amend any of the foregoing options.
- f. Refer the item back to staff and / or the Planning Commission for additional analysis.

Attachments:

- 1. Letter from Bryce Overend 3-3-16
- 2. Letter from L. Werner 5-16-16
- 3. Project Map
- 4. Pole Line Exhibit
- 5. Diagram of Proposed Residence Under Power Line
- 6. Draft Resolution A
- 7. Draft Resolution B
- 8. Draft Resolution C
- 9. Draft Resolution D

Attachment 1 Letter from Bryce Overend 3-3-16

Tri-West Development, LLC 1570 Paramount Boulevard, Suite E Paramount, CA 90723

Warren Frace - City of El Paso de Robles 1000 Spring Street Paso Robles, CA 93446

Subject: 2025 Union Road power line undergrounding

Dear Mr. Frace,

We appreciate the support and cooperation that the City has given us in the processing and approval of our 4 lot subdivision at 2025 Union Road. We are in the process of preparing final improvement plans and preparing to record the Parcel Map. In the Conditions of Approval, we were required to underground the high voltage power lines crossing the property. There are poles on each property line and the power lines on both sides of the property are not underground. The property to the east is undeveloped and the property to the west is developed with a single family home. The power lines in this case go over the roof of the house. North Coast Engineering has done some research on this situation and found that the house was part of a Parcel Map PM 57-051 and was approved by Planning Commission Resolution 01-056. In that resolution the project was conditioned to underground the power lines or to defer undergrounding the power lines upon entering into an Agreement, in a form to be approved by the City Attorney, to not protest the formation of an Assessment District to underground those utilities. This was approved with Planning Commission Resolution 01-091 on a vote of 7-0.

Our four lot subdivision was approved with City Council Resolution 15-145

In the process of coordinating the electrical utilities we found that the cost of undergrounding the overhead high power distribution lines would be well in excess of \$100,000. This consists of an estimate cost of \$97,000 for just the overhead to underground conversion. This does not include the trenching or the conduit. There would be an additional cost, not estimated at this point, for a pad mounted transformer to serve the 4 lots.

In our discussions with PG&E they presented us with another option. That option would be to replace the poles and make them slightly higher to provide the required clearance between the wires and the house.

We would propose to take the option to raise the poles to provide the required clearance between the house and the wires.

We would respectfully request to amend our Tentative Map approval to have the same amended condition as the home next door and agree not to oppose the formation of an assessment district. It does not make practical or financial sense to underground these utilities in a piecemeal manner. Please find attached our Application for an Amended Tentative Map

Sincerely, Overend Bryce Overepd

Attachments: PC Resolution 01-056 PC Resolution 01-091 CC Resolution 15-145 with condition marked up.

Attachment 2 Letter from L. Werner 5-16-16

NORTH COAST ENGINEERING, INC. Civil Engineering • Land Surveying • Project Development

May 16, 2016

Warren Frace - City of El Paso de Robles 1000 Spring Street Paso Robles, CA 93446

Subject: 2025 Union Road Overhead Power

Dear Warren,

This letter is a follow up to our initial application to the City on March 3, 2016 for a reconsideration by the City Council of the Condition of Approval requiring the undergrounding of the overhead power lines across the property. Our request was to modify the Condition of Approval to state that we would not oppose the formation of an Assessment District at a future date to underground the power lines in a more comprehensive and efficient manner. This was the same process that the property to the east had done. The house to the east was constructed with the power lines over the roof of the house in compliance with PG&E Standards. We contacted PG&E to review our situation and they informed us that we could meet their standards but the poles would have to be raised. That would be a cost of about \$35,000. We were willing to take that approach, not oppose the future formation of an Assessment District and to install the conduit in the Public Utility Easement along the front of the property for the future undergrounding. We felt that the precedent had been set with the house next door.

On April 5th I met with John Falkenstien in an effort to move this forward. In this meeting he expressed concerns about the feasibility of a future Assessment District and requested that we contact the neighbors to see if we could convince them to participate in a project now to underground the power lines. None of the adjacent property owners were interested in proceeding with undergrounding the power lines at this time. See attached email dated May 3, 2016.

We met with you, John Falkenstien and Darren Nash on May 5, 2016 to discuss the matter further. In that meeting we were requested to present an alternate plan to PGE to relocate the two power poles to the front of the property so that the power lines would not be over the proposed residence. This would be a temporary situation until the Assessment District was set up to comprehensively underground the power lines for the area. We submitted a sketch dated May 5, 2016, which is attached, to PG&E and then met with them on site on May 11, 2016. They walked us through the changes that were necessary in order to move the two power poles out to the street frontage. It turns out to be quite a complicated process primarily because instead of the power lines being raised up and remaining in a

straight line, the power lines would now have two horizontal jogs in them requiring bracing with guy poles and lines not only the two new power poles but 3 others. The power pole on Prospect Ave would have to be replaced. Additionally, since the power lines would be in a different horizontal location we would have to obtain easements from both the property to the east and to the west. PG&E expressed concerns about the feasibility of this option and stated that their initial thought was that it would be quite expensive to exercise this option. They will be providing us with a cost estimate. They were more puzzled by the question of why, if we could meet their standards for separation, would we consider another temporary option that was more expensive and much more complicated.

We are at a point where we are ready to start the site construction on the property. We cannot proceed until we have a decision from the Council.

We request that this item be brought forward to the City Council for a decision as soon as possible, preferably at the May 31, 2016 meeting. The following options as presented to us from PG&E are:

A. Raise the power lines by installing taller poles so that the separation of the power lines and the roof of the house meets the PG&E Standards for a cost of \$35,000. Install conduit in the Public Utility Easement for the future undergrounding with a comprehensive undergrounding plan that requires the future formation of an Assessment District.

This would be consistent with the precedent set next door and would allow the housing to proceed. Although it is a temporary measure, the installation of the conduits would facilitate the future undergrounding. It is logical that the City would want a legal, enforceable commitment to not oppose a district in the future to assure that this undergrounding project is done in a comprehensive, efficient and a financially responsible manner.

B. Install new temporary power poles on the frontage of the property and on Prospect Ave. Install guy poles and guy wires on 3 new poles and on 2 existing poles. PG&E is preparing a cost estimate for this option but is expected to be considerably more expensive than Option A.

This requires a complicated reconfiguration of the power lines. Since the lines will no longer be in a straight line, guy poles and guy wires will be required to brace the new temporary poles. Aside from the two poles on site, the pole on Prospect would have to be replaced and braced. Public Utility Easements would have to be obtained from 3 other property owners because the horizontal location of the lines would change.

C. Underground the existing overhead power lines at an estimated cost of \$97,000.

This would be a piecemeal approach and would only resolve the power lines on the frontage of the project. The existing poles on the east and west property lines would remain.

The approach to undergrounding should be a comprehensive, cost effective approach and should be consistent with the precedent already set. An Assessment District is the most cost effective method of undergrounding this series of power poles and lines. The District cannot be initiated by a private property owner. This is why we have City Government. This particular power line also extends to the east on Union Road to 46. The recent construction of the new large building for Paso Robles Welding at 2925 did not underground the overhead lines when the new curb and gutter was installed. Paso Robles Self Storage on Union Rd did not underground the power lines when the project was constructed, instead choosing the option in their Conditions of Approval not to oppose the formation of an Assessment District.

We respectfully request that the City Council approve **Option A** and allow this housing to be constructed in compliance with PG&E Standards, to not oppose a future Assessment District and install conduits for future undergrounding. Any of the other options will only further delay and perhaps make economically infeasible the construction of this new housing for Paso Robles.

Sincerely,

Larry Werner

cc: John Falkenstien Darren Nash

Larry Werner

From:	Larry Werner
Sent:	Tuesday, May 03, 2016 3:44 PM
То:	Warren Frace; John Falkenstien (jfalkenstien@prcity.com)
Cc:	Greg Jaeger; 'Bryce Overend'; Omer Ivanir
Subject:	2025 Union Road Overhead Power Lines Meeting

Dear Warren and John,

We submitted our request to modify the condition of approval regarding undergrounding the power lines on March 3rd.

It has now been 2 months since we submitted our application to amend the Tentative Map for 2025 Union Road to allow the owners to agree to not oppose an Assessment District for the future undergrounding of the overhead power lines. As this was a condition of approval for the 4 lot subdivision next door and it has been a common practice to condition project such as this to not oppose a future Assessment District we expected that this would be somewhat of a routine matter.

On April 5th I met with John and he requested that we meet with the other property owners to see if we could convince them to have a participation agreement so that the lines could be undergrounded now, rather than agree not to form a future assessment district.

We reached out to the owners of Tract 2583 who have no interest as their tract map has expired. No interest. We could not contact the commercial owner to the east and the property on the corner of Golden Hill Road and Union is currently for sale and are not interested in participating.

The owner of 2025 Union is ready to proceed. The civil plans are complete with the exception of obtaining the WDID number which we can't get until we select a contractor. We don't want to select a contractor until the power line issue is resolved. PGE will not start design until the City Council has made a decision.

In short, we have a meeting scheduled for this Thursday to discuss this. It seems to me that we have made a reasonable effort to have neighborhood participation. If the City's position is still to continue an effort to involve the neighbors, then perhaps we need to meet.

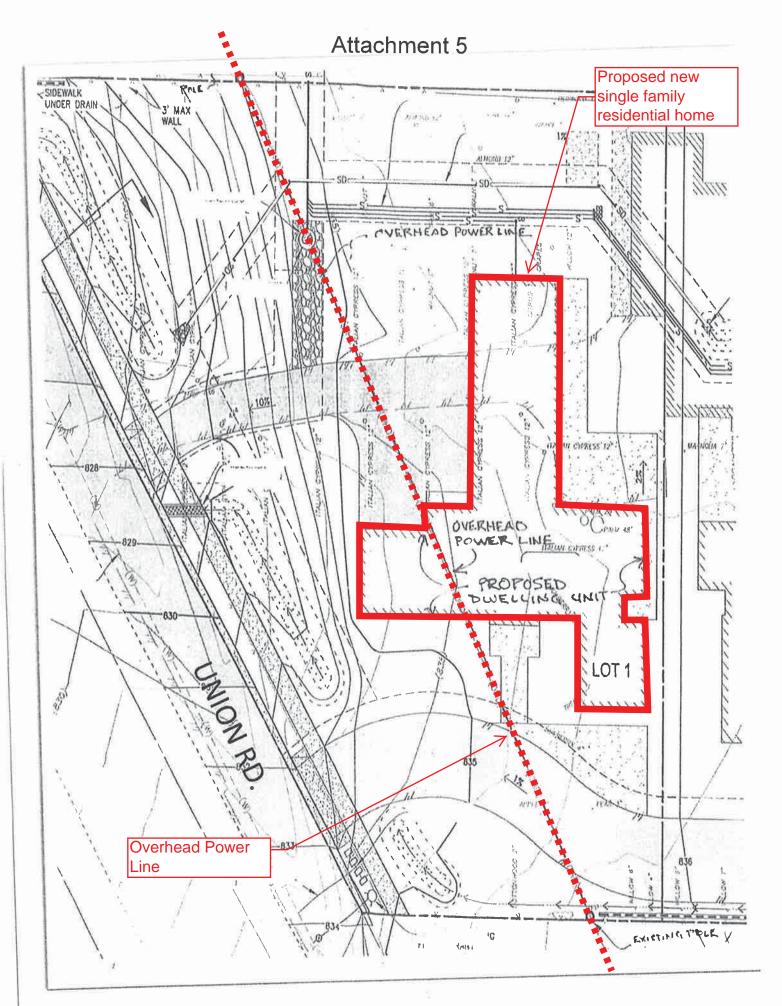
However, if the City could agree to honor our request to have a hearing at the City Council to revise the condition to not oppose an Assessment District, then we would propose that the meeting this Thursday be cancelled and that the item be placed on the City Council agenda as soon as possible. Regards,

Larry

Larry Werner | President/CEO North Coast Engineering, Inc. | <u>http://northcoastengineering.com</u> 725 Creston Road, Suite B | Paso Robles, CA 93446 805.239.3127 x207 | <u>Iwerner@northcoastengineering.com</u>







Attachment 5 Draft Resolution A

RESOLUTION NO. 16-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES AMENDING CONDITIONS OF APPROVAL OF PARCEL MAP PR 15-0058 (TRI-WEST DEVELOPMENT) "Option A"

WHEREAS, Vesting Tentative Parcel Map PR 15-0058, a subdivision of a 1.94 acre lot into four parcels, was approved by City Council Resolution No. 15-145 on December 1, 2015;and

WHEREAS, overhead power lines traverse the site from east to west; and

WHEREAS, in accordance with General Plan Land Use Element Policy, these lines were required to be relocated underground by Condition No. 9 of Resolution No. 15-145; and

WHEREAS, the overhead utilities can be relocated more cost efficiently in the context of larger projects; and

WHEREAS, modification of the conditions of approval to allow for Tri-West's participation in a City sponsored area-wide project would meet the objective of the Land Use Element of the General Plan.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

<u>SECTION 1.</u> That the City Council amend Condition No. 9 of City Council Resolution No. 15-145 as follows:

9. Prior to final map, the applicant shall post securities, as approved by the City Engineer, to participate in a City-sponsored area wide underground utility project. The overhead lines will temporarily remain in place and no new structures can be placed within 10 feet of the centerline of the pole line.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 21st day of June, 2016 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:

Steve W. Martin, Mayor

ATTEST:

Attachment 6 Draft Resolution B

RESOLUTION NO. 16-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES AMENDING CONDITIONS OF APPROVAL OF PARCEL MAP PR 15-0058 (TRI-WEST DEVELOPMENT) "Option B"

WHEREAS, Vesting Tentative Parcel Map PR 15-0058, a subdivision of a 1.94 acre lot into four parcels, was approved by City Council Resolution No. 15-145 on December 1, 2015; and

WHEREAS, overhead power lines traverse the site from east to west; and

WHEREAS, in accordance with General Plan Land Use Element Policy to maintain the City's image and identity, overhead utilities should be relocated underground; and

WHEREAS, as a matter of safety and prudence residential dwelling units should not be constructed beneath electrical power lines.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

<u>SECTION 1.</u> That the City Council upholds Condition No. 9 of City Council Resolution No. 15-145 and requires the applicant to relocate the existing overhead utilities in Parcel Map PR 15-0058 underground.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 21st day of June, 2016 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:

Steve W. Martin, Mayor

ATTEST:

Attachment 8 Draft Resolution C

RESOLUTION NO. 16-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES AMENDING CONDITIONS OF APPROVAL OF PARCEL MAP PR 15-0058 (TRI-WEST DEVELOPMENT) "Option C"

WHEREAS, Vesting Tentative Parcel Map PR 15-0058, a subdivision of a 1.94 acre lot into four parcels, was approved by City Council Resolution No. 15-145 on December 1, 2015; and

WHEREAS, overhead power lines traverse the site from east to west; and

WHEREAS, in accordance with General Plan Land Use Element Policy, these lines were required to be relocated underground by Condition No. 9 of Resolution No. 15-145; and

WHEREAS, in lieu of the cost of relocating the utilities underground, the applicant proposes to raise the height of the existing utilities and build beneath them; and

WHEREAS, as a matter of safety and prudence it is reasonable to relocate the utilities away from new construction; and

THEREFORE, BE IT RESOLVED AS FOLLOWS:

<u>SECTION 1.</u> That the City Council amend Condition No. 9 of City Council Resolution No. 15-145 as follows:

9. Prior to occupancy of any single-family residential building permit, the existing overhead utility line across the property shall be relocated overhead to the property frontage.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 21st day of June, 2016 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:

Steve W. Martin, Mayor

ATTEST:

Attachment 9 Draft Resolution D

RESOLUTION NO. 16-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES AMENDING CONDITIONS OF APPROVAL OF PARCEL MAP PR 15-0058 (TRI-WEST DEVELOPMENT) "Option D"

WHEREAS, Vesting Tentative Parcel Map PR 15-0058, a subdivision of a 1.94 acre lot into four parcels, was approved by City Council Resolution No. 15-145 on December 1, 2015; and

WHEREAS, overhead power lines traverse the site from east to west; and

WHEREAS, in accordance with General Plan Land Use Element Policy, these lines were required to be relocated underground by Condition No. 9 of Resolution No. 15-145; and

WHEREAS, in lieu of the cost of relocating the utilities underground, the applicant proposes to raise the height of the existing utilities and build beneath them; and

THEREFORE, BE IT RESOLVED AS FOLLOWS:

<u>SECTION 1.</u> That the City Council amend Condition No. 9 of City Council Resolution No. 15-145 to allow the applicant to relocate the existing overhead utilities to a higher elevation to allow development of the property below them.

9. Concurrent with final map, record a utility easement to ensure no new structures can be placed within 10 feet of the centerline of the pole line.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 21st day of June, 2016 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:

Steve W. Martin, Mayor

ATTEST: