



CITY OF
HAYWARD
HEART OF THE BAY

6

DATE: September 11, 2007

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Underground District No. 27 for Mission Boulevard from Calhoun Street to Overhill Drive: Resolution of Intention to Establish

RECOMMENDATION

That the City Council adopts the attached resolution declaring the intention to establish Underground District No. 27 for Mission Boulevard, from Calhoun Street to Overhill Drive, and sets September 25, 2007, for a public hearing on the proposed district.

BACKGROUND

For the past several years the City has been working on a program to underground all utilities along Mission Boulevard from the downtown to Industrial Parkway. The authority for the City to establish underground districts comes from the Improvement Act of 1911. In 1998, the City Council established Underground District No. 24 – Mission Boulevard from Overhill Drive south. The actual work was completed as part of the Measure B spot widening project at Mission Boulevard and Industrial Parkway.

In 2001, the City Council established Underground District No. 25 – Mission Boulevard from Sycamore Avenue to Harder Road. The actual work on this area was postponed to better coordinate with plans for the Route 238 Corridor Improvement Project.

In 2002, the City Council established Underground District No. 26 – Mission Boulevard from Harder Road to Calhoun Street. Pacific Gas & Electric Company (PG&E) managed this project and, after several delays, it is presently under construction and scheduled for completion in May 2008.

The funding of Underground Districts is made possible by what is referred to as Rule 20A money. PG&E is required to annually allocate funds to each city that has overhead wires. Allocation is based on a calculation method that takes into account the number of existing overhead distribution facilities. The other utility companies, such as Comcast and AT&T, do not have a similar allocation process, but they are required to budget for their costs associated with Rule 20A work. As reported during previous Capital Improvement Program (CIP) discussions, the City has identified all present and future Rule 20A allocations through 2009, to be for work on Mission Blvd. Because the City

owns its streetlights, it is also responsible for any new lighting costs. Since 1998, funding for streetlights has been allocated for each segment along Mission Boulevard within the Street Lighting Fund of the CIP, and this source has also been used to cover City coordination costs associated with undergrounding these districts. At this time, staff is recommending establishment of the next underground district in order to continue this program.

DISCUSSION

The next proposed segment, which will become Underground District No. 27 – Mission Boulevard, will extend from Calhoun Street to Overhill Drive. City Staff has worked with the affected utility companies to define the specific boundaries of Utility District No. 27, as shown on Exhibit A. As the design process with the utility companies proceeds, the estimated cost in terms of Rule 20A funds will be defined in more detail. At this time, PG&E reports \$4,550,000 available in unallocated Rule 20A funds.

Each property owner will be responsible for the construction of underground electrical, telephone, and cable TV facilities from the property line to the building service. Staff and utility companies' representatives will work with each property owner to ensure knowledge of this requirement. Costs for individual residential service conversion will vary, depending on the circumstances involved, ranging from \$2,000 to \$4,000. Commercial building service conversions could range from \$3,000 to \$6,000. The proposed district includes 86 properties: 57 residential, 24 commercial, and five vacant lots or transmission line easements.

In all previous conversion projects, property owners paid the cost of undergrounding any and all service runs to their properties or for converting individual services to underground service. In consideration of past practices and in order to avoid a potentially costly precedent, it is recommended that the City continue the practice of not paying for individual or commercial service conversions. After adoption of the Resolution of Intention, individual notices will be mailed to affected property owners informing them of the public hearing on September 25, 2007.

In order to best coordinate undergrounding with the City plans for the Route 238 Corridor, the City will assume the role of lead agency, prepare the composite plans for the undergrounding work, and administer the eventual construction contract. Later this fall, Council is scheduled to certify the environmental document and approve the Route 238 Corridor Improvement project. Assuming Council's certification and project approval, design and construction of this utility undergrounding project along with the segment from Sycamore Avenue to Harder Road (Underground District No. 25) will be included in the design of Route 238 Corridor Improvement Project. Streetlighting improvements on Mission Boulevard will also be included in these projects. It makes sense to combine both undergrounding districts with the larger improvement project, since each project involves improvements to Mission Boulevard that should take place at the same time in order to minimize disruption to the public.

FISCAL IMPACT

As indicated above, cost estimates for the project will be determined after project design, and, approximately, \$4,550,000 in Rule 20A funds is available. Project Number 5148 in the CIP, Mission Boulevard Undergrounding Phase III Streetlighting – Calhoun to Overhill, has an appropriation of \$60,000 in 2007-08 to cover City staff costs.

SCHEDULE

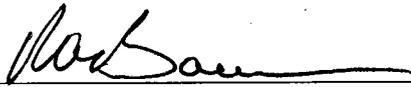
Public hearing on district boundary	September 25, 2007
Begin design	November 2007
Conversion of overhead to underground system	June 2010
Removal of all poles and overhead wires	December 2011

Prepared by:



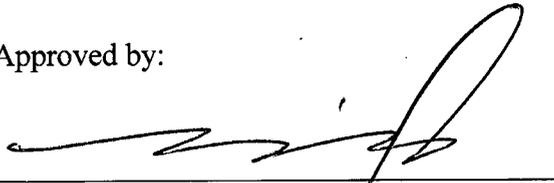
Morad Fakhrai, Deputy Director of Public Works/Engineering

Recommended by:



Robert A. Bauman, Director of Public Works

Approved by:



Fran David, Acting City Manager

Attachment: Exhibit A: Underground District No. 27 Boundary Map

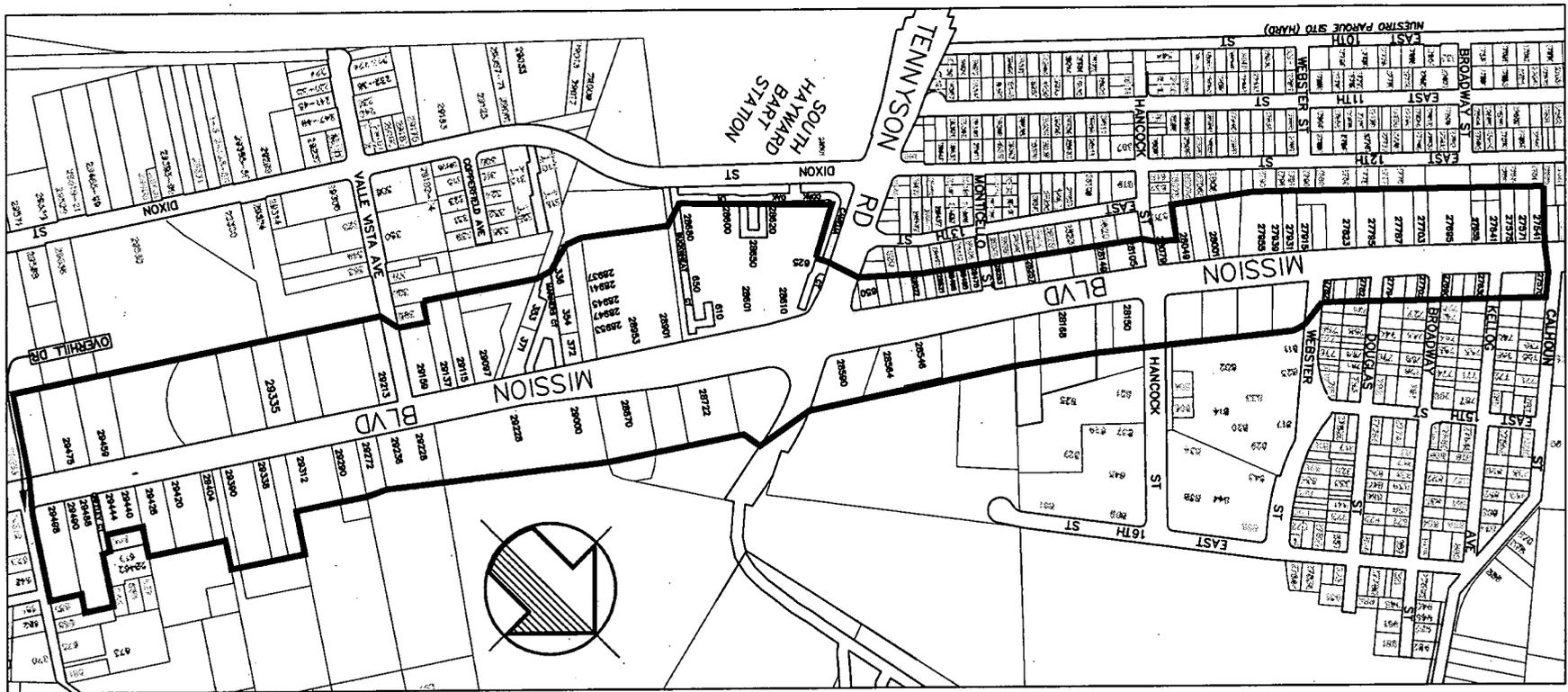


Exhibit A

LEGEND

————— UNDERGROUNDING DISTRICT BOUNDARY

SCALE: 1"=600'

**UNDERGROUNDING
DISTRICT NO. 27 (PROJECT NO. 5148)
MISSION BLVD: CALHOUN ST TO OVERHILL DR**

CITY OF HAYWARD - MAY 2007

DRAFT

NOT
9/4/07

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

Introduced by Council Member _____

**RESOLUTION OF INTENTION TO ESTABLISH
UNDERGROUND DISTRICT NO. 27 FOR MISSION
BOULEVARD FROM CALHOUN STREET TO OVERHILL
DRIVE AND SETTING A TIME AND PLACE FOR THE
PUBLIC HEARING**

WHEREAS, it has been recommended to the City Council of the City of Hayward by the Public Works Department that an underground wiring district be established for Mission Boulevard from Calhoun Street to Overhill Drive in Hayward, California, more particularly described as follows:

**UNDERGROUND DISTRICT NO. 27
MISSION BOULEVARD: CALHOUN STREET TO OVERHILL DRIVE**

The underground wiring system proposed and connection to be made to the same shall be completed in June 2010. The removal of all poles and overhead wires shall be completed by December 2011. These dates may be postponed by the City upon notification to the affected property owners; and

WHEREAS, the area proposed to be included in the district is shown on that certain map entitled "Undergrounding District No. 27 (Project No. 5148)," dated May 2007; and

WHEREAS, the project is categorically exempt under the "Minor Alteration of Existing Investor and Publicly-owned Utilities" section of the California Environmental Quality Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that, pursuant to the authority of Chapter 11, Article 4 of the Hayward Municipal Code, the Council intends to consider the establishment of Underground District No. 276 and that a public hearing shall be held in the Council Chambers, City Hall, 777 "B" Street, 2nd Floor, Hayward, California, on Tuesday, September 25, 2007, at the hour of 8:00 p.m., at which time and place the Council shall afford interested persons an opportunity to be heard prior to its taking any action in connection with the establishment of Underground District No. 27 as described in this resolution of intention. The Public Works Department of the City of Hayward, telephone number (510) 583-4762, is hereby designated as the department to answer any inquiries regarding the hearing proceedings.

BE IT FURTHER RESOLVED that the City Clerk shall cause a copy of this resolution of intention to be published once in The Daily Review, a newspaper of general circulation, published and circulated in the City of Hayward, to be completed at least 10 days prior to the date for said hearing; that the City Clerk shall also notify all affected property owners as shown on the last equalized assessment roll and the concerned utilities of the time and place of such hearing by mailing a copy of this resolution of intention to such property owners and concerned utilities at least 15 days prior to the date thereof.

BE IT FURTHER RESOLVED that the Director of Public Works shall cause the conspicuous posting along the line of the contemplated work, at no more than 300 feet apart, notices of the intended passage and the contents of this resolution. All postings shall be fully completed at least 10 days before the date set for the public hearing.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward