

DATE: September 23, 2008

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Underground District No. 28 for Watkins Street from Fletcher Lane to D Street:
Adoption of a Resolution and Ordinance to Establish

RECOMMENDATION

That Council adopts a resolution ordering establishment of Underground District No. 28 for Watkins Street from Fletcher Lane to D Street and introduces the attached ordinance relating to the establishment of Underground District No. 28.

BACKGROUND

At its meeting of July 29, 2008, Council adopted a Resolution of Intention to consider the establishment of Underground District No. 28 for Watkins Street, from Fletcher Lane to D Street, as shown on the attached map (see Exhibit A) and set a hearing date for September 23, 2008. It is now appropriate for Council to conduct the public hearing on the establishment of this district. On September 5, 2008, staff mailed a notice of this meeting to all affected property owners. On September 10, 2008, notices were also sent to all affected utility companies.

The Improvement Act of 1911 granted the City the authority to establish underground districts. As a result, over the years, the City has established various districts based on City priorities and most recently has been working on a program to underground all utilities along Mission Boulevard from downtown to Industrial Parkway. The timeline of prior improvements along Mission Boulevard is as follows:

- 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 in 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, PG&E has completed their undergrounding work;

however, undergrounding work pertaining to AT&T and Comcast is presently under construction and scheduled for completion in August 2008.

- In 2007, the City Council established Underground District No. 27 - Mission Boulevard from Calhoun Street to Overhill Drive. The City will be the lead agency for this project.

The funding of underground districts is made possible through Rule 20A funds. PG&E is required to annually allocate such 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 and Hayward's allocation has been approximately \$845,000 per year. 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 noted in the City approved Capital Improvement Program FY09-FY13, all present and future Rule 20A funding through 2012 will be used for work on Mission Boulevard. Watkins Street from Fletcher Lane to D Street falls within the general scope of the Route 238 Corridor Improvement Project. With the exception of Watkins Street, all utilities within the Route 238 Corridor are already underground or will be underground by the time of project construction. Therefore, staff proposes to include the undergrounding of utilities on Watkins Street as part of the Route 238 Corridor Improvement Project. In order to underground this section of Watkins Street and pay for it with Rule 20A funds, it is necessary for Council to establish an Underground District No. 28 for Watkins Street from Fletcher Lane to D Street.

DISCUSSION

Staff has worked with the affected utility companies to define the specific boundaries for the underground district, as shown on Exhibit A. As the design process with the utility companies proceeds, the estimated project cost will be defined in more detail. At this time, PG&E reports that the City has \$4,550,000 available in unallocated Rule 20A funds, which represents over 5 years of accumulated allocations. However, that amount plus the next three year's allocation (through 2012) will be reserved for Mission Boulevard. A rough estimate for this new district is that it will require allocating another year of our Rule 20A funds through 2013.

Each property owner will be responsible for undergrounding their own electrical, telephone, and cable-television facilities from the property line to the building service. Staff and representatives from the included utility companies will work with each property owner to ensure knowledge of this requirement. Costs for individual residential service conversion will range from \$2,000 to \$4,000, depending on the circumstances involved. Commercial building service conversions could range from \$3,000 to \$6,000. The proposed district includes 17 properties: 12 residential and 5 commercial. In all previous conversion projects, property owners paid the cost of undergrounding any and all service runs to their properties. 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.

In order to best coordinate this undergrounding project with the Route 238 Corridor Improvement Project, the City will assume the role of lead agency, prepare the composite plans for the undergrounding work, and administer the eventual construction contract.

PUBLIC CONTACT

Notices were mailed to all affected property owners, as well as all utility companies impacted, regarding the public hearing. The notices included staff point of contact for any questions.

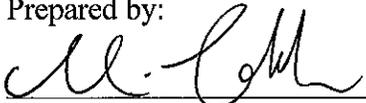
FISCAL IMPACT

As indicated above, costs for this project will be covered under the design and construction of the Route 238 Corridor Improvement project and through reimbursement from Rule 20A funds. A project cost estimate will be determined after the design. Staff does not anticipate any new General Fund expenditures, as a result of this project.

SCHEDULE

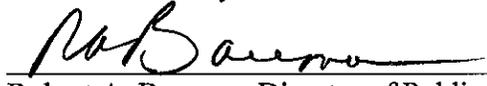
Public hearing on district boundary	September 23, 2008
Begin construction	May 10, 2010
Property owners to connect	March 30, 2011

Prepared by:



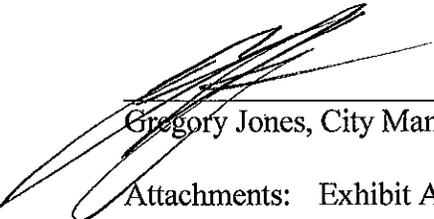
Morad Fakhrai, Deputy Dir. of Public Works

Recommended by:



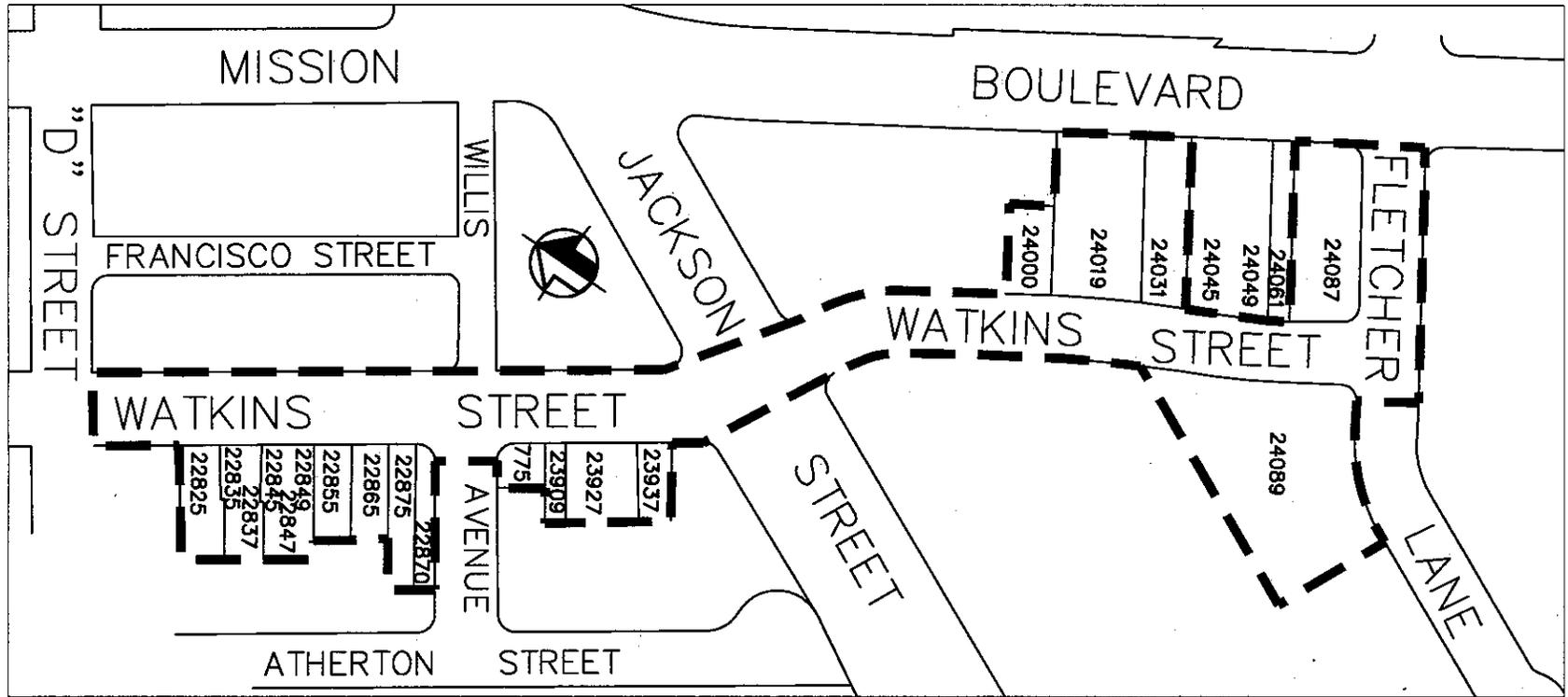
Robert A. Bauman, Director of Public Works

Approved by:



Gregory Jones, City Manager

Attachments: Exhibit A - Underground District Boundary Map



LEGEND

 UNDERGROUNDING DISTRICT BOUNDARY

SCALE: 1"=200'

**UNDERGROUNDING
DISTRICT NO. 28 (PROJECT NO. 5117)
WATKINS STREET: "D" STREET TO FLETCHER LANE**

DRAFT

N# 9/18/08

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

RESOLUTION ORDERING ESTABLISHMENT OF
UNDERGROUND DISTRICT NO. 28 FOR WATKINS
STREET FROM FLETCHER LANE TO D STREET

WHEREAS, by Resolution No. 08-121 dated July 29, 2008, the City Council declared its intention to establish an underground wiring district for Watkins Street from Fletcher Lane to D Street; and

WHEREAS, September 23, 2008, at the hour of 8:00 p.m., in the Council Chambers, City Hall, 777 B Street, Hayward, California, was fixed as the time and place for hearing protests to the proposed underground wiring district; and

WHEREAS, a copy of the resolution of intention was published, posted, and mailed as directed; and

WHEREAS, the City Council of the City of Hayward hereby finds and determines that the streets are used extensively by the general public and carry a heavy volume of pedestrian or vehicular traffic, and therefore the public peace, safety, comfort, convenience, interest, and welfare require the establishment of the underground wiring district.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby orders the establishment of an underground wiring district for certain portions of Watkins Street, as follows:

UNDERGROUND DISTRICT NO. 28. Watkins Street from
Fletcher Lane to D Street

as indicated on those certain maps entitled:

UNDERGROUNDING DISTRICT NO. 28
BOUNDARY MAP

The maps delineating the boundaries of said district are attached hereto as Exhibit "A" and incorporated herein as if set forth in full.

BE IT FURTHER RESOLVED that the following exceptions in Underground Utility District No. 28 are hereby authorized:

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

DRAFT

NH
9/18/08

ORDINANCE NO. 08-

AN ORDINANCE AMENDING ARTICLE 4, CHAPTER 11
OF THE HAYWARD MUNICIPAL CODE BY ADDING
SECTION 11-4.28 THERETO RELATING TO
UNDERGROUND DISTRICT NO. 28

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS
FOLLOWS:

Section 1. Article 4, Chapter 11 of the Hayward Municipal Code is hereby amended by adding thereto Section 11-4.28, to read in full as follows:

"SEC. 11-4.28 UNDERGROUND DISTRICT NO. 28. The following described area in the City of Hayward is hereby designated as an underground district, to-wit:

Watkins Street from Fletcher Lane to D Street

The following exceptions apply to this District:

- (a) Any municipal facilities or equipment installed under the supervision and to the satisfaction of the City Engineer.
- (b) 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.
- (c) Antennae, associated equipment and supporting structures, used by a utility for furnishing communication service.
- (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.

The underground system hereby approved and the connection to be made to the system shall be completed by March 30, 2011, and the removal of all poles and overhead wires shall be completed by December 2013. These dates may be moved up or postponed by the City upon notification to the affected property owners.

Section 2. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the 23th day of September, 2008, by Council Member_____.

ADOPTED at a regular meeting of the City Council of the City of Hayward held the ____ day of _____, 2008, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward