

**STATUS REPORT ON THE CITY’S UTILITY UNDERGROUNDING PROGRAM**

**RECOMMENDATION:** Accept the status report on the current utility undergrounding efforts.

**FISCAL IMPACT:** The City Council has committed \$33 million toward undergrounding utilities Citywide. To date, the following areas have submitted petitions for an underground assessment district, or in the case of the Silver Strand Council direction provided:

Area	Expended to Date	Scoping Level Cost Estimate*	Estimated City Cost
First Street	\$12,500	\$8.6 million**	\$4.3 million
Silver Strand	\$95,500	\$9.0 million	\$9.0 million
J Avenue/Alameda from Sixth to Tenth	Staff time only	\$4.8 million	\$2.4 million
Adella/Coronado Beach Resort	Staff time only	\$1.5 million	\$0.75 million
Adella/Maria/Ynez	Staff time only	\$2.8 million	\$1.4 million
Total	\$108,000	\$26.7 million	\$17.85 million

\*Estimated cost is for the total cost of the conversion; City costs will be reduced based on the 50-50 split for assessment districts.

\*\*Estimate based on preliminary assessment from Harris and Associates; all other costs estimates are based on unit cost estimates developed in the master plan and will be further refined with more detailed estimates and assessment engineering.

**CITY COUNCIL AUTHORITY:** This is an informational status report.

**PUBLIC NOTICE:** None.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT:** A status report is not a project as defined by CEQA and therefore no environmental review is required at this time; however, environmental review will be performed prior to implementation of any undergrounding project.

**BACKGROUND:** As an incentive to advance the undergrounding of utilities, the City offered on a first come, first served basis to provide a 50-50 match for neighborhoods to form underground conversion assessment districts. Interested property owners were given six months to submit a petition to form an assessment district. Letters were mailed to all property owners in the City on July 26, 2019; accounting for mail delivery time, the submittal period will end February 1, 2020. Funds not utilized by neighborhood assessment districts are to go toward undergrounding utilities based on the priorities identified in the Utility Undergrounding Master Plan.

**ANALYSIS:** The following provides the status of current efforts to underground utilities throughout the City:

First Street Assessment District: Residents of First Street have submitted a valid petition to initiate an assessment district on First Street from D Avenue to Alameda Avenue. A preliminary cost estimate of \$8.6 million was developed for the undergrounding (2021 dollars). Harris and

Associates was retained to develop a methodology for developing individual assessments; a draft of the recommended assessments was prepared and is under review.

Silver Strand Conversion District: The City Council directed SDG&E to proceed with the design of a 20B project to underground the remaining overhead wires along the Strand for \$95,600. A job walk was held with representatives from SDG&E, AT&T, Spectrum, and Cox on November 13, 2019, and all the represented companies have some overhead facilities that will need to be undergrounded. The following concerns were identified:

- Ownership of the underlying land and what type of agreement will be required to underground the lines.
- Environmental Assessment – No environmental assessment has been conducted; there may be sensitive species and cultural resources.
- Four poles outside the Navy Housing perimeter wall serve facilities inside the Navy Housing/Yacht Club and either need to have underground connections or remain in place (see attachment – Poles 1-4).
- There is one pole outside the side fence line that serves the State Beach facility (see attachment – Pole 5).
- There is one street light within the district (see attachment – Street Light).

Alameda/J Avenue Assessment District: Property owners that live between Alameda Boulevard and J Avenue submitted a petition to underground the utilities in the alley between Sixth Street and Tenth Street. Upon initial review of the petition, it appears this is a valid district. Note: Multiple property owners within this district have expressed displeasure with SDG&E’s requirement that the overhead utilities currently located in the J Avenue/Alameda Boulevard alley be relocated to Alameda Boulevard and J Avenue for the undergrounding effort.

Adella/Coronado Beach Resort Conversion District: The City Council directed staff to negotiate with property owners, including the Coronado Beach Resort and other property owners along the southwest end of Adella/Ynez, to share in the cost of undergrounding utilities in this small area. This is a high-impact, mixed-use area of the City, where the remaining overhead lines form a utility “cul-de-sac.” Requiring the larger undergrounding assessment district would be impractical, as the utilities feeding this end run originate from the El Cordova alley.

Adella/Maria/Ynez Assessment District: Subsequent to the Council action regarding the Adella/Coronado Beach Resort conversion, property owners along Adella Avenue (Pomona to Orange); Maria (Adella to Pomona); and Ynez (Adella to Glorietta) submitted a petition for an undergrounding assessment district. This petition is under review to determine if it qualifies. Note that a portion of the petition overlaps with the Adella/Coronado Beach Resort district (see above), but is not “electrically” connected to that district.

Submitted by Public Services & Engineering/Walton  
Attachment 1: Overhead Utility Pictures

\$9.0

CM	AS	CA	CC	CD	CE	F	L	P	PSE	RGS
<b>BK</b>	JK	JNC	JE	RG	EW	NA	NA	NA	CMM	NA