



# TOWN OF FAIRFAX

## STAFF REPORT

### July 17, 2019

**TO:** Mayor and Town Council

**FROM:** Garrett Toy, Town Manager *GT*

**SUBJECT:** Adopt a Resolution Establishing Bank St. Underground Utility District No. 7 Located Along Elsie/Bank Street from Bolinas Road to Mono Avenue and Along Mono Avenue from Bank Street to Bolinas Road

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#### **RECOMMENDATION**

- 1) Conduct Public Hearing
- 2) Adopt a Resolution establishing Bank St. Underground Utility District No.7

#### **DISCUSSION**

Each year the Town of Fairfax is notified by PG&E regarding the allocation of Rule20A work credits for conversion of overhead electric distribution lines and facilities to underground. The Town has accrued approximately \$647,000 in Rule20A for potential projects. The last district formed was Utility Underground District No.6 in 2001. It normally takes quite a while, (e.g., 20 years) for a community the size of Fairfax to accumulate enough funds for an undergrounding project because of the high cost of construction (upwards of \$1,000/linear ft.). Communities are also allowed to borrow future work credits from PG&E for a maximum of five years.

On April 25, 2019, the California Public Utilities Commission (CPUC) recently denied a PG&E request to allow the City of Live Oak to borrow beyond the 5-year limit for their Rule20A project. Instead, the CPUC ordered PG&E to reallocate a portion of unused work credits from communities that have not participated in the Rule20A program over the past eight years. Fairfax has been identified as one of the 92 communities statewide that does not have an active underground district.

In order to prevent the transfer of work credits, communities can become active in the Rule20A program by forming an underground district by July 25, 2019. The proposed resolution creates "Bank St. Underground Utility District No. 7" which runs along Bank St., Elise Lane, and Mono Ave. and is bounded by Bolinas Rd. and Broadway (see attached map). While the formation of a new underground district creates an active Rule20A program and, thus, protects the Town's Rule20A funds, there is no time frame or work schedule for the design or construction of the project.

#### **FISCAL IMPACT**

The Rule 20A reallocation amount is approximately 0.5% (\$3,300) of our accrued balance of \$647,000. However, the final amount will change depending on the final number of communities that are considered inactive by the deadline.

#### **ATTACHMENT**

Resolution with map

**RESOLUTION 19-\_\_**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX  
ESTABLISHING BANK ST. UNDERGROUND UTILITY DISTRICT NO.7**

**WHEREAS**, the California Public Utilities Commission (CPUC) has authorized electric and telecommunication utilities to convert overhead utility lines and facilities to underground pursuant to Electric Rule 20 and Telecommunication Rule 32; and

**WHEREAS**, pursuant to certain criteria, CPUC rules allow participating cities and counties to establish legislation authorizing the creation of underground utility districts within which existing overhead electric distribution and telecommunication distribution and service facilities will be converted to underground; and

**WHEREAS**, the Town of Fairfax, has adopted an ordinance authorizing the Town Council to designate areas within which all existing overhead poles, overhead wires and overhead equipment associated with the distribution of electric power, telecommunication services and cable television should be removed and replaced with underground wires and facilities; and

**WHEREAS**, the Director of Public Works for the Town of Fairfax has consulted with the affected public utilities and such utilities have agreed that the proposed underground conversion district, designated the Bank St. Underground Utility District No. 7 and more particularly described in Exhibit 1 attached hereto and incorporated herein by reference, meets the criteria established by the rules of the CPUC, to wit,

that such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities, and

that the street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic, and

that the street or road or right-of-way adjoins or passes through a civic area; and

**WHEREAS**, each year the Town of Fairfax is notified by PG&E regarding the allocation of work credits for conversion of overhead electric distribution lines and facilities to underground, known as Rule 20A allocations; and

**WHEREAS**, the Town of Fairfax and the affected utilities have agreed that each utility shall complete the engineering of their respective portion of the Bank St. Underground Utility District No. 7 Overhead to Underground Utility Conversion Project; and

**WHEREAS**, the Town of Fairfax and the affected utilities have agreed that PG&E shall be responsible for preparation of the trench profile and composite drawings and that PG&E shall be designated as "trench lead" to manage trenching, installation of substructures, and pavement restoration and such other work; and

**WHEREAS**, the Town of Fairfax and the affected utilities have agreed to coordinate a future work schedule which meets their respective capabilities and further agreed to waive any administrative fees, costs or special street restoration requirements for purposes of this project; and

**WHEREAS**, to the extent required, the Town of Fairfax will provide easements or rights of way on private property as may be necessary for installation of utility facilities in a form satisfactory to the affected utilities; and

**WHEREAS**, the Town Council of the Town of Fairfax has received a report from the Director of Public Works recommending that the area identified in Exhibit 1 should be designated as an underground utility district within which all existing overhead poles, overhead wires and overhead equipment associated with the distribution of electric power, telecommunication services and cable television should be removed and replaced with underground wires and facilities; and

**WHEREAS**, upon the recommendation of the Director of Public Works, the Town Council of the Town of Fairfax has determined that the proposed Bank St. Underground Utility District No. 7 is categorically exempt from environmental review pursuant to the California Environmental Quality Act; and

**WHEREAS**, the Town of Fairfax has notified all affected property owners within the proposed Bank St. Underground Utility District No. 7 and inviting same to attend a public hearing to discuss formation of the proposed district; and

**WHEREAS**, the Town Council of the Town of Fairfax held public hearings at which time the Council did receive and consider the staff recommendation and did hear any and all objections or protests that were raised by the owners of property within the above described district pertaining to designating this area an underground utility district;

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, by the Town Council of the Town of Fairfax that:

Section 1. The public interest requires the removal of all existing utility poles [excepting those poles supporting streetlights, traffic signals or trolley lines], overhead wires and associated overhead structures and installation of underground wires and facilities for supplying electric power, communication, or similar associated services within the areas as shown in Exhibit 1, attached hereto, with such area being designated as the Bank St. Underground Utility District No. 7; and

Section 2. The Town will coordinate the installation of the underground facility with the utility companies, cable television services and other affected services in Bank St. Underground Utility District No. 7 and that as each phase of the project is complete and ready for conversion from overhead to underground utility facilities, all fronting property

owners shall be notified by first class letter, postage pre-paid, of the schedule for conversion of all utility service lines; and

Section 3. The electric utility shall use the underground conversion allocation computed pursuant to decisions of the California Public Utilities Commission for the purpose of providing to each premises requiring it in Bank St. Underground Utility District No. 7 a maximum of one hundred feet of individual electric service trenching and conductor (as well as backfill, paving and conduit, if required) and each other serving utility shall provide service trenching and conductor in accordance with its rules and tariffs on file with the California Public Utilities Commission or as required by its Franchise Agreement with the Town of Fairfax; and

Section 4. The electric utility shall use said underground conversion allowance allocation, up to a maximum amount of \$1500 per service entrance excluding permit fees, for the conversion of electric service panels to accept underground service in the Bank St. Underground Utility District No.7, and each property owner/the Town of Fairfax shall be financially responsible for any and all costs not covered by the electric utility for the installation and maintenance of the conduit and termination box located on, under or within any structure on the premises served, and

Section 5. That upon notification as specified in Section 2, all property owners in Bank St. Underground Utility District No.7 shall have underground electrical entrance facilities installed and inspected pursuant to the Town of Fairfax Electrical Code within sixty (60) days and that should any property owner fail to install satisfactory underground electrical entrance facilities by the date specified in the notice, the electric utility shall notify the Director of Public Works who shall, within thirty (30) days direct the electric utility in writing to discontinue electrical service to the property, without recourse, pursuant to Rule 11 until electrical entrance facilities are ready to accept underground electrical conductors and have passed the necessary inspection requirements; and

Section 6. That once all services have been converted from overhead to underground, the utility companies, cable television services and other affected services shall remove all poles (except as specified above) and associated overhead facilities in Bank St. Underground Utility District No. 7.

The foregoing resolution was adopted by the Town Council of the Town of Fairfax on the 17<sup>th</sup> day of July 2019 by the following votes:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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BARBARA COLER, Mayor

ATTEST:

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Michele Gardner, Town Clerk

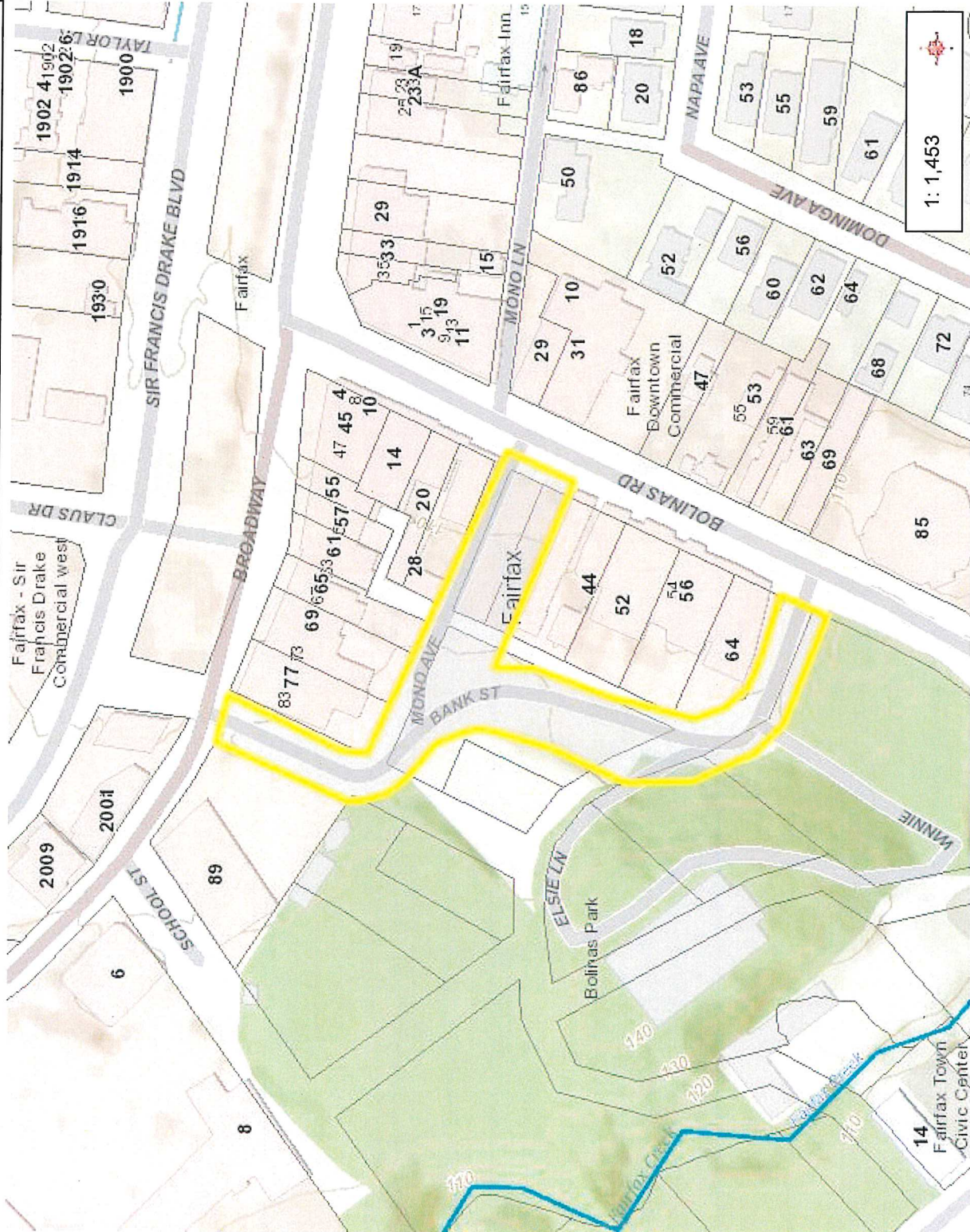
# Underground Utility District No. 7.



**Legend**

- Parcel Note
  - ◻ easement
  - ◻ centerline
- Address
  - ◻ Parcel
  - ◻ Condominium Common Area
  - ◻ Mobile Home Pad
  - ◻ City
  - ◻ Community
  - ◻ Marin County Legal Boundary
  - ◻ Other Bay Area County
  - ◻ Stream - Perennial (NHD)

**Notes**



1: 1,453

This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.  
 THIS MAP IS NOT TO BE USED FOR NAVIGATION



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