



ACTION CALENDAR

July 14, 2015

To: Honorable Mayor and Members of the City Council

From: Public Works Commission, Transportation Commission, and Disaster and Fire Safety Commission

Submitted by: Margo Schueler, Chair, Public Works Commission  
Sofia Zander, Chair, Transportation Commission  
Bob Flasher, Chair, Disaster and Fire Safety Commission

Subject: City Council Referral to Develop a Comprehensive Plan for the Funding of the Undergrounding of Utility Wires on All Major and Collector Streets in Berkeley

RECOMMENDATION

1. Approve a work plan, as attached hereto, to develop a comprehensive plan (the “Undergrounding Plan”) for the funding of the undergrounding of utility wires for all streets in Berkeley. The Undergrounding Plan would be developed in coordination with the City’s existing related plans and activities, including the City’s Resiliency Program.
2. Establish a Utility Undergrounding Special Commission consisting of the Public Works Commission, Transportation Commission, the Disaster and Fire Safety Commission representatives, and subject matter experts as needed to oversee the preparation of the Undergrounding Plan. The Special Commission shall be a manageable size and composed similar to the commission that developed the downtown Street and Open Space Improvement Plan.

FISCAL IMPACTS OF RECOMMENDATION

Implementation of the work plan will require staff resources. It may also require consultant services to prepare the economic and funding analysis for the Undergrounding Plan. The amount is not yet determined.

CITY POLICY

Berkeley has established policies that prioritize public safety and seek to create a ready, resilient and responsive community, and an infrastructure that responds to this policy objective. In addition, the City has recently funded and begun rebuilding its decayed streets and is experimenting with using green and adaptive infrastructure.

CURRENT SITUATION AND ITS EFFECTS

Many types of disasters can affect Berkeley and can occur in different parts of the City. These can include an earthquake, wildland-urban interface fire, gas line rupture,

flooding, a railroad derailment carrying flammable crude oil, tsunamis, and other catastrophes. Above ground, aerial utility wires and equipment represent a significant risk to the community. When severed, they can cause fires and interrupt the access of emergency vehicles. Christchurch, New Zealand demonstrated the significant risk a city and its residents face with reliance on aerial utility infrastructure.

In addition, there are significant co-benefits from undergrounding utility facilities including better utility reliability, improved aesthetics and the opportunity to create appropriate street lighting. All these co-benefits work to increase public safety and the city's resilience.

There are approximately 21 miles of major roadways, 37 miles of collectors, and 157 miles of residential streets in the City. Some of the streets, in particular the major streets, have already been undergrounded. There are many more streets that need to be done. At the Public Works Commission (PWC) meetings in early 2015, citizens have attended and expressed their desire for the City to develop a long term funding plan and to consider a city-wide approach to undergrounding. Reference was made to the City of San Diego that has a CPUC approved city-wide undergrounding program.

### **Commission Actions**

Public Works: on June 4, 2015 the PW Commission adopted the following motion: Approve forwarding of the Council Report to the City Council. (M/S: Henry/Elgstrand; Ayes: Yep, Roland, Henry, Schueler, Kelley, Elgstrans; Noes: None; Abstain: None; Absent: Swift, Neal)

Transportation: on May 21, 2015 the Commission adopted the following motion: Approve the draft Council report and work plan with the following modifications: 1) In the background section of the report, there should be links to information about Rule 20A, 20B, and 20C; 2) The last sentence of the first bullet under Phase 1 of the work plan should end with "and assure that equity issues are addressed as a project goal."; 3) The second bullet under Phase 1 of the work plan should refer to Rule 20B as well as Rule 20A. (M/S: Bruzzone/Ghosh; Ayes: Bruzzone, Ghosh, Lathbury, Thomas, Zander; Noes: None; Abstain: None; Absent: none)

Disaster and Fire Safety: on May 27, 2015 the DFC Commission adopted the following motion: Recommend to the City Council the report entitled "City Council Referral to Develop a Comprehensive Plan for the Funding of the Undergrounding of Utility Wires on All Major and Collector Streets in Berkeley" as amended by the Transportation Commission meeting of May 21, 2015. (M/S: Jones/Degenkolb; Ayes: Flasher, Degenkolb, Zummo, Goldstein, Jones, Legg, Grimes, Smukler; Noes: none; Absent: none; Abstain: none)

### **BACKGROUND**

The CPUC, in 1967, established Tariff Rule 20 for the conversion of overhead utility lines to underground. There are three levels of funding for electric lines, as follows:

- Rule 20A – ratepayers pay 100%
- Rule 20B – ratepayers pay about 20%; applicants pay about 80%
- Rule 20C – applicant pays 100%

For further information on Rule 20, please see “Summary of Undergrounding Program” in the following link: <http://www.cpuc.ca.gov/PUC/energy/consumers/>

Currently, Rule 20A funding for undergrounding utilities is not available and it will be about 5 years before it will be available from the California Public Utilities Commission (CPUC). The City places a priority on its ability to prepare for and recover from a natural disaster and has reviewed the role undergrounding utilities could have on enhancing the reliability of emergency access routes and reducing the hazards of fallen power lines. The issue has been addressed in the City’s Hazard Mitigation Plan and the General Plan and is being considered in its Resiliency Program.

The City has been struggling for some years to establish guidelines for using the meager 20A rate payer public funds in a way that provides the greatest public benefit. The following is a chronology of previous actions:

- December 2000 – City Council requested the PWC to establish priority streets and procedures for the use of Rule 20A monies.
- November 2007 – the PWC reaffirmed that major streets are the primary emergency evacuation routes and are the priorities for undergrounding.
- May 2008 – City Council held a worksession on Rule 20A utility undergrounding projects. Council requested the PWC to work with staff to develop a multi-year program to address the recommended list of streets in priority order.
- March 2009 – The PWC recommended to City Council policies for the use of Rule 20A monies and a five-year plan for undergrounding in Berkeley.

Since 2000, about \$9.91 million of Rule 20A and \$2.34 million of 20B funds have been spent or committed through 2014 on utility undergrounding.

#### RATIONALE FOR RECOMMENDATION

The proposed city-wide approach to the Undergrounding Plan is based on community input at PWC meetings and upon giving the Council referral more thought. The Undergrounding Plan will include an evaluation of major roadways and collectors, which provide for emergency access during a natural disaster. It will also include an evaluation of residential streets. The city-wide approach will provide for more comprehensive planning.

Forming a Special Commission will help with the logistics of the three commissions and will expedite the overall schedule. The Council can review the need for the Special Commission on an annual basis or cancel it when the Undergrounding Plan is completed.

CITY MANAGER

See companion report.

CONTACT PERSON

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Attachments:

1: Work Plan for funding of undergrounding utility wires on a city-wide basis in Berkeley

## **WORK PLAN**

### **Prepare a comprehensive plan for the funding of undergrounding utility wires on a city-wide basis in Berkeley**

#### **OBJECTIVE**

The objective of this work plan is to prepare a comprehensive approach to the organizing, planning, and implementation of an Undergrounding Plan for Berkeley.

#### **PARTICIPANTS**

The participants in preparing the plan shall include:

- A Special Commission of representatives from the Public Works Commission, Transportation Commission, and Disaster and Fire Safety Commission
- Staff in the Public Works Department, Finance Department, and Fire Department
- Community input
- Consultant resources, as needed, to assist with financial, economic, and funding analysis
- City Council direction and oversight

#### **PHASED PROGRAM APPROACH**

##### Phase 1 – Program Development

Phase 1 will develop an overall approach to the undergrounding program. The activities shall include:

- Establish project goals – focus on public safety and coordination with the city's on-going street, sidewalk and pedestrian improvement programs. Ensure equity across the City and coordinate among the various City infrastructure projects.
- Develop baseline information – summarize Berkeley's status on undergrounding of utilities and estimate Rule 20A and 20B funding
- Review relevant programs – summarize the status of CPUC programs, the City of San Diego's program, Berkeley's resiliency program and other relevant programs
- Gather public input – hold public meetings and other methods for the public to provide input
- Establish priorities – review the priorities for major roadways, collectors, and residential streets
- Prepare preliminary cost estimate – prepare a preliminary cost estimate based on cost/mile of streets.
- Prepare scope of work – prepare a detailed work scope to prepare the comprehensive Undergrounding Plan. The work scope shall identify the effort by consultants and staff resources.
- Prepare program plan – prepare an overall plan of objectives, work activities, performance measures, and reporting schedules
- Coordinate with City Council – provide updates to Council as needed

##### Phase 2 – Prepare Comprehensive Funding Plan

## Attachment 1: Work Plan for funding undergrounding utility wires on a city-wide basis

Phase 2 will prepare the comprehensive plan for funding the undergrounding of utility wires. The activities shall include:

- Forecast availability of Rule 20A funds and consideration of 20B expenditures.
- Determine alternatives for funding, including: a) using the City's long term bonding capacity to create underground conduit capacity and then require utilities lease space in it, b) increasing franchise fee surcharges as done by the City of San Diego, c) other options
- Develop the implementation priorities on major roadways, collectors, and residential streets
- Prepare a report with recommendations

### Phase 3 – Program Implementation

Phase 3 will implement the recommendations.

### **ESTIMATED SCHEDULE**

The following are estimated durations for each phase of the work (total of Phase 1 and 2 will be 24 months). Additional time may be required for agendaizing for City Council review and for procurement of consultant(s).

- Phase 1 – 9 months
- Phase 2 – 15 months
- Phase 3 – to be determined