

Brian M. Balbas, Director **Deputy Directors** Stephen Kowalewski, Chief Allison Knapp

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# Memo

DATE:

August 2, 2021

TO:

Transportation, Water, and Infrastructure Committee

Supervisor Candace Anderson, District II, Chair Supervisor Diane Burgis, District III, Vice Chair MEN BURD

FROM:

Brian M. Balbas, Public Works Director

**SUBJECT:** 

Contra Costa County Rule 20A Underground Utility Program

#### Recommendation

APPROVE the selection of the Appian Way Undergrounding Project as the next project for the Contra Costa County Rule 20A Underground Utility Program, and AUTHORIZE the Director of Public Works, on behalf of the County, to initiate technical field reviews with utility-related members of the Underground Utility Advisory Committee (UUAC), including Pacific Gas and Electric Company (PG&E), AT&T, and Comcast, develop and finalize the scope, geographic boundaries, and cost estimate.

## Financial Impact

There will be no impact to the County General Fund. Staff time to perform preliminary project scoping, coordination with utilities, and underground utility district formation will be funded with local road funds and supplemental funds from grants, Area of Benefit funds, and other funds when available. Preliminary engineering, design, and construction will be funded with Rule 20A funds and with supplemental parcel owner contributions where construction work on such parcels exceeds allotments provided in Section 3 of California Public Utilities Commission (CPUC) Rule 20A.

### **Background**

The Public Works Department manages the Rule 20A Underground Utility Program for Contra Costa County. Through Rule 20A, the CPUC requires PG&E to set aside funds annually for financing the undergrounding of overhead distribution facilities located on public streets and roads (see Exhibit A). AT&T and Comcast also budget funds to participate in projects where PG&E Rule 20A funds are programmed.

Utility Undergrounding replaces above ground electrical and communication facilities (joint poles) with below ground facilities (joint trenches). The Board of Supervisors must vote on the next utility undergrounding project to move forward. Past projects, such as the Bailey Road and Willow Pass Road Undergrounding project were discussed at the Finance Committee; however, each Board member stated that the TWIC would be a more appropriate venue.

PG&E Rule 20A work credits are the funding source for utility undergrounding projects. As of February 28, 2021, the balance of Rule 20A funds allocated to the County was \$18,528,494, with roughly \$10 million slated to be deducted this year after the completion of PG&E's accounting for the Bailey Road and Willow Pass Road Undergrounding Project.

The California Public Utilities Commission (CPUC) and PG&E are proposing to end the current funding to the Rule 20A program. This could make this project the last project to be funded by work credits.

As part of the Rule 20A process, PG&E suggests that local agencies establish an UUAC. In the mid-1990s, such a committee, consisting of the County Administrator's Office, County Counsel, Building Inspection, Public Works, PG&E, and Pacific Bell, met and put together a District Master Plan. In August of 1996, PG&E approved this Master Plan, and the County started on its implementation. Since then, the County has completed underground utility work on Stone Valley Road in Alamo, Pomona Street/2<sup>nd</sup> Avenue in Crockett, Parker Avenue in Rodeo, and has nearly completed the project on Bailey Road and Willow Pass Road in Bay Point.

Between the months of November 2020 through March 2021, the Public Works Department staff briefed each Supervisorial District on a planning matrix and rubric to determine where the next utility undergrounding project should take place. Over the next two months, Public Works responded to questions.

Many criteria were analyzed in the rubric to determine the next project including the following: average daily traffic (ADT), whether the project would be in a highly visible commercial corridor or community gateway, the overall aesthetics and potential for economic growth, the project's location within a Wildland Urban Interface Zone (i.e. the potential for improving public safety from wildfires), and geographic equity.

Based on this criteria, staff recommends that the Appian Way corridor from the City of Pinole city limit to Arqyle Road in the El Sobrante area be the next project in the Rule 20A Utility Undergrounding Program.

After the Contra Costa County Rule 20A Underground Utility Program Appian Way Project is approved by the TWI Committee, Public Works staff will perform technical field reviews with utility-related members of the UUAC, including Pacific Gas and Electric Company (PG&E), AT&T, and Comcast, to firm up the scope, geographic boundaries, and cost estimates for the project.

Upon the completion of the field reviews and the identification of a preferred project candidate, Public Works staff will prepare a report to the Board of Supervisors, including recommendations to (1) approve the project, (2) declare intent to use 20A funds, and (3) call public hearings for the purpose of establishing an underground utility district. A step-by-step procedure for the formation of underground utility districts was drafted and presented to these three committees (see Exhibit B).

## Consequences of Negative Action

Failure to approve Public Works to move forward with the Appian Way project will prevent Public Works from developing the Appian Way Undergrounding Project and may jeopardize the remaining Rule 20A funding.

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Attachments: Exhibit A. Rule 20—Replacement of Overhead with Underground Electric Facilities
Exhibit B. The Process to Establish an Underground Utility District

cc: Steve Kowalewski, Chief Deputy Director
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