



CITY OF SAN MATEO

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Agenda Report

Agenda Number: 11

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Public Works Department
MEETING DATE: September 08, 2020
SUBJECT:
Rule 20A Utility Undergrounding – Agreements

RECOMMENDATION:

Approve agreements with PG&E for Rule 20A Utility Undergrounding projects and authorize the Public Works Director to execute the agreements in substantially the form presented.

BACKGROUND:

Undergrounding utilities improves aesthetics, removes obstacles to provide more clear space along sidewalks, and is a general benefit to the community. Since 1967, moving electric utilities underground in the State of California has been performed under California Public Utility Commission (CPUC) Rule 20. Under part A of Rule 20 (Rule 20A), undergrounding is paid for and performed by the local electric utility Pacific Gas & Electric (PG&E). Through the Rule 20A program, PG&E is required to annually set aside funds from electric utility ratepayers in the form of work credits for financing the undergrounding of overhead utilities located on public streets and roads.

The City and PG&E executed a general conditions agreement in 2012 establishing the responsibilities of the parties for Rule 20A projects, and subsequently completed Phase I of the 25th Avenue Utility Undergrounding from Hacienda to El Camino Real. The City has commenced planning activities with PG&E for Phase II, which will underground electric utilities along 25th Avenue between El Camino Real and South Delaware Street.

PG&E is proposing an updated general conditions agreement based on changes to the Rule 20A program that allow PG&E to assume greater responsibility for project delivery and use work credits to pay for tasks that previously were the responsibility of the City. Additionally, three associated agreements listed below need to be executed. These agreements serve as acknowledgements by the City.

- Agreement for Rule 20A Electric Panel Service Conversion
- Wheelchair Access Consideration
- Letter of Street Light Agreement

The general condition agreement will be in effect for Phase II of the 25th Avenue Utility Undergrounding project, and future Rule 20A projects. Staff recommends authorizing the Public Works Director to execute all agreements so that the City and PG&E can move forward with the Phase II project.

BUDGET IMPACT:

Most project activities, such as design and construction, will be performed by PG&E and funded by Rule 20A work credit allocations. Phase II is estimated to cost \$1.51 million. As of the June 2019 annual allocation notice, the work credit account balance for San Mateo is approximately \$9.7 million. There are sufficient funds in the 25th Avenue

Undergrounding – Phase II (46R010) project for City staff time.

ENVIRONMENTAL DETERMINATION:

This action is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 – General Conditions Agreement

Att 2 – Agreement for Rule 20A Electric Panel Service Conversion

Att 3 – Wheelchair Access Consideration

Att 4 – Letter of Street Light Agreement

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