



Office of the City Manager

CONSENT CALENDAR  
February 25, 2020

To: Honorable Mayor and Members of the City Council  
From: Dee Williams-Ridley, City Manager  
Submitted by: Phillip L. Harrington, Director, Department of Public Works  
Subject: Permit Fee Waiver for Pacific Gas and Electric Company for the Undergrounding of Existing Overhead Electrical Facilities and Electrical Service Conversions within Utility Undergrounding District No. 48 – Grizzly Peak/Summit

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to waive all permit fees for Pacific Gas and Electric Company for the undergrounding of existing overhead electrical facilities and electrical service conversions in Utility Undergrounding District No. 48.

FISCAL IMPACTS OF RECOMMENDATION

Approval of Resolution would waive approximately \$100,000 in permit fees for Pacific Gas and Electric Company (PG&E). The approximate permit fee breakdown is as follows:

<b>Permit Fees Waived</b>	
Building Permit Fees	\$ 45,000
Engineering/Utility Permit Fees	\$ 55,000

Fiscal Year (FY) 2020 funding to pay for plan review and inspection hours associated with the permits is currently available in the Department of Public Work’s General Fund budget (Fund 011-54-623-679-0000-000-431-637110).

CURRENT SITUATION AND ITS EFFECTS

In 2012, the City executed agreements authorizing PG&E to design and construct the project to underground overhead utilities in Utility Undergrounding District (UUD) No. 48. Per the Agreements, Rule 20A work credits cannot be used to pay for permit fees. As required, the City will waive the permit fees and cover the cost of permit related inspections and plan review for the undergrounding project.

As of December 2019, the design is nearing completion and the necessary Rule 20A funding is in place to fund the construction of the project. PG&E expects to advertise the project for bids in the summer of 2020 and construction activities are expected to begin

in the winter of 2020, taking approximately 2 years to complete. The UUD No. 48 Undergrounding project is a Strategic Plan Priority Project, and its completion will advance the City's strategic goals of providing state-of-the-art, well-maintained infrastructure, amenities, and facilities; and of creating a resilient, safe, connected, and prepared city.

### BACKGROUND

On April 27, 1993, the City Council adopted Resolution No. 56,934 establishing Utility Undergrounding District No. 48 covering Grizzly Peak Boulevard between Hill Road and the Southeastern City Limit; Summit road between Atlas Place and the southeastern City Limit; Summit Lane, Harvard Circle, and Fairlawn Drive between Avenida Drive and Senior Avenue; and Avenida Drive between Queens Road and Grizzly Peak Boulevard. UUD No. 48 was established under Berkeley Municipal Code, Chapter 16.24, Underground Utility Facilities and Rule 20A, Replacement of Overhead with Underground Electrical Facilities.

As UUD established under Rule 20A, undergrounding of utilities within UUD No. 48 meets the public benefit criteria established by the California Public Utilities Commission's (Commission) state-wide Rule 20A Overhead Utility Conversion Program. As part of this program, investor-owned utilities allocate funds to communities in their service territory for the purpose of undergrounding overhead utilities. These funds are not provided directly to communities, but are instead disbursed as 20A work credits to cover the utility's design and construction costs for approved 20A projects within that community. The City currently receives an annual allocation of \$530,000 of Rule 20A work credits from PG&E and as of June 2019 has accumulated a credit balance of approximately \$9 million.

In 2012, the City executed agreements with PG&E for the design and construction of the project to underground overhead utilities in UUD No. 48 using the City's Rule 20A work credits. The agreements, titled "Agreement to Perform Tariff Schedule Related Work, Rule 20A General Conditions" and "Agreement to Perform Tariff Scheduled Related Work, Rule 20A Electric Panel Service Conversions" (Agreements), are included as Attachments 2 and 3. Per the Agreements and in accordance with Rule 20A, PG&E was directed to:

- Relocate PG&E's overhead distribution lines into underground joint trenches.
- Relocate up to 100 feet of each service lateral to underground for each property in the district.
- Manage the electric service conversions and pay for the work (up to \$1,500 per service entrance) of replacing the existing overhead service with an underground feed for each property in the district.
- Remove existing utility poles in the District.

Per the Agreements and in accordance with Rule 20A, the City is required to cover certain project costs. These include the cost of City permit fees and associated inspections; the cost of installing stand-alone City street lighting upon removal of utility pole-mounted street lights; and other project support costs outlined in the Agreements. Excluding the City covered costs listed above, the Project has a total estimated cost of \$8.8 million at project completion.

ENVIRONMENTAL SUSTAINABILITY

New street lighting fixtures installed within UUD No. 48 will be solar powered, contributing to a reduction of greenhouse gases emitted and advancing the goals of the City's Climate Action Plan.

RATIONALE FOR RECOMMENDATION

Undergrounding of utilities using Electrical Rule 20A allocations requires that the City waive permit fees. Proceeding with the project to underground utilities in UUD No. 48 will require that all City permit fees be waived for PG&E.

CONTACT PERSON

Phillip L. Harrington, Director, Department of Public Works, (510) 981-6303  
Nisha Patel, Manager of Engineering/City Engineer, (510) 981-6406  
Ricardo Salcedo, Assistant Civil Engineer, Public Works, (510) 981-6407

Attachments:

- 1: Resolution
- 2: Agreement to Perform Tariff Scheduled Related Work – Rule 20A General Conditions
- 3: Agreement to Perform Tariff Scheduled Related Work – Service Conversions

RESOLUTION NO. ##,###-N.S.

APPROVING THE PERMIT FEE WAIVER FOR PACIFIC GAS AND ELECTRIC COMPANY FOR THE UNDERGROUNDING OF EXISTING OVERHEAD ELECTRICAL FACILITIES AND ELECTRICAL SERVICE CONVERSIONS WITHIN UTILITY UNDERGROUNDING DISTRICT NO. 48 – GRIZZLY PEAK/SUMMIT

WHEREAS, on City on April 27, 1993, the City Council adopted Resolution No. 53,934 establishing Utility Undergrounding District (UUD) No. 48 covering Grizzly Peak Boulevard between Hill Road and the Southeastern City Limit; Summit road between Atlas Place and the southeastern City Limit; Summit Lane, Harvard Circle, and Fairlawn Drive between Avenida Drive and Senior Avenue; and Avenida Drive between Queens Road and Grizzly Peak Boulevard; and

WHEREAS, UUD No. 48 was established under Berkeley Municipal Code, Chapter 16.24, Underground Utility Facilities; and Electrical Rule 20A, Replacement of Overhead with Underground Electrical Facilities; and

WHEREAS, in 2012 the City executed agreements with Pacific Gas and Electric Company (PG&E) titled “Agreement to Perform Tariff Schedule Related Work, Rule 20A General Conditions” and “Agreement to Perform Tariff Scheduled Related Work, Rule 20A Electric Panel Service Conversions” (Agreements) authorizing the design and construction of the project to underground overhead utilities in UUD No. 48 using the City’s Electrical Rule 20A allocations held by PG&E; and

WHEREAS, the Agreements dictate that Rule 20A allocations cannot be used to pay for any City permits including but not limited to building, engineering, or utility permits; and

WHEREAS, Fiscal Year (FY) 2020 funding for plan review and inspection hours associated with the permits is currently available in the General Fund (Fund 011-54-623-679-0000-000-431-6371).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that all City permit and staff service fees associated with the project to underground overhead utilities in Utility Undergrounding District No. 48 are hereby waived for Pacific Gas and Electric Company.



Pacific Gas and Electric Company

**Agreement to Perform  
Tariff Scheduled Related Work,  
Rule 20A General Conditions**

PROJECT MGR. Donna Pontrello,  
Liaison  
PM # 30817973

PROJECT NAME: GRIZZLY PEAK BLVD BERKELEY R20A

LOCATION: BERKELEY, CALIFORNIA

City: Berkeley

City/County of Berkeley, (Applicant) has requested PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (PG&E) to perform the tariff scheduled related work as located and described herein.

**General Conditions:**

PG&E will, at its expense, replace its existing overhead electric facilities with underground electric facilities as outlined in the Rule 20 Tariff. To ensure the success of this program, the Applicant agrees to support the Rule 20A Program as follows:

**Responsibilities of the Applicant:**

1. Consult with PG&E to confirm the requirements and location of the project.
2. Provide a resolution and boundary map as required in Electric Rule 20.
3. Provide a list of all recorded property owners, APN#, phone number and address.
4. Provide a list of the most recent tenant (for rental properties).
5. Provide Base Map (in AutoCAD) showing the following: boundary, roads, future road improvements, sidewalks, curbs, property lines, buildings, existing water and sewer, easements, and any other known utilities or obstacles.
6. Secure all required rights-of-way and easements, which must be satisfactory to and approved by PG&E.
7. Own and manage all contaminated soils. (Rule 20A funding cannot be used for environmental remediation costs)
8. Own and manage all cultural resource findings. (Rule 20A funding cannot be used for managing cultural resource findings).
9. Provide recent pot holing/core samplings and soils/paving information from projects that were recently completed.
10. Provide acceptable construction yard for materials and equipment storage.
11. Pay for paving and restoration costs beyond the standard excavations and restorations necessary for the construction of the project. Joint trench participants will replace paving, landscaping, sidewalk, etc. that is removed during construction. (Rule 20A funding cannot be used for additional restoration costs).
12. Waive paving moratorium requirements, or pay for additional costs above PG&E's responsibility for restoration.
13. Stake and survey for any associated future grade changes.
14. Should applicant require additional traffic control beyond that which PG&E provides (per California Joint Utility Traffic Control Committee), Applicant will pay for the additional costs.
15. Should Applicant require a traffic control plan, Applicant will prepare or pay to prepare such a plan.
16. Pay for streetlight costs per Street Light Agreement.
17. Remove Applicant owned streetlights attached to utility poles and located within the underground district at Applicant cost.
18. Issue and waive cost of encroachment permit.
19. Waive work hour restrictions for construction, including holiday and/or special construction limitations.
20. Waive all permit fees and other incidental project specific costs, including but not limited to: parking charges; rental cost of city or county properties; and lost revenues.

**Responsibilities of PG&E:**

1. Provide consultation to Applicant to establish resolution and boundary map.
2. If designated as the design/trench lead, prepare the Intents, Composite and Form B (costs will be shared by all joint trench participants).
3. Provide electric design to the design/trench lead agency, if lead is other than PG&E.
4. Identify all locations that require an easement.
5. Prepare easement documents for signature.
6. Upon request of the Applicant, Rule 20A allocation may be used for the installation of no more than 100 feet of each customer's underground electric service lateral.
7. Upon request of the Applicant, the Rule 20A allocation may be used for the conversion of electric service panels to accept underground service, up to \$1,500 per service entrance (excluding permit fees). Alternatively, if the Applicant requests that PG&E manage the panel conversion work, perform such conversions by agreement (Form 79-1113, Agreement to Perform Tariff Schedule Related Work, Rule 20A).



Pacific Gas and Electric Company

- 8. Provide inspection services for the installation of PG&E facilities.
- 9. Remove poles, or portions of poles, from the underground district as required by the Joint Pole Utility Agreement.
- 10. Provide proper notification to all affected customers when electrical outages are necessary to complete project conversion to the new underground system.

We have read the above information and understand and agree with the provisions and responsibilities as described above/.

Executed this 16<sup>th</sup> day of April 20 12

City/County of: BERKELEY  
Applicant

PACIFIC GAS AND ELECTRIC COMPANY

By: \_\_\_\_\_

By: Sindy Mikkelsen

Christine S. Daniel

Sindy Mikkelsen

(Print or Type Name)  
CHRISTINE S. DANIEL  
INTERIM CITY MANAGER

Sindy Mikkelsen  
(Print or Type Name)

Principal Program Manager, Rule 20A

Title:

Title:

Mailing Address:

City/County of:





Pacific Gas and Electric Company

Agreement to Perform  
Tariff Scheduled Related Work,  
Rule 20A Electric Panel Service Conversions

- APPLICANT (Original)
- DIVISION (Original)
- ACCTG. SERVICES

MLX#  
PM # 30817973  
PROJECT MGR. Donna Pontrello,  
Liaison

City/County of Berkeley, (Applicant) has requested PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (PG&E) to perform the tariff scheduled related work as located and described herein.

**Electric Panel Service Conversion Program:**

In order to expedite the completion of Rule 20A Projects, PG&E has offered to manage the electric service conversions, and pay for this work from the Applicant's allocation funds. The underground electric feed that replaces the existing overhead service will be installed in the most economical manner possible, as determined by PG&E. To ensure the success of this program, the Applicant agrees to support the Electric Panel Service Conversion Program as follows:

**Responsibilities of the Applicant:**

1. Provide accurate list of owner, parcel #, address, phone number.
2. Mail informational letters to all residents describing the program and their responsibilities.
  - a. PG&E will provide templates for these letters.
3. Obtain Right of Entry agreements from property owners prior to scheduling construction.
  - a. PG&E will provide the document for each property owner to complete and sign.
4. Provide a liaison for residents and property owners to contact with questions.
5. Waive permit fees.
6. Waive Inspection fees.
7. Facilitate a preliminary job walk with the liaison, building inspector and others.
  - a. Review PG&E's intended placement of new equipment required for conversions.
  - b. Clarify the inspection and permit requirements and timing, if necessary.
8. Provide information enabling the field crews to determine the location of property lines.
9. Disclose all special circumstances
  - a. For example: historic buildings, hazardous materials, environmental issues, burial grounds and other items that may affect the overhead-to-underground conversion.
10. Communicate with the property owners if additional work beyond the conversion will be required.
  - a. PG&E will pay for the work required to replace the existing overhead electric feed with a new underground feed only. The cost of any additional work required to bring the property up to current codes will be borne by others (property owner or Applicant).
  - b. The Applicant will communicate to the property owner all items that must be brought up to code in a timely manner, and all code issues will be managed by the Applicant.
11. Disclose work hours and days.
12. Agree prior to construction regarding the required notifications to residents and property owners.
13. Failure to complete the above requirements may result in construction delays.

PROJECT NAME: Grizzly Peak Blvd Berkeley R20A

LOCATION: Berkeley, CALIFORNIA

City: Berkeley

Executed this 11 day of March 20 13

City/County of: BERKELEY  
Applicant Christine Daniel  
By: \_\_\_\_\_

Christine Daniel  
(Print or Type Name)

City Manager  
Title:

Mailing Address:

City/County of:

PACIFIC GAS AND ELECTRIC COMPANY  
By: Sindy Mikkelsen  
Sindy Mikkelsen

(Print or Type Name)

Principal Program Manager, Rule 20A

Title:

3395 McMaude Place

Santa Rosa, CA 95407

