



Engineer's Report for Proposed Coast Highway Underground Utility District 2020-1

In the City of Laguna Beach, California
July 20, 2020

Prepared By: City of Laguna Beach Public Works Department, 505 Forest Avenue
Laguna Beach, California 92651; Phone: (949) 497-0711

I. INTRODUCTION

An underground utility district is proposed to be established for a portion of Coast Highway from approximately Cajon Street to Agate Street in the City of Laguna Beach for the purpose of removing all existing overhead utilities of, but not limited to, Southern California Edison (SCE), Cox Communications, Frontier Communications, and City of Laguna Beach (City) overhead street light wiring within the district boundary and placing them underground. The boundary of the proposed district is shown on the attached Exhibit "A." Chapter 21.24 of the Laguna Beach Municipal Code sets forth provisions for establishing such an underground utility district. This Engineer's Report is required in order to establish an underground utility district.

The project proposes to place all existing overhead utilities along Coast Highway, and within the district, underground as a California Public Utilities Commission (CPUC) Rule 20A project. Most overhead utilities cross Coast Highway at various locations other than the overhead wiring for the street lighting that parallels Coast Highway. Portions of the street lighting system are owned separately by either SCE or the City. The undergrounding system will be designed and installed to encompass all street lights along Coast Highway. This would allow the City to assume ownership of SCE lights and control future aesthetic improvements and consistency.

II. PHASES OF THE WORK

The proposed underground utility district will be completed through the phases of work detailed below.

Design

Upon approval by the City Council of a resolution to establish the underground utility district, construction drawings will be developed by the utility companies. The drawings will establish the proposed locations for below-ground conduits with handholes, above- or below-ground transformers, street lights, and any other equipment. The design process involves SCE preparing a civil land survey

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and developing the construction drawings. These drawings are then distributed to Cox Communications, Frontier Communications, and City Street Lighting so they may commence with their designs, typically utilizing a joint trench design with the SCE facilities. The locations for easements on private properties for structures and conduits shall be determined at this stage of the project. If easements are required, then affected property owners will be contacted to coordinate the recording of such easements.

Construction

The construction phase will consist of (a) construction of underground utilities for, but not limited to, SCE, Frontier Communications, Cox Communications, and City Street Lighting (b) construction of service connections for those properties that currently receive services from any of the poles that will be removed and qualify under the CPUC Rule 20A guidelines, and (c) installation of street lights to be owned and maintained by the City.

Removals

The last phase of the project consists of the removal of all existing overhead utility wires, equipment and utility poles within the district boundaries as shown on Exhibit "A." The utility companies are responsible for the removal of their respective wires and poles.

III. COST OF THE WORK

Once the district has been established by a resolution of the City Council, SCE shall use underground conversion allocations following the requirements of CPUC Rule 20A for the design and construction of the underground facilities, and for the conversion of any properties currently receiving service from the overhead utilities that will be placed under ground. As a qualifying CPUC Rule 20A project, all utilities contribute their proportional share of constructing the underground conduits. Once the construction is complete, each utility is responsible for converting their facilities to the new underground system. As owner of the street light utility, the City will contribute its proportional share to the project.

SCE has prepared a rough order of magnitude cost for the project in the amount of \$4.4 million, which includes costs for design, construction, private property connections, removals, and contingencies for the SCE system which will be funded by the City's Rule 20A credit balance. These credits were purchased by the City from surrounding cities at a substantial discount of \$0.55 per \$1.00 of credit. The costs for Cox, Frontier, City Street Lights, and other utilities are not included in the estimate and are not funded by Rule 20A credits. Typically, utilities share the same trench for placing their conduits and enjoy a cost savings through their proportional share of these costs. As the City street lighting is the primary utility that parallels Coast Highway, the City does not benefit from the cost savings of a joint trench for the majority of the project. A preliminary cost estimate for the installation of over 13,000 feet of conduit and 113 street lights is \$2.6 million which will need to be funded by the Street Lighting Fund. A more refined cost estimate will be prepared by the City, and by SCE for their facilities, after construction drawings are developed.

Therefore, to fund the project based on the preliminary cost estimates the City Council would need to: (1) authorize the use of \$4.4 million of Rule 20A credits for the project, and (2) appropriate \$2.6 million from the Street Lighting Fund for the street lighting system.

IV. RULE 20A FUNDING REQUIREMENTS

A significant portion of the funding for the work will be from CPUC Rule 20A credits for underground conversion that were primarily purchased by the City from surrounding cities at a substantial discount of \$0.55 per \$1.00 of credit. For a project to qualify as a Rule 20A project, it must be determined, after consultation with the electric utility, that such undergrounding is in the general public interest for one or more of the following reasons:

- (a) Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
- (b) The street or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic;
- (c) The street, road, or right-of-way adjoins or passes through a civic area, public recreation area, or an area of unusual scenic interest to the general public; or
- (d) The street or right-of-way is considered an arterial street or major collector road, as defined in the Governor's Office of Planning and Research General Plan Guidelines.

This project will remove overhead utilities and 36 utility poles along Coast Highway which has been determined to meet the requirements to qualify as a Rule 20A project under subdivisions (b), (c), and (d) as described above.

V. SCHEDULE OF THE WORK

The estimated project schedule is:

Design	18 months
Construction	24 months
Overhead Facilities Removal	6 months
Total	48 months

Therefore, it is expected that the proposed undergrounding and removal of overhead utilities and poles will be completed by the end of August 2024.

Prepared by



Wade Brown,
Undergrounding Program Manager

Prepared under the supervision of



Mark Trestik, PE
City Engineer, RCE: 53708

Exhibit "A"
Boundary Map
Underground Utility District No. 2020-1

