

Revised Underground Utility District (UUD) Program

City Council Meeting
March 3, 2015

Overview

Agenda

- I. Background
- II. Proposed UUD Program Revisions
- III. Next Steps
- IV. Questions

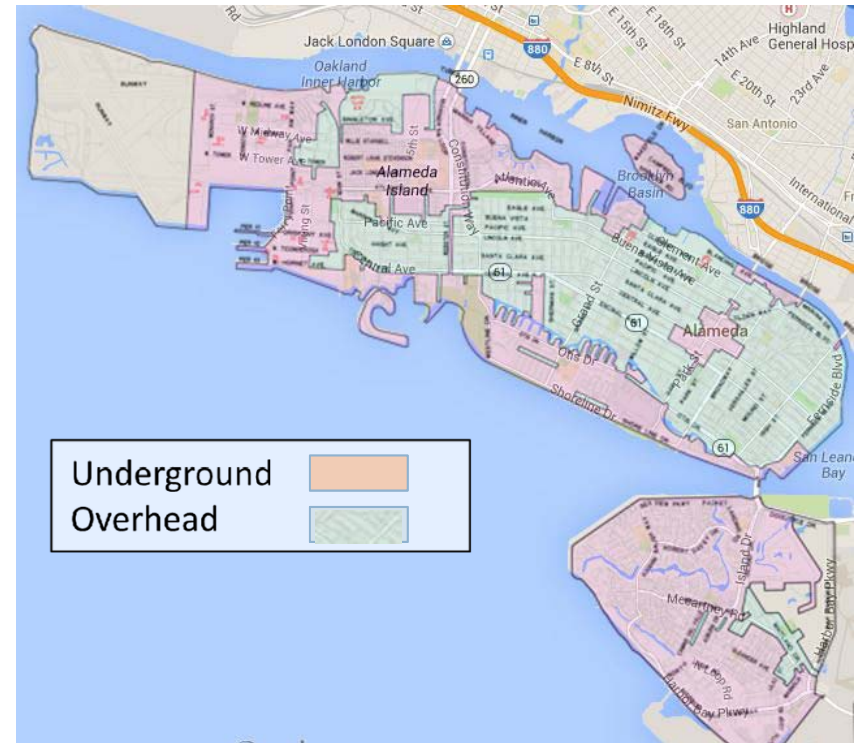
Background

- The City initiated an effort in 1984 to beautify the city by relocating overhead utilities underground
- This is accomplished by designating **Underground Utility Districts (UUDs)** through a City Ordinance. Any overhead utility facilities within the UUD must be converted to underground facilities
- **Program Funding:** All customers, through a 2% component of AMP's electric revenue, pay into the Underground Utility District Fund (UUDF) which funds the undergrounding of overhead utility facilities, pole removals, and street light conversions.



Background

- Approximately 50% of Alameda is already Undergrounded
- 25 UUDs (433 customers) have been completed. However, by 2011 there were significant customer concerns in continuing with the existing UUD process. The most consistently voiced concerns included:
 - District prioritization
 - Public participation
 - Costs of conversion for property owners and businesses
- In July of 2012, the City Council accepted recommendations from the Public Utilities Board (PUB) to revise the Undergrounding process.



Background



AMP was tasked with incorporating the following elements into a revised UUD Program:

- **Prioritization:** revise City's undergrounding criteria & develop a prioritization framework
- **Public Participation:** include representatives of the public in the program redesign & develop a process for customer input into the UUD projects
- **Financial Obligations:** Address costs to the customer and the program; possible use of a master contractor; lateral ownership/maintenance; and financial assistance programs; as applicable.
- **Implementation:** define the roles and responsibilities of various City departments.

Proposed UUD Process

Policy

Overhead to Underground Utility Conversions for the City of Alameda

Underground Utility Policy

Purpose

The purpose of this Underground Utility Policy (Policy) is to provide a deliberate, efficient and transparent process to identify, select, implement and complete overhead to underground utility facility conversions within the City of Alameda. This Policy renews the City's initiative to beautify the city through the removal, conversion and undergrounding of overhead utility facilities which was originally established by ordinance on September 18, 1984.

Policy

- Because the cost of utility underground conversions is covered through the collection of incremental revenues from all Alameda Municipal Power (AMP) ratepayers, any such projects should provide a maximum benefit to the greatest number of people. To this end, and to avoid a "patchwork" of isolated underground districts throughout the island, this Policy will, in general application, favor island entryways and heavily traveled roads which flow into, out of, between, and around major civic business areas.
- Areas of the city to be converted will be designated as Utility Underground Districts (UUD) through a City Ordinance in accordance with Chapter 19-4 "Underground Districts" of the City of Alameda Municipal Code.
- The extent of AMP's financial participation in converting a district will depend on the designation the UUD receives from the City Council. These designations are:
 - Areas of General Public Interest and Benefit:** The Utility Underground District Fund (UUDF) will fund all necessary conversion costs up to a pre-established limit. Any expense greater than the allotted limit will be borne by the customer. As a goal, the limit will be set at a level resulting in the majority of customers having no out-of-pocket costs for the conversion.
 - Areas of General Public Interest, But Primarily of Local Benefit:** Conversion costs will be entirely borne by the applicant or group of applicants.
 - Areas of Insufficient General or Local Public Benefit:** All other underground conversions that lack sufficient general or local public benefit will be performed as specified in AMP's Rules and Regulations—"Replacement of Existing Overhead Facilities in Non-Underground Districts"—and will not fall under the UUD Policy.

Master Plan

CITY OF ALAMEDA UUD PROGRAM MASTER PLAN

Introduction	2
References	2
Program and Policy Overview	2
Purpose	2
Policy	2
UUD Designations	3
Procedures	4
UUD Construction	7
Program Implementation	8
Roles and Responsibilities	8
UUD Identification and Selection	8
Proposing a UUD	8
Step 1: District Nomination Board (DNB)	9
Process for selecting Members of the Public to Serve on the DNB	9
Identifying and Evaluating Proposed UUDs	9
Step 2: Technical Advisory Committee (TAC)	9
Step 3: Town Hall Meeting	10
Step 4: City Council Approval	10
Design and Construction	10
Engineering Design	10
Construction	10
Permit to Enter	11
Program Funding	11
UUD Fund (UUDF)	11
Reimbursements for owner installed service laterals and/or panel modifications	11
Maintenance Insurance	12
Appendix	12
A1. UUD Program Communications Plan (TBD)	12

VERSIONS FOR THE CITY OF ALAMEDA

1.0	12
1.1	12
1.2	12
1.3	12

Underground within the City of Alameda, of the City Council.

Municipal Code
UUD Districts, Alameda Municipal Power

Applicant process to identify, select, and convert underground of 200 ft. to 400 ft. deep.

the collection of incremental revenues should provide a maximum benefit to the greatest number of people. To this end, and to avoid a "patchwork" of isolated underground districts throughout the island, this Policy will, in general application, favor island entryways and heavily traveled roads which flow into, out of, between, and around major civic business areas.

Underground Districts Fund (UUDF) will fund any expense greater than the allotted limit.

VERSIONS FOR THE CITY OF ALAMEDA

owner or tenant's facility shall be borne by the owner and/or approved in writing by AMP. If at a rate equivalent to the established local service panels to accept underground service panels themselves per the following standards, inspected and passed by the City of Alameda.

and installing all designed substations in accordance with the following exceptions: structures per the following conditions: backfilled prior to AMP's scheduled maintenance.

from the point of service in the secondary network and/or approved in writing by AMP. If at a rate equivalent to the established local service panels to accept underground service panels themselves per the following standards, inspected and passed by the City of Alameda.

to a maximum amount equivalent to the cost of the service. Structures less than 200 ft. to 400 ft. deep do not qualify for UUD status.



Scorecard

UUD Criteria	Details (What describes this criteria)	Cost Benefit	Priority	Tier	Weight	Measures	Score
1	Road Classification	Regional Artery, Island Artery, Transitional Artery, Island Collector, Transitional Collector	car/pole avoided cost of \$15-\$17K per incident	1	2	Regional Artery Island Artery Transitional Artery Island Collector Transitional Collector Other (Local)	6 5 4 3 2 1
2	Heavy Concentration of Aerial Facilities	Multiple connections to each pole with significant number of street crossings	Avoided maintenance and inspection \$14K/pole annually	1	2	< 2 connections/pole >=2, <= 5 connections/pole > 5 connections/pole	1 3 6
3	Areas of Civic, Historical, Recreational or Scenic Interest	Civic areas defined as established business districts, public schools, libraries & City owned buildings, historical listed as historical monument or on historic building study list, scenic & rec areas, park areas, golf courses or other open spaces	Value increase more related to structure vs. service removal, especially if service is obscured by tree. Value estimated by studies at btwn 3%-15% increase in immediate area valuation with some residual neighborhood valuation	1	2	< 2 Poles/ 100' frontage >=2, <= 5 Poles/ 100' frontage > 5 Poles/ 100' frontage < 2 Spans per 100' of frontage >=2, <= 5 Spans per 100' of frontage > 5 Spans per 100' of frontage	0.5 1.5 3 0.5 1.5 3
4	Deteriorated Facilities	Facilities that are not safe or have exceeded their useful life as determined by AM & Inspection program and are scheduled for replacement	Avoided cost of \$30K per pole	1	2	# of Poles Priority 1 (0-6 mths) # of Poles Priority 2 (6-12 mths) # of Poles Priority 3 (1-3 yr)	6 4 2
5	Foliage	Tree density, height, projected growth, age and/or resiliency to line trimming	Cost of trimming per tree x amount of trees in average district (approx. \$2500 per 10 trees [avg. block])	2	1	# of Aug maint trees # of High maint trees	1 3
6	Coordination with other City Projects	Project will coordinate with planned and/or outstanding PW projects that would benefit from UG	Depends on project. Expected range from \$4-\$6	2	1	Work in Roadway Other work	2 1
7	Interconnectivity to Existing UG	Proposed underground would originate from, or terminate into, an existing UG system	\$7K-\$20K savings from utilizing existing subsurface box and/or 1 fewer riser pole installed at interconnection to existing UG	2	1	None Connects at one end Connects at two ends	0 2 4

Proposed UUD Process

Policy

Overhead to Underground Utility Conversions for the City of Alameda

Underground Utility Policy

- Overarching Guidance
- City Council Approved
- Reviewed every 5 years

Underground Utility Districts (UUDs) are designated in the City of Alameda through a City Ordinance in accordance with Chapter 19-4 "Underground Districts" of the City of Alameda Municipal Code.

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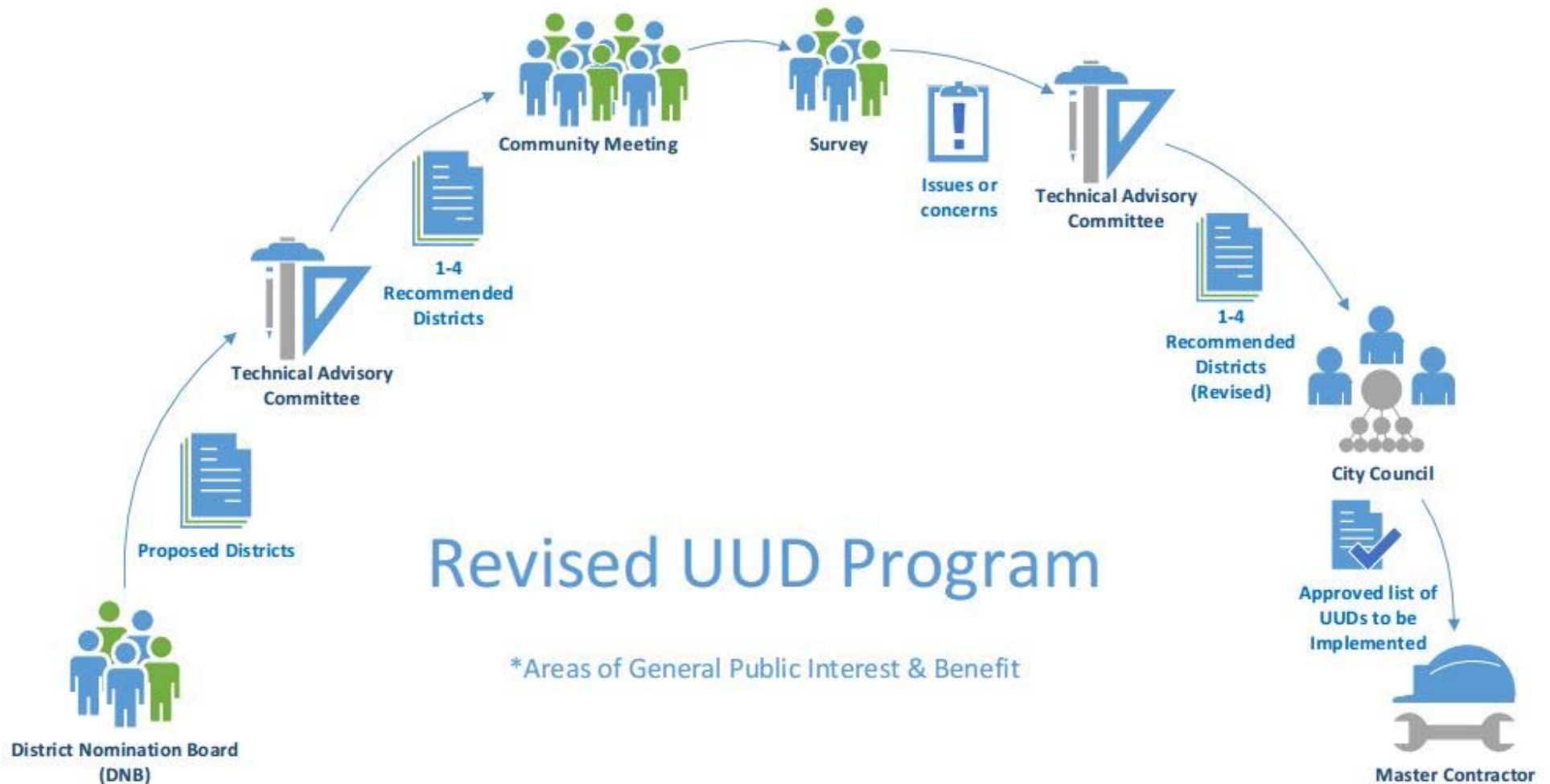
Master Plan

CITY OF ALAMEDA UUD PROGRAM MASTER PLAN

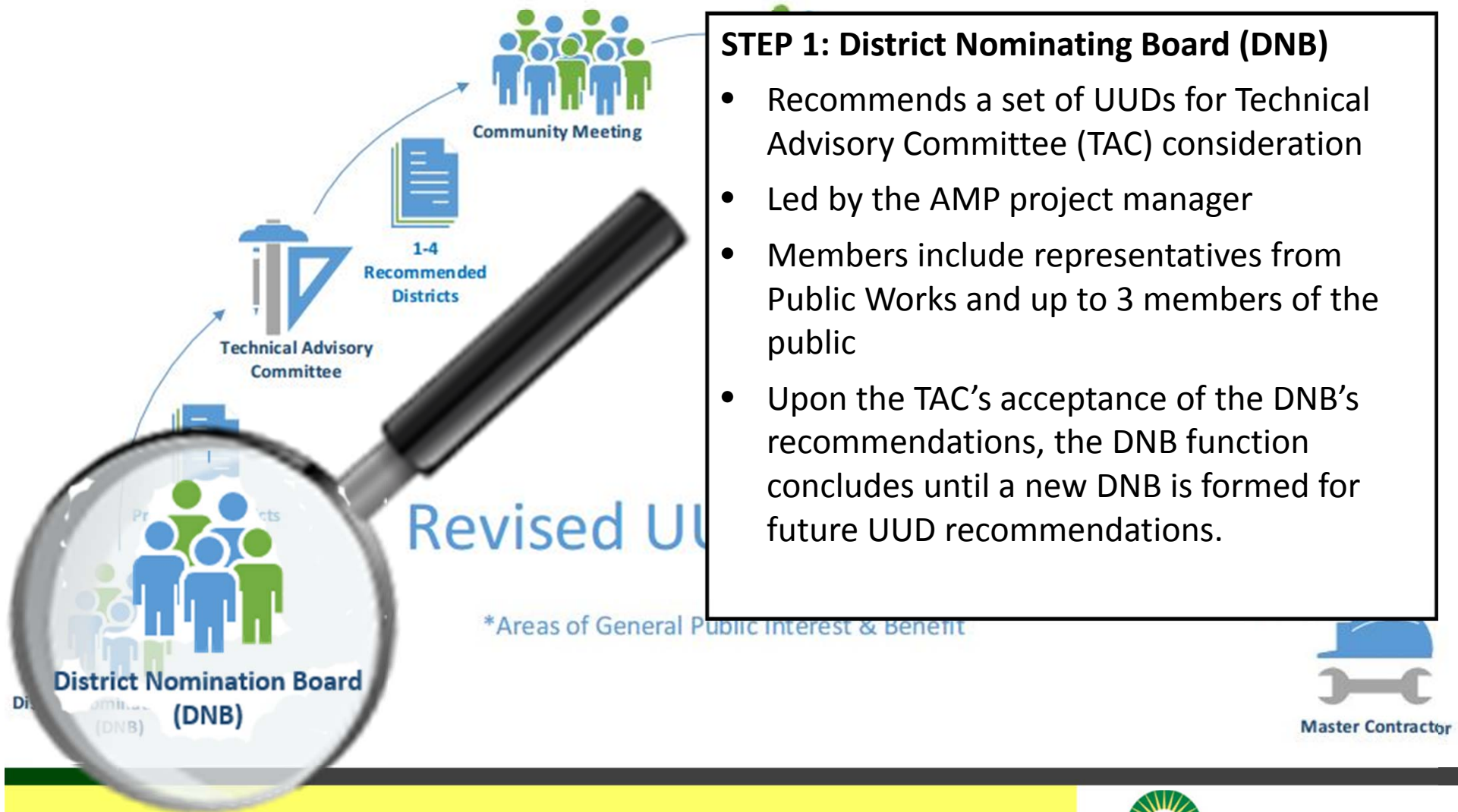
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Procedures	4
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Proposed UUD Process



Proposed UUD Process



UUD Designations

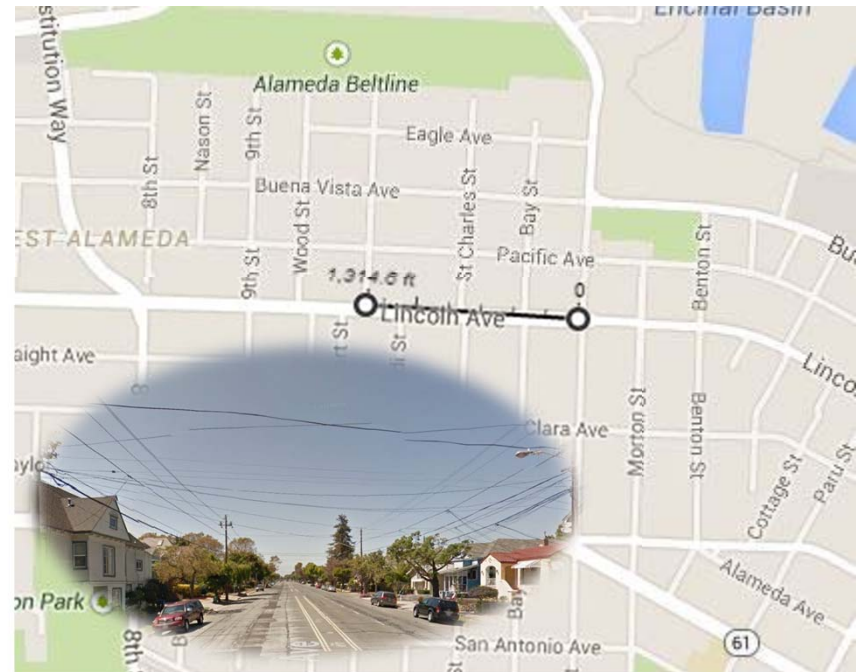
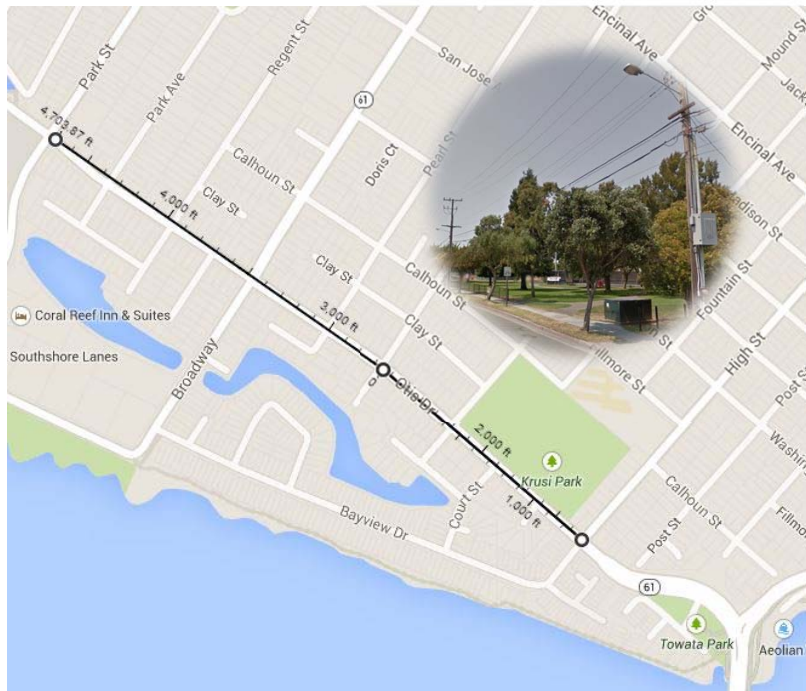
- UUD in Areas of General Public Interest and Benefit. A UUD in which the City Council has determined that such undergrounding is in the general public interest and benefit for one or more of the following reasons:
 - Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electrical facilities
 - The street or road right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic
 - The street or road right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public
- UUD in Areas of General Public Interest, But Primarily of Local Benefit. A UUD in which the City Council has determined that such undergrounding is in the general public interest, but primarily of local benefit.
- Areas of Insufficient General or Local Public Benefit. All other underground conversions in which the City Council has determined lack the sufficiency of general or local public benefit. This category is NOT included in the UUD program and will be performed as specified in AMP's Rules and Regulations.

UUD Criteria

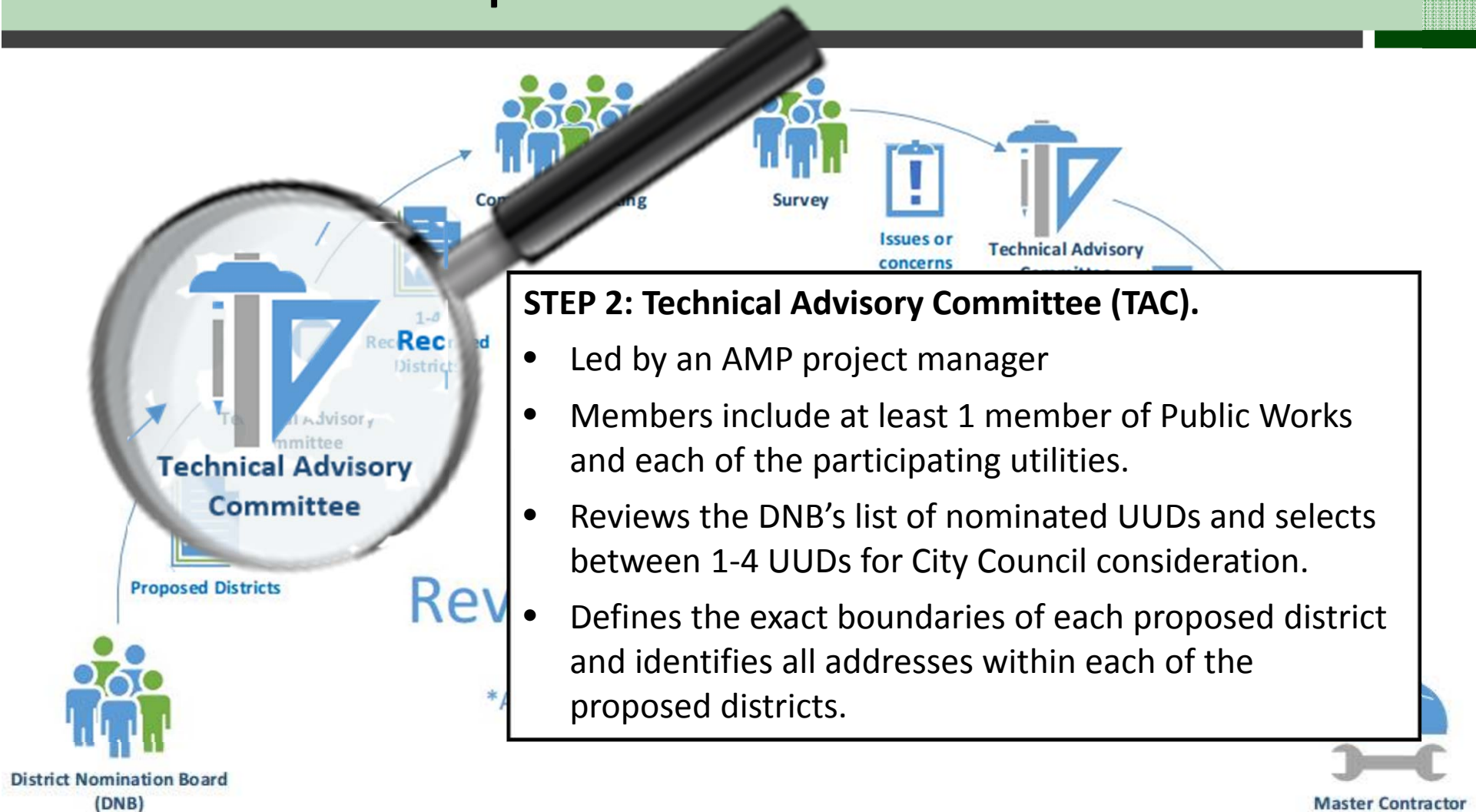
- UUD recommendations are based on 7 criteria divided into 2 tiers designed to maximize public benefit
- Tier 1
 - Road Classification
 - Heavy Concentration of Aerial Facilities
 - Civic, Historical, Recreational or Scenic Interest
 - Deteriorated Facilities
- Tier 2
 - Foliage
 - Coordination with other City Projects
 - Interconnectivity to Existing Underground

Possible UUDs

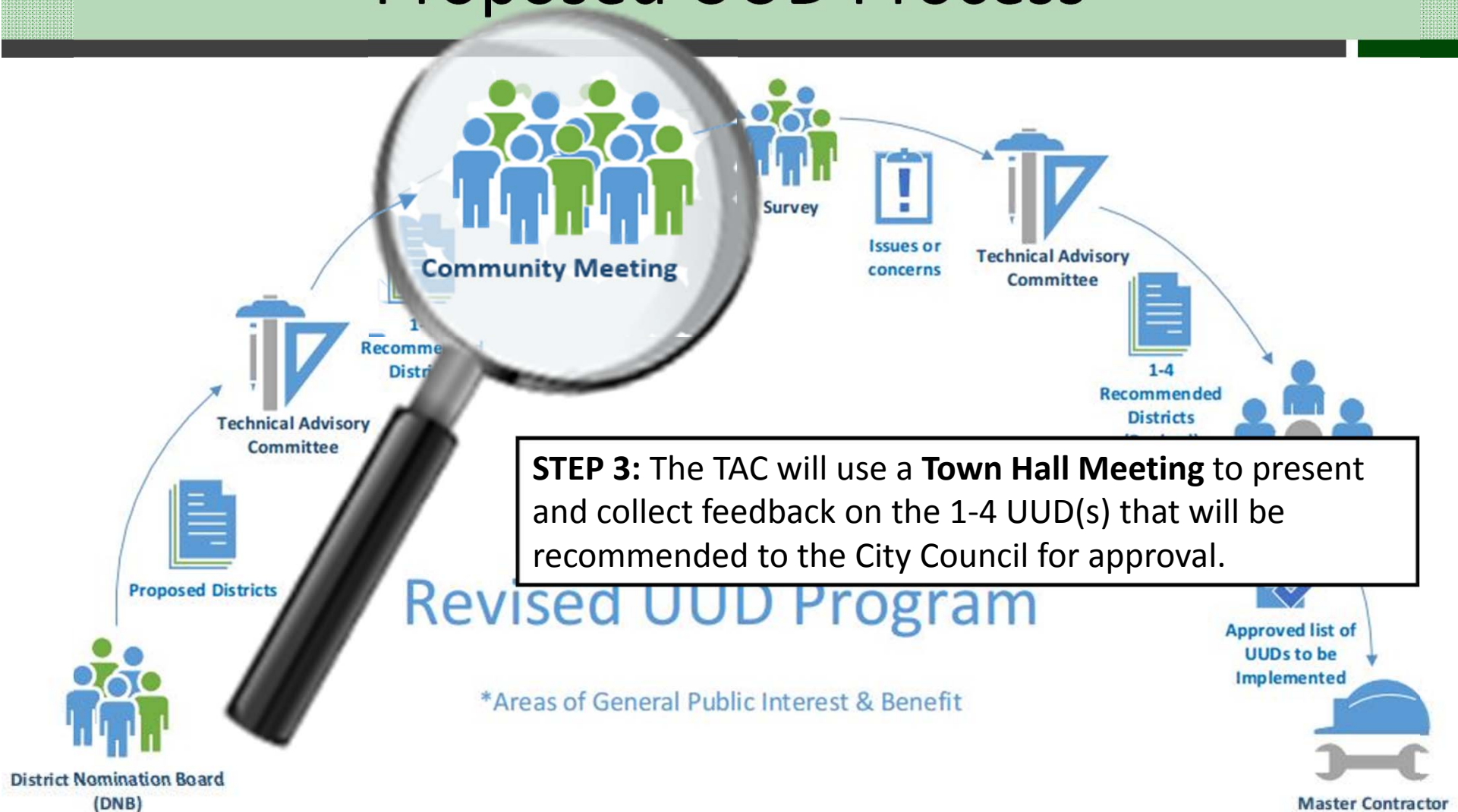
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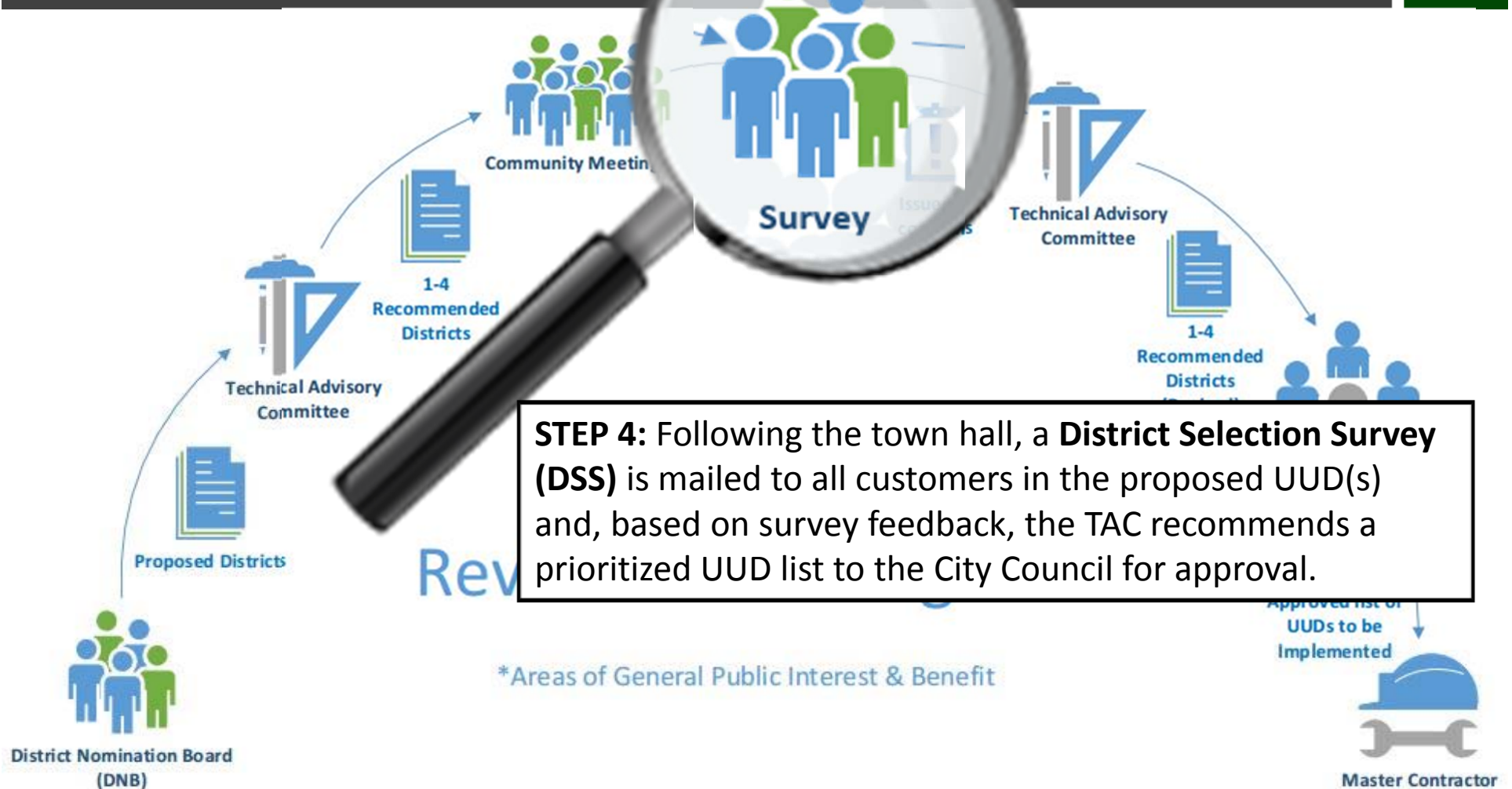
Proposed UUD Process



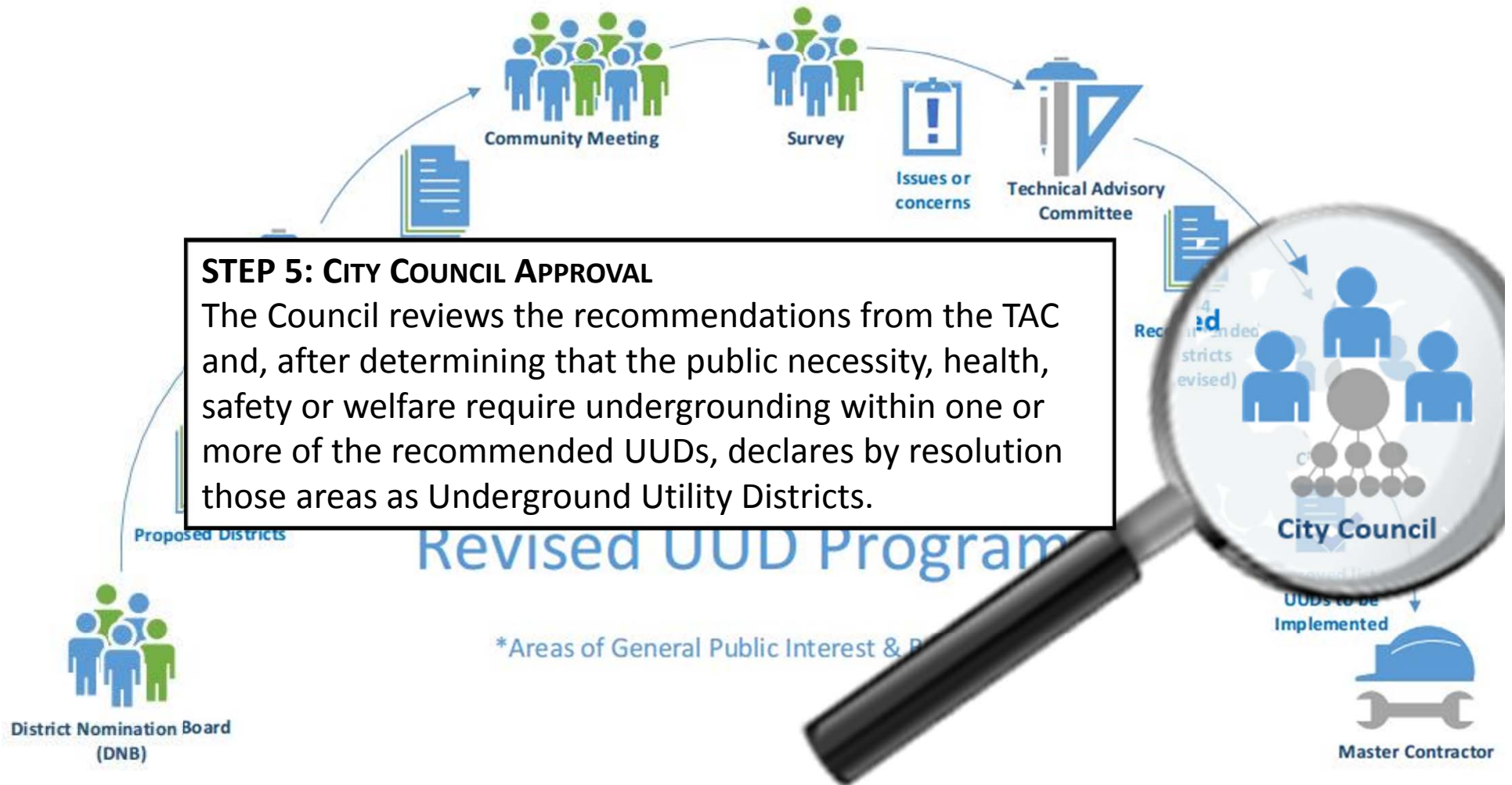
Proposed UUD Process



Proposed UUD Process



Proposed UUD Process



Proposed UUD Process



Cost Sharing Plan

Areas of General Public Interest and Benefit. The UUDF will fund all necessary conversion costs with the following provisions:

- The installation of the underground electric service lateral is the most direct route from the point of service to the meter location unless otherwise agreed to in writing by AMP. Excess installation not agreed to by AMP will be at customer's expense.
- The conversion of the electric service panel to accept underground service is limited to the existing main breaker size. Excess panel conversion costs will be borne by the customer.
- Telecommunications utilities will pay the first 100' of customer service lateral costs. Customers will pay any excess costs.
- **Most customers will have no out-of-pocket costs for the conversion.**

Areas of General Public Interest, But Primarily of Local Benefit. Conversion costs will be entirely borne by the applicant or group of applicants.

Home and Business Owner's Responsibilities

- Respond to Survey
- Elect to use Master Contractor or hire own
 - Substructure reimbursement limited to the established per foot rate charged by the MC
 - Panel conversion reimbursement limited to estimated panel conversion and/or alteration costs of the MC
- Cost Share as appropriate
- Maintain underground service lateral

Home and Business Owner's Responsibilities

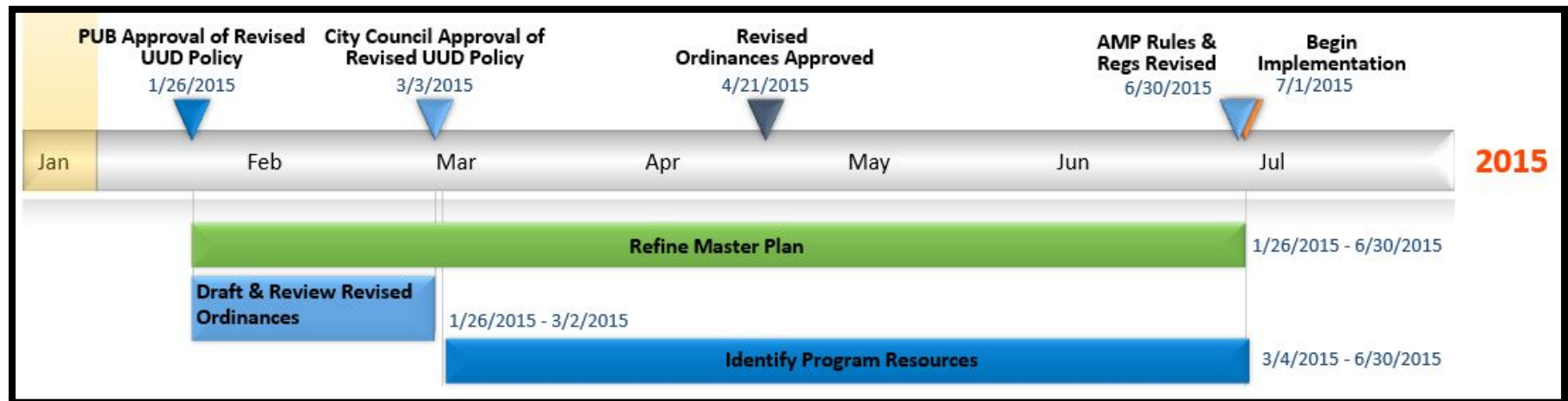
- **Re Maintenance Insurance:**
 - In Alameda, the customer owns the underground service lateral from the service point to the meter panel. AMP owns only the meter on the customer's property.
 - For customers undergrounded under this revised program AMP will offer a maintenance insurance policy to cover the repair costs of undergrounded electrical service laterals .
 - Repairs due to damage from customer dig-ins will be billed back to the customer.
 - Estimated fees are \$0.005/month for residential customers and \$0.42/month for commercial customers
- **Ele**
- **Cost share as appropriate**
- **Maintain underground service lateral**

Summary

This redesign of the Underground Districting Process was undertaken because the existing program was not meeting the needs of the community, City, and AMP, and was not providing the maximum public benefit. The key changes proposed in the redesigned program include:

- Criteria for selecting and prioritizing proposed districts have been quantified and prioritized.
- The scoring criteria help create a more transparent process for selecting districts.
- Conversion costs have been eliminated for the majority of customers.
- The process for gathering public input has been better defined.
- The plan proposes creating a maintenance insurance plan for customers' service laterals.

Next Steps or Recommendations



- Revise Ordinance
- Revise AMP Rules and Regulations
- Program Initiation (Gather team, district selection process, solicit/select Master Contractor, etc...)

Questions?



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