

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 8/12/2014	(3) CONTACT/PHONE Diana Haines, Utility Coordinator (805) 781-4776	
(4) SUBJECT Submittal of resolutions calling for a public hearing to determine whether public necessity, health, safety or welfare requires the formation of an Underground Utility District No. 31 along San Luis Street in Avila Beach and Underground Utility District No. 32 along South Bay Boulevard north of Los Osos. Hearing date set for September 9, 2014. Districts 2 and 3.			
(5) RECOMMENDED ACTION It is recommended that your Board: <ol style="list-style-type: none"> 1. Adopt the attached resolution calling for a public hearing for consideration of the formation of Underground Utility District No. 31 along San Luis Obispo Street in the of Avila Beach for September 9, 2014; and 2. Adopt the attached resolution calling for a public hearing for consideration of the formation of Underground Utility District No. 32 along South Bay Boulevard between the City of Morro Bay and Town of Los Osos for September 9, 2014. 			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 2 , District 3			

Reference: 14AUG12-C-3

County of San Luis Obispo



TO: Board of Supervisors
FROM: Public Works
Diana Haines, Utility Coordinator
VIA: Jeff Werst, Design Division Manager
DATE: 8/12/2014

SUBJECT: Submittal of resolutions calling for a public hearing to determine whether public necessity, health, safety or welfare requires the formation of an Underground Utility District No. 31 along San Luis Street in Avila Beach and Underground Utility District No. 32 along South Bay Boulevard north of Los Osos. Hearing date set for September 9, 2014. Districts 2 and 3.

RECOMMENDATION

It is recommended that your Board:

1. Adopt the attached resolution calling for a public hearing for consideration of the formation of Underground Utility District No. 31 along San Luis Obispo Street in the of Avila Beach for September 9, 2014; and
2. Adopt the attached resolution calling for a public hearing for consideration of the formation of Underground Utility District No. 32 along South Bay Boulevard between the City of Morro Bay and Town of Los Osos for September 9, 2014.

DISCUSSION

The California Public Utilities Commission (CPUC) Tariff Rule 20A program provides for conversion of overhead utility facilities to underground facilities. Over the past 35 years, the County has worked with the utility companies to convert more than 25 specific areas by establishing underground utility districts, funded in part or in total, from credits provided under the Tariff Rule 20A program.

Currently, the County has two underground district projects in a project development phase with construction planned in 2015 by the utility companies. These districts are located along Los Osos Valley Road in Los Osos and along Route 58 in Santa Margarita. With these projects proceeding, the Tariff Rule 20A program has capacity to begin additional project sites.

Sites for future underground utility districts have been prioritized on a project site list (Attachment "A") which was adopted by your Board on December 18, 2007. The prioritized list originated from the County Underground Utility Coordination Committee, which was formed by your Board in 1976.

The County Underground Utility Coordination Committee has proposed to continue on the priority list with the establishment of Underground Utility Districts along San Luis Street between San Rafael Street and First Street in the town of Avila Beach, and along South Bay Boulevard between Turri Road and Morro Bay City limits north of the Town of Los Osos. These proposed projects will convert the overhead utilities (electric, phone, and cable TV) to underground.

Pursuant to Section 13.50.020 of the County Code, a public hearing for the establishment of a district must be held to consider the public necessity, health, safety and welfare to require the removal of the overhead facilities, and the installation of the underground facilities. The Board may declare the formation of the appropriate Utilities Underground Districts by separate resolutions at the meeting. Notification letters will be sent to all property owners within the proposed Underground District boundary as well as all the affected utility companies.

The hearing will be set for the September 9, 2014 Board of Supervisor's meeting. Required public noticing will be published.

OTHER AGENCY INVOLVEMENT/IMPACT

The Avila Beach Community Services District, Los Osos Community Services District, City of Morro Bay, all affected utility companies and the Underground Utility Coordination Committee were notified of these matters.

For Underground Utility District No. 32, a portion of the district is within the City of Morro Bay. Staff has worked with the City to develop an agreement to provide for implementing the district across jurisdictional boundaries. That agreement will also be part of the September 9, 2014 Board action for district establishment.

County Counsel has reviewed the resolution for legal form and effect.

FINANCIAL CONSIDERATIONS

Under the Tariff Rule 20A program, the County receives annual credits from the CPUC which equates to a value of approximately \$500,000. As these credits accumulate, these underground utility districts will advance to design and construction. Project development costs are a shared responsibility between the utility company and the County. The County has established fund reserves under Service to Special Districts to address these costs. A budget adjustment will be processed once a district is officially established.

RESULTS

Approval of the recommended action will result in the scheduling of a public hearing for the consideration of undergrounding overhead utility facilities within the areas of Avila Beach and Los Osos. Establishing these Underground Districts and implementing the installation of the overhead utility lines underground will help create more livable communities in these areas.

File: CF 390.200.01 Avila Beach #31
CF 390.201.01 Los Osos #32

Reference: 14AUG12-C-3

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ATTACHMENTS

1. Vicinity Maps
2. Priority List Recommendation for Underground Utility Districts for Consideration at December 18, 2007 Meeting
3. Resolution Calling a Public Hearing to Determine Whether Public Necessity, Health, Safety or Welfare Requires the Formation of an Underground Utility District at South Bay Boulevard Between Turri Road and Morro Bay City Limits North of the Town of Los Osos
4. Resolution Calling a Public Hearing to Determine Whether Public Necessity, Health, Safety or Welfare Requires the formation of an Underground Utility District at San Luis Street Between San Rafael and First Street in the Town of Avila Beach