

**Sierra County  
Board of Supervisors'  
Agenda Transmittal &  
Record of Proceedings**

<b>MEETING DATE:</b> July 9, 2019	<b>TYPE OF AGENDA ITEM:</b> <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Timed <input type="checkbox"/> Consent
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<b>DEPARTMENT:</b> Public Works and Transportation
<b>APPROVING PARTY:</b> Tim H. Beals, Director
<b>PHONE NUMBER:</b> 530-289-3201

**AGENDA ITEM:** Discussion, direction to staff and scheduling of a public hearing with regard to establishment of an underground utility district in the community of Sierra City.

**SUPPORTIVE DOCUMENTS ATTACHED:**  Memo  Resolution  Agreement  Other

**BACKGROUND INFORMATION:** See attached background.

**FUNDING SOURCE: RULE 20A FUNDS, AND OTHER TRANSPORTATION FUNDS.**

**GENERAL FUND IMPACT:** No Additional General Fund Impact

**OTHER FUND:**

**AMOUNT:** \$500,000 in Rule 20 Funds N/A

**ARE ADDITIONAL PERSONNEL REQUIRED?**

Yes, -- --  
 No

**IS THIS ITEM ALLOCATED IN THE BUDGET?**  Yes  No

**IS A BUDGET TRANSFER REQUIRED?**  Yes  No

**SPACE BELOW FOR CLERK'S USE**

<p><b>BOARD ACTION:</b></p> <p><input type="checkbox"/> Approved <input type="checkbox"/> Approved as amended <input type="checkbox"/> Adopted <input type="checkbox"/> Adopted as amended <input type="checkbox"/> Denied <input type="checkbox"/> Other <input type="checkbox"/> No Action Taken</p>	<p><input type="checkbox"/> Set public hearing For: _____</p> <p><input type="checkbox"/> Direction to: _____</p> <p><input type="checkbox"/> Referred to: _____</p> <p><input type="checkbox"/> Continued to: _____</p> <p><input type="checkbox"/> Authorization given to: _____</p>	<p>Resolution 2019- _____</p> <p>Agreement 2019- _____</p> <p>Ordinance _____</p> <p>Vote:</p> <p>Ayes:</p> <p>Noes:</p> <p>Abstain:</p> <p>Absent:</p> <p><input type="checkbox"/> By Consensus</p>
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**COMMENTS:**

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CLERK TO THE BOARD

\_\_\_\_\_  
DATE

## Background

### **Discussion, direction to staff and scheduling of a public hearing with regard to establishment of an underground utility district in the community of Sierra City.**

The Rule 20A Program which is a program established by the California Public Utilities Commission requiring that PG&E allocate work credits to all cities and counties each year to fund the conversion of overhead utilities to underground. Currently Sierra County has a balance of \$451,503 available in the program and you can get an advance of 5 years' worth of funding which would be around \$12,000 per year, so essentially \$500,000 is available. **Currently the CPUC is looking at redistributing funds from communities that do not have projects (in the past 8 years). In order to have a project the Board of Supervisors would have to adopt a resolution forming an underground utility district for a project to be recognized.** This process is outlined in County Code and requires a public hearing. The deadline for a resolution to be adopted or funding to be re-allocated is July 24, 2019, therefore it is imperative to immediately schedule a hearing and potential adoption of such a resolution.

The Sierra City Main Street Project which has been the subject of SCTC action for a number of years, and stated that a Project Study Report is currently in progress. The project will involve reconstruction of a dedicated portion of Main Street (State Route 49), pedestrian improvements, sidewalks, drainage control, reconstruction of the roadway. Caltrans has indicated willingness to participate and hopefully conversion of overhead utilities to underground.

### **Excerpt from County Code, Chapter 37, regarding the process for forming district:**

#### **37.05.010 Purpose.**

The Board of Supervisors may from time to time call public hearings to ascertain whether the public necessity, health, safety or welfare requires the removal of poles, overhead wires and associated overhead structures within designated areas of the county and the underground installation of wires and facilities for supplying electric, communication, or similar or associated service. (Formerly 37.01)

□

#### **37.05.020 Definitions.**

Words or phrases used in this title shall have the following definitions:

“Commission” means the Public Utilities Commission of the state of California.

“District” or “underground utility district” means that area in the county within which poles, overhead wires, and associated overhead structures are prohibited, as such area is described in a resolution adopted pursuant to the provisions of this chapter.

“Poles, overhead wires and associated overhead structures” means poles, towers, supports, wires, conductors, guys, stubs, platforms, crossarms, braces, transformers, insulators, cutouts, switches, communication circuits, appliances, attachments, and appurtenances located above ground within

a district and used or useful in supplying electric, communication or similar or associated service.

“Utility” means all persons or entities supplying electric, communication or similar or associated service by means of electrical materials or devices. (Formerly 37.02)



**37.05.030 County Clerk to notify owner**

The County Clerk shall notify all affected property owners as shown on the last equalized assessment roll and utilities concerned by mail of the time and place of such hearings at least 10 days prior to the date thereof. (Formerly 37.03)



**37.05.040 Decision of Board conclusive.**

At each such hearing all persons interested shall be given an opportunity to be heard. The decision of the Board of Supervisors shall be final and conclusive. (Formerly 37.04)



**37.05.050 District designation by resolution.**

If, after any such hearing, the Board of Supervisors requires underground installation within a designated area, the Board shall enact an enabling resolution declaring such designated area an underground utility district and order such removal and underground installation. (Formerly 37.05)



**37.05.060 Regulations set by resolution.**

The enabling resolution shall include a description of the area comprising such district and shall fix the time within which such removal and underground installation shall be accomplished and within which affected property owners must be ready to receive underground service. A reasonable time shall be allowed for such removal and underground installation, having due regard for the availability of labor, materials and equipment necessary for such removal and for the installation of such underground facilities as may be occasioned thereby. (Formerly 37.06)

**NOTICE OF PUBLIC HEARING**

**SIERRA COUNTY BOARD OF SUPERVISORS**

**NOTICE IS HEREBY GIVEN** that the Sierra County Board of Supervisors shall conduct the following public hearing at \_\_\_\_\_ a.m., Tuesday, July 23, 2019 at the Board of Supervisors Chambers, Loyalton Social Hall, Loyalton, CA. Interested persons are urged to attend or to provide written comments:

Formation of an Underground Utility District – Sierra City Main Street: This would include Highway 49 (Main Street) from the west end of the community (Sierra Pines) to the east end of the community (intersection of State Route 49 and Wild Plum Road). Residences and commercial buildings along the referenced route will be required to convert to underground service.

Persons interested in these matters scheduled before the Board of Supervisors are urged to attend to provide input, or to provide written comments. The Board of Supervisors will consider all input, oral or written comments, received prior to the posted hearing date.

Dated: July 9, 2019  
Posted: July 9, 2019  
Published: July 11, 2019



**ELECTRIC RULE NO. 20** Sheet 1  
**REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**

A. PG&E will, at its expense, replace its existing overhead electric facilities with underground electric facilities along public streets and roads, and on public lands and private property across which rights-of-ways satisfactory to PG&E have been obtained by PG&E, provided that:

1. The governing body of the city or county in which such electric facilities are and will be located has:

a. Determined, after consultation with PG&E and after holding public hearings on the subject, that such undergrounding is in the general public interest for one or more of the following reasons:

- 1) Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
- 2) The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic;
- 3) The street or road or 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; and
- 4) The street or road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines.

b. Adopted an ordinance creating an underground district in the area in which both the existing and new facilities are and will be located requiring, among other things, (1) that all existing overhead communication and electric distribution facilities in such district shall be removed, (2) that each property served from such electric overhead facilities shall have installed in accordance with PG&E's rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of PG&E as soon as it is available, and (3) authorizing PG&E to discontinue its overhead service.

c. Acknowledged that wheelchair access is in the public interest and will be considered as a basis for defining the boundaries of projects that otherwise qualify for Rule 20A under the existing criteria set forth in Section A(1)(a) above.

(N)  
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 (N)

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

A. (Cont'd.)

2. PG&E's total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated as follows: (N)

a. The amount allocated to each city and county in 1990 shall be the highest of:

1) The amount allocated to the city or county in 1989, which amount shall be allocated in the same ratio that the number of overhead meters in such city or unincorporated area of any county bears to the total system overhead meters; or

2) The amount the city or county would receive if PG&E's total annual budgeted amount for undergrounding provided in 1989 were allocated in the same ratio that the number of overhead meters in each city or the unincorporated area of each county bears to the total system overhead meters based on the latest count of overhead meters available prior to establishing the 1990 allocations; or

3) The amount the city or county would receive if PG&E's total annual budgeted amount for undergrounding provided in 1989 were allocated as follows:

a) Fifty percent of the budgeted amount allocated in the same ratio that the number of overhead meters in any city or the unincorporated area of any county bears to the total system overhead meters; and

b) Fifty percent of the budgeted amount allocated in the same ratio that the total number of meters in any city or the unincorporated area of any county bears to the total system meters. (N)

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

A. (Cont'd.)

2. (Cont'd.)

b. Except as provided in Section 2.c., the amount allocated for undergrounding within any city or the unincorporated area of any county in 1991 and later years shall use the amount actually allocated to the city or county in 1990 as the base, and any changes from the 1990 level in PG&E's total annual budgeted amount for undergrounding shall be allocated to individual cities and counties as follows:

(N)

1) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the number of overhead meters in any city or unincorporated area of any county bears to the total system overhead meters; and

2) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the total number of meters in any city or the unincorporated area of any county bears to the total system meters.

c. When a city incorporates, resulting in a transfer of utility meters from the unincorporated area of a county to the city, there shall be a permanent transfer of a prorata portion of the county's 1990 allocation base referred to in Section 2.b. to the city. The amount transferred shall be determined:

1) Fifty percent based on the ratio that the number of overhead meters in the city bears to the total system overhead meters; and

2) Fifty percent based on the ratio that the total number of meters in the city bears to the total system meters.

When territory is annexed to an existing city, it shall be the responsibility of the city and county affected, in consultation with the Utility serving the territory, to agree upon an amount of the 1990 allocation base that will be transferred from the county to the city, and thereafter to jointly notify PG&E in writing.

(N)

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

A. (Cont'd.)

2. (Cont'd.)

d. However, Section 2 a, b, and c shall not apply to PG&E where the total amount available for allocation under Rule 20-A is equal to or greater than 1.5 times the previous year's statewide average on a per customer basis. In such cases, PG&E's total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated in the same ratio that the number of overhead meters in the city or unincorporated area of any county bears to the total system overhead meters.

e. Upon request by a city or county, the amounts allocated may be exceeded for each city or county by an amount up to a maximum of five years' allocation at then-current levels where PG&E establishes additional participation on a project is warranted and resources are available. Such allocated amounts may be carried over for a reasonable period of time in communities with active undergrounding programs. In order to qualify as a community with an active undergrounding program the governing body must have adopted an ordinance or ordinances creating an underground district and/or districts as set forth in Section A.1.b. of this Rule. Where there is a carry-over or additional requested participation, as discussed above, PG&E has the right to set, as determined by its capability, reasonable limits on the rate of performance of the work to be financed by the funds carried over. When amounts are not expended or carried over for the community to which they are initially allocated they shall be assigned when additional participation on a project is warranted or be reallocated to communities with active undergrounding programs.

(N)  
|  
(N)  
  
(T)  
(T)

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

A. (Cont'd.)

- 3. The undergrounding extends for a minimum distance of one block or 600 feet, whichever is the lesser. (L)

Upon request of the governing body, PG&E will pay from the existing allocation of that entity for: (T)

- a. The installation of no more than 100 feet of each customer's underground electric service lateral occasioned by the undergrounding. (T) (L)

- b. The conversion of electric service panels to accept underground service, up to \$1,500 per service entrance, excluding permit fees. (N) (N)

The governing body may establish a smaller footage allowance, or may limit the amount of money to be expended on a single customer's electric service, or the total amount to be expended on all electric service installations in a particular project. (L)

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

B. In circumstances other than those covered by A above, PG&E will replace its existing overhead electric facilities with underground electric facilities along public streets and roads or other locations mutually agreed upon when requested by an applicant or applicants when all of the following conditions are met:

1. a. All property owners served from the overhead facilities to be removed first agree in writing to have the wiring changes made on their premises so that service may be furnished from the underground distribution system in accordance with PG&E's rules and that PG&E may discontinue its overhead service upon completion of the underground facilities; or

b. Suitable legislation is in effect requiring such necessary wiring changes to be made and authorizing PG&E to discontinue its overhead service.

2. The applicant has:

a. Furnished and installed the pads and vaults for transformers and associated equipment, conduits, ducts, boxes, pole bases and performed other work related to structures and substructures including breaking of pavement, trenching, backfilling, and repaving required in connection with the installation of the underground system, all in accordance with PG&E's specifications, or, in lieu thereof, paid PG&E to do so;

b. Transferred ownership of such facilities, in good condition, to PG&E; and

c. Paid a nonrefundable sum equal to the excess, if any, of the estimated costs, of completing the underground system and building a new equivalent overhead system. (T)

3. The area to be undergrounded includes both sides of a street for at least one block or 600 feet, whichever is the lesser, and all existing overhead communication and electric distribution facilities within the area will be removed.

(Continued)



**RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES**  
(Continued)

B. (Cont'd)

4. PG&E may, when requested by the city or county and mutually agreed upon by such government entity and PG&E, initially fund any required engineering/design costs for conversion projects under this section. In the event such a project proceeds, the requesting city or county shall reimburse PG&E for such engineering/design costs before PG&E shall be required to commence further work on the project. In the event the project is not approved to proceed within two and one-half years of PG&E's delivery of such engineering/design study, the requesting city or county shall reimburse PG&E for its costs of such engineering/design study within 90 days of a demand by PG&E. In the event payment is not received PG&E shall expense such costs as an operational cost and shall reduce the city or county's allocations provided under Section A of this Schedule by the amount.

(N)

5. The costs of removal of the overhead poles, lines, and facilities are the responsibility of PG&E and will be paid by PG&E. Such payments shall not operate to reduce Rule 20-A allocations.

(N)

C. In circumstances other than those covered by A or B above, when mutually agreed upon by PG&E and an applicant, overhead electric facilities may be replaced with underground electric facilities, provided the applicant requesting the change pays, in advance, a nonrefundable sum equal to the estimated cost of the underground facilities less the estimated net salvage value and depreciation of the replaced overhead facilities. Underground services will be installed and maintained as provided in PG&E's rules applicable thereto.

D. The term "underground electric system" means an electric system with all wires installed underground, except those wires in surface mounted equipment enclosures.