

RESOLUTION NO. 2010-532

Adopted by the Sacramento City Council

September 7, 2010

AMEND THE PRIORITY LIST FOR THE SACRAMENTO MUNICIPAL UTILITY DISTRICT (SMUD) SYSTEM ENHANCEMENT PROGRAM TO ADD THE NORTH 7TH STREET UTILITY UNDERGROUND PROJECT AND APPROVE AGREEMENTS FOR PROJECT IMPLEMENTATION

BACKGROUND

- A. The relocation or undergrounding of primary voltage overhead power lines is very desirable to the City as it can help to improve aesthetics, economic vitality, safety and disabled access along corridors.
- B. The Sacramento Municipal Utility District (SMUD) recognized these benefits and established the System Enhancement Program in order to fund selected distribution system enhancements by relocating or undergrounding existing power lines below 69 kV.
- C. SMUD will fund the cost to relocate or underground its facilities and will fund the costs to construct the utility trench provided that: (i) the City has established the project and determined that it is in the public interest, (ii) the relocation of all telecommunication company facilities with leases and rights to the existing joint pole facilities has been funded and approved by those companies, (iii) the plans and specifications for the relocation of SMUD's facilities has been completed by others, (iv) the underground improvements have been constructed to SMUD's satisfaction, (v) all required building permits have been approved, (vi) all private property right of way requirements and easements and service relocation agreements with all affected property owners have been executed, and (viii) any easements that may be required by SMUD for its above-ground utility boxes have been granted. There is an existing SMUD utility pole on the west side of North 7th Street which could be removed as part of a relocation project.
- D. On March 9, 2010 the City Council approved the SMUD System Enhancement Program priority selection criteria and approved a list of priority ranked projects for the SMUD System Enhancement Program.
- E. In July 2010, the City was approached by SMUD and the Sacramento Regional Transit District (RT) about including the undergrounding of the utility lines along North 7th Street, between North B Street and Richards Boulevard, (the "North 7th Street Utility Underground Project") on the priority list so that the work could be funded by SMUD and undertaken as part of RT's construction of the Downtown-Natomas-Airport (DNA) Minimal Operable Segment 1 ("Green Line") project.
- F. The North 7th Street Utility Underground Project is consistent with the approved SMUD System Enhancement Program priority selection criteria and would be the second-

ranked project. SMUD has funding available in its current budget to fund this project and the plans have been completed and the project is ready for construction.

- G. In order for the above-ground utilities along North 7th Street to be relocated underground, the City will need to direct AT&T to relocate its existing facilities on the SMUD pole to the new trench and to reimburse the costs incurred for placement of conduits for its facilities.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The North 7th Street Utility Underground Project is hereby established and the SMUD System Enhancement Program project list is hereby amended to add this project as the second-ranked project on the list. Staff is directed to submit an application to SMUD an allocation of SD-14 funding for this project in an amount not to exceed \$750,000.
- Section 2. The City Manager or his designee is authorized to enter into an agreement with SMUD to accept the SD-14 funds for the North 7th Street Utility Underground Project and to grant to SMUD easements for the utility boxes required for this project on the City's incinerator property located on North 7th Street.
- Section 3. The City Manager or his designee is authorized to enter into an amendment of the DNA Green Line Project Agreement with RT for RT to design and undertake construction of the North 7th Street Utility Underground Project and for City to pass-thru the SMUD SD-14 funds and the AT&T funds to reimburse RT for the actual construction costs incurred. .
- Section 4. The City Manager or his designee is authorized to direct AT&T to relocate its overhead facilities on the existing SMUD utility pole on North 7th Street to the new underground utility facility in accordance with the California Public Utilities Commission regulations and orders, and to enter into a reimbursement agreement with AT&T for it to pay the City for the costs of the AT&T conduits to be installed by RT, which work is estimated at \$160,000.
- Section 5. Staff is directed to work with the affected private property owners to secure the approvals and rights of way needed to place the ancillary SMUD facilities above-ground and to connect the existing buildings along North 7th Street to the new underground facile

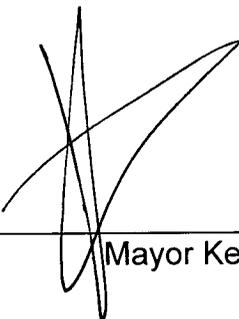
Adopted by the City of Sacramento City Council on September 7, 2010 by the following vote:

Ayes: Councilmembers Cohn, Hammond, McCarty, Pannell, Tretheway, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: Councilmembers Fong, Sheedy and Waters.



Mayor Kevin Johnson

Attest:


Shirley Concolino, City Clerk