



# CITY OF LONG BEACH

## DEPARTMENT OF PUBLIC WORKS

# R-25

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September 21, 2004

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**SUBJECT:** Authorization to Debit City of Long Beach Rule 20A Utility Undergrounding Account for The Toledo Project Design Engineering (District 3)

### DISCUSSION

A majority (76 percent) of the homeowners along 5429 to 5548 The Toledo filed a petition with the City Engineer to form an assessment district, to fund the undergrounding of the utilities along the street area, shown on Exhibit A. The petition acknowledged that the cost of this project is estimated to be \$19,500 per parcel. The next step of the project is the production of a preliminary engineering plan, to determine actual cost. Southern California Edison ("Edison") requests a non-refundable payment of \$10,000, to cover their preliminary design engineering expenses.

The undergrounding of utilities on this residential street is classified as a Rule 20B project, under State of California Public Utilities Commission Rules. Rule 20B projects occur along local or unclassified streets. Rule 20A projects are projects that occur along major and minor arterials that carry a heavy concentration of overhead electric facilities. Funding for Rule 20A projects comes primarily from the City's account credits with Southern California Edison. Adjacent property owners primarily fund rule 20B projects, with Edison contributing only a small portion of the cost.

Edison is willing to provide design engineering for a Rule 20B project, using the City's Rule 20A credits, if so requested by the City. These credits will be restored to the City, if the homeowners eventually create an assessment district to pay for this project. The property owners along 5429 to 5548 The Toledo request that the City allow Edison to debit the City's Rule 20A account by \$10,000, for the required design engineering down payment.

This item was reviewed by Deputy City Attorney Lisa Peskay Malmsten on August 18, 2004 and Budget Management Officer David Wodynski on September 3, 2004

TIMING CONSIDERATIONS

City Council action on this item is not time critical.

FISCAL IMPACT

If an Assessment District for this project is formed after the project is designed and bid, \$10,000 will be re-credited to the City of Long Beach Rule 20A account. If, within two and one-half years, the property owners do not agree to form the district by majority vote, Edison will invoice the City for the \$10,000. If the City does not reimburse Edison with cash, the City's Rule 20A funds will be debited by \$10,000. As a point of reference, the City currently receives approximately \$2.6 million annually towards Rule 20A projects.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute a Preliminary Design and Engineering Agreement with Edison for the undergrounding of the utilities along The Toledo, as shown on Exhibit A, and to authorize Edison to debit the City of Long Beach Rule 20A account by \$10,000 for the required preliminary engineering design work.

Respectfully submitted,

  
CHRISTINE F. ANDERSEN  
DIRECTOR OF PUBLIC WORKS

Attachment

GMM:SC

APPROVED:

  
GERALD R. MILLER  
CITY MANAGER