

STAFF REPORT



ITEM NO. 6 CITY OF OCEANSIDE

DATE: May 20, 2015

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$65,769 TO SAN DIEGO GAS & ELECTRIC COMPANY FOR THE UNDERGROUND CONVERSION OF OVERHEAD ELECTRIC UTILITIES ON FIRE MOUNTAIN DRIVE**

SYNOPSIS

Staff recommends that the City Council approve a purchase order in the amount of \$65,769 to San Diego Gas and Electric Company (SDG&E) for the conversion of the overhead utilities on Fire Mountain Drive between Via Esmarca and the Fire Mountain Reservoir; and authorization for the Financial Services Director, or designee, to execute the purchase order.

BACKGROUND

On January 28, 2013, the Planning Commission approved Conditional Use Permit, CUP12-0023, for the continued operation of Eternal Hills Cemetery. The Resolution approving the Conditional Use Permit requires the cemetery to underground all overhead utilities along its frontage with Fire Mountain Drive.

At that same hearing, the Planning Commission asked staff to work with Eternal Hills Cemetery to complete the undergrounding to the next ending or "up" pole even if the additional length is beyond the limit of Eternal Hills' obligation. This avoids having to add new "up" poles in front of the homes on the south side of Fire Mountain Drive. Funds for this purpose were subsequently appropriated from the Undergrounding In-Lieu fund balance with the adoption of the FY 2015 CIP budget.

City and SDG&E staff contacted homeowners to request easements in favor of SDG&E for their shared underground electric service. SDG&E's conceptual design evolved during this process to reduce the number of easements required to just one, which was granted gratis.

SDG&E then completed an undergrounding design that not only fulfills the requirements of Eternal Hills' Conditional Use Permit, but also removes all of the poles across Fire Mountain Drive and along the City reservoir property west of Eternal Hills Cemetery.

ANALYSIS

The completed project design by SDG&E fulfills Eternal Hills Cemetery Conditional Use Permit obligations, removes a line of poles from the City-owned reservoir property, and eliminates needless end or "up" poles next to the homes across from the cemetery. As-designed, the entire project must be completed to avoid leaving unsightly "up" poles behind or installing new ones where overhead wires depart from Eternal Hills Cemetery's frontage.

The additional segments consist of the following:

- Five poles to the City reservoir property west of Eternal Hills Cemetery
- Three poles west of Bailey Drive
- Two poles east of Bailey Drive

The cost of the additional undergrounding work is proportional to the length of the underground conduit that replaces the overhead wires. City staff and SCI's (The corporate owner of Eternal Hills Cemetery) engineering consultants determined the following to be a fair split between the requirements of the Conditional Use Permit and additional segments:

	Proportion of Total Length Of Underground Trench	Proposed Cost Split	Percent Cost Share
SCI share	58.5%	\$102,674	61%
City share	41.5%	\$65,769	39%

(The City is paying slightly less than its proportionate share.)

Execution of the undergrounding agreement by SCI and payment of \$164,424 is the next step towards construction of the project. The payment reimburses SDG&E for their design costs to date and pays for SDG&E costs to place their electrical conduits underground in a joint trench and to reconnect the overhead lines to underground service. The \$164,424 payment will be made in two checks to SDG&E: \$102,674 by SCI and \$65,769 by City of Oceanside.

SCI and the City will have to share additional costs to complete the project. These costs include undergrounding work by AT&T and Cox Communications, excavation of the joint utility trench by SCI's contractor, and reconnecting service lines to several homes and the City's monitoring equipment at the Fire Mountain Reservoir. These costs will not be precisely known until AT&T and Cox complete their respective designs and SCI obtains bids for the trench excavation.

FISCAL IMPACT

The \$65,769 purchase order will be paid from the Fire Mountain Undergrounding of Utilities Project Account 912135300501, which has an available balance of \$151,744. Therefore, sufficient funds exist to execute the purchase order to SDG&E.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the City Council approve a purchase order in the amount of \$65,769 to San Diego Gas and Electric Company (SDG&E) for the conversion of the overhead utilities on Fire Mountain Drive between Via Esmarca and the Fire Mountain Reservoir; and authorization for the Financial Services Director, or designee, to execute the purchase order.

PREPARED BY:



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SUBMITTED BY:



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Interim City Manager

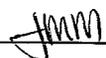
REVIEWED BY:

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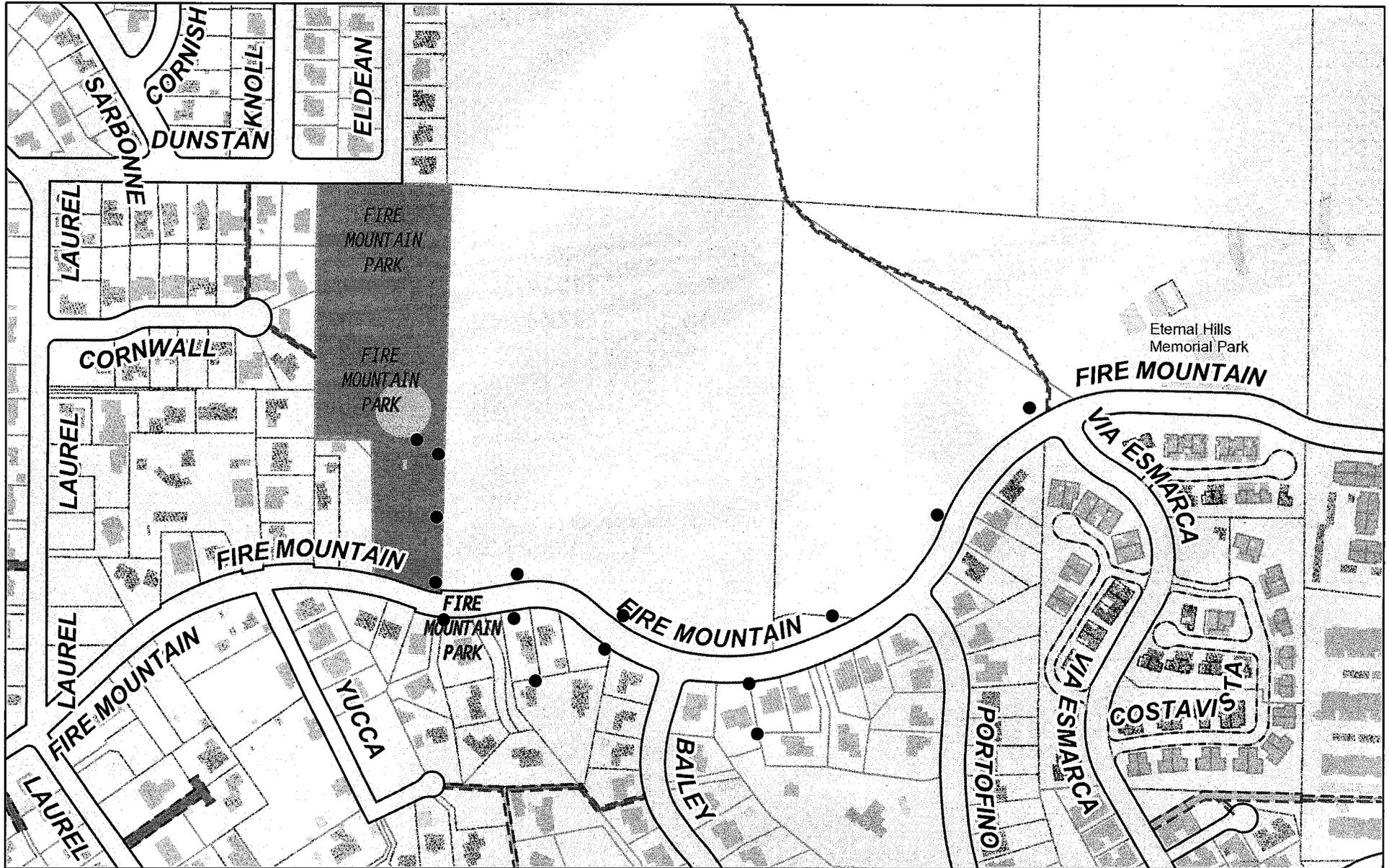








Fire Mountain Undergrounding



April 29, 2015

