

MEMORANDUM

To: Utility Undergrounding Committee
From: Associate Planner Avalon
Date: August 25, 2010

Re: Covenant Undergrounding Project History

Undergrounding projects generally fall into one of three categories; 20A, 20B or 20C. The numbering system refers to the level of subsidy provided under Rule 20 of the California Public Utility Commission (PUC) for projects based upon different levels of public benefit. The Association has participated in utility undergrounding projects within each of these categories, and at times has provided additional funding assistance for specific projects. A brief history of the Association's participation in utility undergrounding is provided in this memo.

20 A Projects

These are projects that are largely funded by a PUC policy that requires utility companies to set aside a certain portion of rate-payer funds for the purpose of undergrounding overhead utility facilities (power, phone & cable TV) along public right-of-ways. Adjacent property owners are required to bear the cost of conduit, trenching, backfill and connection from the public right-of-way to the connection point on their properties. These programs are administered by the political jurisdictions in which facilities are located, in our case the County of San Diego. The County has criteria by which proposals for undergrounding projects are evaluated. The utilities proposed for undergrounding must be located on public property and on high volume roadways. Roadways which are scheduled for resurfacing are desirable candidates because of the attendant cost savings. Over the years, the Association has submitted various roadways and roadway segments to the County for 20A consideration. The Board of Supervisors affirms the County's priority list each year and votes to establish "underground utility districts" from proposed projects on this list. The completed Ranch 20A projects are:

- In 1975, a 20A project along a 7,000 foot stretch of Paseo Delicias between La Flecha and El Montevideo undergrounded 7,000 feet of overhead lines and removed 38 poles. The project cost was \$450,000.
- In 1992, the Village 20A project removed 22 poles and 4,500 feet of overhead lines at a cost of \$1,100,000 not including the installation of gas lines along the undergrounding route which was paid for by SDG&E.
- 1998, a 20A project for Via de la Valle/Via de Santa Fe, removed 49 poles and 54,000 feet of overhead lines at a cost of \$2,900,000 not including the \$100,000 paid by the Association for the installation of gas lines along the project route. This gas line were connected to the fallow gas lines in the Village and the entire route, from El Apajo north through the Village and down La Granada adjacent to the school, is now a functioning gasline distribution system.

- In 2007 the Linea del Cielo 20A project removed 18 utility poles, and placed 1200 feet of electric wire and 1500 feet of telephone cable underground. The utilities that were undergrounded are located in the alley behind the pharmacy and garden club, along La Sendita in the Association parking lot, and along Linea del Cielo to a point approximately 270 feet west of El Fuego. Project costs were estimated at over \$1,000,000. To assist with this project, the Association paid for the conversion of two private utility boxes on the Country Friends building, at a cost of less than \$500.
- Following the completion of the Linea del Cielo 20A project, the County changed its prioritization policy regarding utility undergrounding so that only roadways undergoing major construction or repaving would be considered for 20A funding. As a result, all planned 20A projects in Rancho Santa Fe have been put on hold indefinitely.

20B Projects

These projects are privately funded by property owners or others. Typically, a group of neighbors will get together to jointly fund a neighborhood 20B project. To qualify as a 20B project, the project area must consist of more than 600' along the roadside, include the undergrounding of all overhead utilities on both sides of the street, if applicable, and all adjacent property owners must support the proposed project. Projects of less than 600' or otherwise not meeting the other requirements to qualify for a 20B project designation are significantly more expensive. The completed 20B projects in which the Association has shared some portion of the costs are:

- In 1990, the Association split the cost for the removal of 4 poles along Via de la Cumbre adjacent to the golf club driving range with adjacent property owner Mr. Caltagirone. The removal of these poles, adjacent to a significant Association asset, was deemed to constitute a significant visual betterment which would benefit the community as a whole. The project's cost was \$50,000, the Association paid half.
- In 2003, the Association split the cost, with neighbors who initiated the proposal, for the removal of 5 poles along Las Colinas. The Association paid half of the \$158,469 project cost. The Association's participation in this project raised questions about whether member funds should be used for this type of project. The Association then began seeking alternative ways to assist neighborhoods wanting to conduct utility undergrounding without the dedication of large amounts of general member funds towards localized projects.

20C Projects

These are privately generated and funded undergrounding projects that don't meet the requirements of a 20B project. The completed 20C projects in which the Association has shared some portion of the costs are:

- In 1994, at its own expense of approximately \$24,000, the Association paid for the removal of three poles adjacent to the non-Covenant "Estes" property ("pumpkin

patch”) near the La Bajada bridge. At the time, the County was constructing the La Bajada bridge and removing a number of roadside poles and overhead lines. The three poles adjacent to the Estes property were located on a portion of the Covenant’s western boundary line and were highly visible at one of the Ranch’s main entry points. As such, the removal of these poles was deemed to constitute significant community betterment.

- In 1998, the Association paid \$9,874 of a \$34,000 dollar project to remove a single pole at the corner of Calle Corte and El Tordo. Removing poles from the Village area was a priority objective of the previously adopted “underground priority list.”

Pilot Project for Neighborhood Utility Undergrounding Applications

In 2004 and 2005, the Rancho Santa Fe Association conducted a pilot project to see whether a competitive application process to request dedicated Association funds for assistance with neighborhood utility undergrounding projects would be feasible. Two neighborhoods applied for funding assistance. In early 2005, the Association Board conceptually approved funding assistance for the La Flecha Neighborhood Utility Undergrounding Project for 41.25% of eligible undergrounding costs, not to exceed \$16,503 and the Friends of Via de Fortuna Neighborhood Utility Undergrounding Project to cover 37.5% of eligible undergrounding costs, not to exceed \$282,683.

The results of the pilot project for Association assistance with neighborhood undergrounding projects were unremarkable though, and the program was discontinued. The Via de Fortuna project was abandoned when several property owners declined to participate in their share of the project. Association funds were never distributed and the poles still remain above ground. The La Flecha Undergrounding Project was successfully completed, but with substantial assistance from the County of San Diego. The property owner organizing the effort was able to convince the County to approve an undergrounding district using partial-20A funding. As a result, project costs to the property owners were considerably lower than expected. The Association eventually paid approximately \$7,400 to assist with trenching costs for the La Flecha Undergrounding Project.

Rancho Santa Fe 20A Undergrounding Priority List

	Roadway area
1	Linea Del Cielo (Village area – already on 20A list)
2	Calle Corte and El Tordo Alley (already on 20A list)
3	Linea del Cielo (Calzada to El Secreto)
4	Linea del Cielo (West of Calzada)
5	La Bajada at La Noria (plus La Noria, if possible)
6	Avenida de Acacias
7	El Camino del Norte (west of the Reservoir – already on 20A list)
8	Paseo Delicias (East of El Montevideo – already on 20A list)
9	El Montevideo (Paseo Delicias to San Elijo)
10	Rambla de Las Flores (La Granada to El Acebo)
11	Via De Fortuna
12	El Camino del Norte (Del Dios Hwy to Lago Lindo)
13	El Mirlo/Via de Fortuna (to El Montevideo)
14	El Camino Real/La Noria (El Nido to Camino Privado)

Revised 12/7/06

Rancho Santa Fe Association



Utility Undergrounding Survey Results

August 4, 2011

Survey Question 1

There are overhead utility lines on or adjacent to my property:

- Yes: 475
- No: 277
- N/A: 15
- No Response: 11

Survey Question 2

I am willing to pay for my fair share portion of an engineering assessment study, which will be used to determine the cost of undergrounding in my neighborhood:

- Yes: 204
- No: 478
- N/A: 67
- No Response: 29

Survey Question 3

I am interested in participating in an assessment district for utility undergrounding. I also understand that the actual costs may be substantial, but that the approval of any assessment is subject to a vote of the property owners within the district:

- Yes: 198
- No: 400
- Maybe: 94
- No Response: 86

Survey Question 4

I am interested in serving as a “District Captain” to help organize neighbors within my proposed assessment district:

- Yes: 12
- No: 631
- Maybe: 48
- No Response: 87

Survey Question 5

I currently have natural gas service available for my property:

- Yes: 123
- No: 501
- Not Sure: 45
- No Response: 109

Survey Question 6

If available, I am interested in extending natural gas service to my property:

- Yes: 311
- No: 235
- N/A: 105
- No Response: 127

Survey Highlights

- Total of 778 surveys were returned
- About 60% of all respondents have utility lines on or adjacent to their property
- Only about 25% of all respondents would be willing to participate in an undergrounding district
- Of those who have overhead utility lines on or adjacent to their property, willingness to participate in an undergrounding district increases to 41%

Survey Highlights

- 12 residents indicated they would be interested in serving as a District Captain for their proposed district
- An additional 48 residents may be interested
- Less than 20% of respondents currently have natural gas service available for their property, and close to 40% would be interested in extending natural gas service if available

