

REPORT

To the Honorable Mayor and City Council
From the City Manager

September 26, 2005

INFORMATION ONLY

Subject

Utility Undergrounding

Background

Similar to all communities that are serviced by PG&E overhead utility lines, the City of Redwood City has the option to do approximately \$500,000/year of underground utility construction, which would be paid for by PG&E under their Rule 20 Regulations. This credit is accrued year-to-year, and is funded through rate increases administered by PG&E. Currently, the City has approximately \$3.1 million in accrued credit.

The last utility undergrounding project that the City chose to perform was Roosevelt Avenue Reconstruction Phase 2, at a cost of approximately \$1 million. The utility undergrounding was done in conjunction with the street reconstruction, along with other utility improvements (for a total project cost of approximately \$3.5 million).

Utility undergrounding has played a supplemental role in other street reconstruction, and rarely became a driving force in project development. The reason for this is the effort to minimize disruption to the citizens of Redwood City due to construction. Staff has taken the approach that if a neighborhood has to be disrupted by construction, it would be the opportunity to fold in utility undergrounding rather than disrupting the neighborhood just to do undergrounding.

Utility undergrounding takes a high level of coordination between the different utility companies, and takes a long time to plan. PG&E has traditionally done the coordination, and it takes about one year to plan.

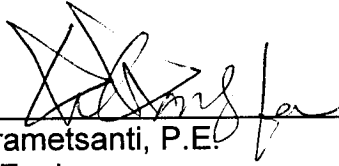
Currently, Staff is considering the following three potential projects for undergrounding:

1. Roosevelt Avenue reconstruction Phase III,
2. Whipple Avenue from Veteran to El Camino Real, and
3. Middlefield Road from Douglas Avenue to Main Street.

All three potential projects will be discussed during staff presentation.

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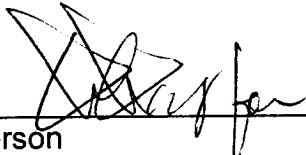
Since this task has not been identified under current Council priority, staff is seeking policy guidance from the Council on this matter to pursue it further.



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