



Department of Transportation (MCDOT)

Director's Report – July 12, 2016

- **Bridge Construction Contracts Update:**

Seismic Retrofit of the Bridge on Moore Street, County Road (CR) 229B, at Mile Post (MP) 0.45 (Highway Bridge Program [HBP]): Bugler Construction of Pleasanton, California, started work on July 5, 2016 and is scheduled to complete the work in one season. This project, a retrofit of an existing structure, will require about three weeks of full road closure for certain operations associated with additional pile driving as was disclosed in the California Environmental Quality Act documents.

The contractor may close the bridge as necessary between June 13 and August 22, 2016, when school is not in session, for pile and pile cap construction activities. When there is no necessity to close the bridge, the contractor shall make every effort to keep one lane open to traffic. The goal is to allow maximum access of the bridge for public and emergency vehicle usage. As directed by the County, the contractor shall place changeable message signs at Marina Drive, Highway 20 Ramp, School Way, and Lake Mendocino Drive, so that the public can be notified, in advance, if the bridge is open or closed. There will be a total of six changeable message signs. The changeable message signs are not required to be programmable electric signs, but may be fixed-post construction advisory signs that can be manually closed to reflect bridge closure status.

Bridge Replacement on Muir Mill Road Over Baechtel Creek, CR 301C at MP 2.07 HBP – Replacement): After waiting for an AT&T pole and cables to be relocated, MCM Construction, Inc. of Sacramento, California, started work on June 29, 2016. As there is not a detour option available, this project has a temporary bridge to maintain full-time traffic flow. Work is on schedule and will be completed in one season.

- **Chip Seal Project Update:** VSS International Inc. of West Sacramento, California, will start work on the rubberized chip seal project (approximately 13 miles of roadway) on July 6, 2016. The contractor and County are making every effort to minimize any inconvenience to the public by using temporary parking restrictions and lane closures. To aid in this effort, the first layer will be applied to North State Street (the busiest street) on four separate Sunday mornings between 6:00 am and 10:00 am. Base failure dugouts will be done with short length lane closures during the normal working week. This treatment is hoped to last approximately 15 years, so we will have some short term pain for long term gain.

The contractor plans to apply the first and second layers of the three-layer application during the month of July with the final layer and paint markings to be applied in August. The first layer of a slurry seal of emulsion and sand is intended to fill large cracks. A week later, the middle rubberized chip seal layer (the wearing surface) will be applied. Then, approximately two weeks after that, the last layer, a fog seal of thick black emulsion, will be applied.

- **Storm Damage Repair Project Update:** Bouthillier's Construction, the contractor for the Storm Damage Repair Project on Mountain View Road, CR 510, at M.P. 14.04, will be constructing this project in the late summer and early fall pursuant to permit conditions. The road will be subject to single lane traffic control.
- **Status of Future Underground District(s):** Mendocino County, along with the California State Association of Counties (CSAC) and the League of California Cities, has been working with Pacific Gas and Electric Company (PG&E) to revise the PG&E Advice Letter No. 3767-E. Advice Letter No. 3767-E obligated the local county's underground districts to be even more responsible for undergrounding projects. A summary of the original advice letter, as well as, the most current revision is below:

Advice Letter No. 3767-E approved by California Public Utilities Commission on December 30, 2010:

General Conditions:

PG&E will, at its expense, replace its existing overhead electric facilities with underground electric facilities as outlined in the Rule 20 Tariff. To ensure the success of this program, the Applicant agrees to support the Rule 20A Program as follows:

Responsibilities of the Applicant:

- 1. Consult with PG&E to confirm the requirements and location of the project.*
- 2. Provide a resolution and boundary map as required in Electric Rule 20.*
- 3. Provide a list of all recorded property owners, APN#, phone number and address.*
- 4. Provide a list of the most recent tenant (for rental properties).*
- 5. Provide Base Map (in AutoCAD) showing the following: boundary, roads, future road improvements, sidewalks, curbs, property lines, buildings, existing water and sewer, easements, and any other known utilities or obstacles.*
- 6. Secure all required rights-of-way and easements, which must be satisfactory to and approved by PG&E.*
- 7. Own and manage all contaminated soils. (Rule 20A funding cannot be used for environmental remediation costs).*
- 8. Own and manage all cultural resource findings. (Rule 20A funding cannot be used for managing cultural resource findings).*
- 9. Provide recent pot holing/core samplings and soils/paving information from projects that were recently completed.*
- 10. Provide acceptable construction yard for materials and equipment storage.*
- 11. Pay for paving and restoration costs beyond the standard excavations and restorations necessary for the construction of the project. Joint trench participants will replace paving, landscaping, sidewalk, etc. that is removed during construction. (Rule 20A funding cannot be used for additional restoration costs).*
- 12. Waive paving moratorium requirements, or pay for additional costs above PG&E's responsibility for restoration.*
- 13. Stake and survey for any associated future grade changes.*

14. *Should applicant require additional traffic control beyond that which PG&E provides (per California Joint Utility Traffic Control Committee), Applicant will pay for the additional costs.*
15. *Should Applicant require a traffic control plan, Applicant will prepare or pay to prepare such a plan.*
16. *Pay for streetlight costs per Street Light Agreement.*
17. *Remove Applicant owned streetlights attached to utility poles and located within the underground district at Applicant cost.*
18. *Issue and waive cost of encroachment permit.*
19. *Waive work hour restrictions for construction, including holiday and/or special construction limitations.*
20. *Waive all permit fees and other incidental project specific costs, including but not limited to: parking charges; rental cost of city or county properties; and lost revenues.*

Responsibilities of PG&E:

1. *Provide consultation to Applicant to establish resolution and boundary map.*
2. *If designated as the design/trench lead, prepare the Intents, Composite and Form B (costs will be shared by all joint trench participants).*
3. *Provide electric design to the design/trench lead agency, if lead is other than PG&E.*
4. *Identify all locations that require an easement.*
5. *Prepare easement documents for signature.*
6. *Upon request of the Applicant, Rule 20A allocation may be used for the installation of no more than 100 feet of each customer's underground electric service lateral.*
7. *Upon request of the Applicant, the Rule 20A allocation may be used for the conversion of electric service panels to accept underground service, up to \$1,500 per service entrance (excluding permit fees). Alternatively, if the Applicant requests that PG&E manage the panel conversion work, perform such conversions by agreement (Form 79-1113,*
8. *Agreement to Perform Tariff Schedule Related Work, Rule 20A).*

At PG&E's request, CSAC formed a task force to meet with PG&E concerning new conditions put on underground districts detailed in Advice Letter No. 3767-E. In January 2011, Mendocino County would have had to comply with these conditions in order to proceed with any undergrounding district project. MCDOT has concerns because the local share funding commitment of undergrounding project costs is higher than past practice. We need to consider how to fund the local share of undergrounding costs and continue to work with utility companies to apply all costs possible to tariff funds.

The most recent DRAFT proposal (Rev. No.15) is summarized below. My hope is that although there would still be a local share cost, it would not be more than what we saw with the Gualala Project (about \$250,000), and would be a return to the more typical (much lower) local responsibility. I support the revised proposal below:

Rule 20A Tariff:

PG&E will, at its expense, replace its existing overhead electric facilities with underground electric facilities along public streets and roads, and on public lands and private property across which right-of-ways satisfactory to PG&E have been obtained by PG&E, consistent with Electric Rule 20A.

To ensure the success of this Electric Rule 20A project, Governmental Body and PG&E agree to the following terms. Any exceptions to these terms will require an advice filing with the California Public Utilities Commission (CPUC), with notice to the Governmental Body in accordance with General Order 96-B or its successor orders.

Responsibilities of the Governmental Body:

PG&E's Electric Rule 20A, Subsection 1 sets forth certain requirements for the Governmental Body. In order to comply with these requirements, the Governmental Body hereby agrees to:

- 1. Consult with PG&E to confirm the requirements of any Electric Rule 20A project and the location of the specific Electric Rule 20A project.*
- 2. Hold public hearing(s) on the proposed Electric Rule 20A project in order to determine that the specific Electric Rule 20A project is in the general public interest.*
- 3. Provide PG&E with a duly-adopted ordinance or resolution, as appropriate, creating an underground district in the area in which both the existing and new facilities are and will be located, requiring, among other things:*
 - a. That all existing overhead communication and electric distribution facilities in such district shall be removed;*
 - b. That each property served from such electric overhead facilities shall have installed in accordance with PG&E's rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of PG&E as soon as it is available; and*
 - c. Authorizing PG&E to discontinue its overhead electric service upon completion of the underground distribution system.*
- 4. Acknowledge that wheelchair access is in the public interest and will be considered as a basis for defining the boundaries of projects that otherwise meet the criteria set forth in PG&E's Electric Rule 20A, Subsection 1(a).*
- 5. Provide PG&E with a project boundary map and available drawings showing all known Governmental Body-owned facilities and known road improvements.*
- 6. Identify property owners/persons responsible for the properties identified by PG&E as requiring easements, make initial contact with the property owners/responsible persons, mail PG&E prepared easement documents, and coordinate meetings for the purpose of assisting PG&E with acquisition of necessary easements.*
- 7. Provide PG&E with the Governmental Body's published standard for trench restoration and backfill requirements prior to start of engineering for the project, and require joint trench participants to replace paving, landscaping, sidewalk,*

etc., in accordance with the Governmental Body's published standard for trench restoration and backfill requirements that is removed or damaged during construction.

8. *Work cooperatively with PG&E to schedule undergrounding projects prior to paving projects or after the paving moratorium period. If the Governmental Body elects to construct the undergrounding project prior to the end of the paving moratorium period, restoration and backfill requirements shall not exceed the standards for non-moratorium streets, described in Section 7 above.*
9. *Prior to the start of the project design, elect how to address streetlights impacted within the project scope.*
10. *Prior to the start of the project design, provide a list of all recorded property owners (including APNs and addresses based on current tax assessor records).*
11. *By the end of the project design, disclose all intended permit conditions, fees, and cost details. If the Governmental Body is a joint trench participant, the Governmental Body will pay its share of the associated permit costs.*
12. *Provide PG&E with recent pot holing/core samplings and soils/paving information from other projects, if available.*
13. *Work cooperatively with PG&E to establish mutually acceptable work hour restrictions for construction, including holiday and/or special construction limitations.*
14. *Survey, stake, and provide drawings to PG&E for any future known Governmental Body road improvement, grade changes, or viaduct projects known or planned within the project limits.*
15. *Work cooperatively with PG&E to identify a suitable construction yard for the Rule 20A project. If the Governmental Body is unable to assist in identifying a suitable construction yard and PG&E is the joint trench lead, PG&E will work to unilaterally identify a suitable site and the Governmental Body will pay its share of the associated construction yard costs.*
16. *Work cooperatively with PG&E concerning contaminated soils and cultural resources.*
 - a. *Contaminated Soils. In the circumstance where contamination may be a concern, PG&E's Electric Rule 20A funds will be used for core samples to design a project to avoid environmental issues. In the event contamination is encountered that triggers federal, state, and/or local laws and regulations which restrict or prohibit further work in the trench, PG&E will suspend work in the affected area until all measures required by law have been completed by the Governmental Body or other party responsible for such contamination.*
 - b. *Cultural Resources. In the circumstance where cultural resources are encountered that trigger federal, state, and/or local laws and regulations which restrict or prohibit further work in the trench, PG&E will suspend work and comply with the appropriate notification requirements.*
17. *Electric Service Panel Conversion: Governmental Body may choose to be the lead in the conversion of electric service panels to accept underground service. If*

so and stated in the ordinance or resolution, PG&E shall pay the Governmental Body up to the maximum amount allowed by the Electric Rule 20A Tariff per service entrance, excluding permit fees. If the panel conversions are performed by the property owner, the Governmental Body will coordinate the reimbursement of PG&E funds, to the property owner / responsible party, up to up to the maximum amount allowed by the Electric Rule 20A Tariff per service entrance, excluding permit fees.

- 18. Subsurface Equipment: Governmental Body may request that PG&E install electrical equipment subsurface. If PG&E agrees, then, the Governmental Body's Electric Rule 20A allocation shall be used for the additional costs necessary to complete the subsurface installation. The Governmental Body shall be responsible for paying the appropriate one-time maintenance charge. However, in the event that pad-mounted equipment cannot be installed due to space constraints, the Governmental Body will not be charged the one-time maintenance fee.*

Responsibilities of PG&E:

PG&E's Electric Rule 20A sets forth a program for replacing existing overhead electric facilities with underground electric facilities subject to certain requirements. In order to implement the Electric Rule 20A program as requested by the Governmental Body, PG&E hereby agrees to:

- 1. Consult with the Governmental Body to confirm the requirements of Electric Rule 20A, including but not limited to holding public hearings, adoption of an ordinance or resolution, and creation of a project boundary map.*
- 2. Prepare a base map showing the following: boundary, roads, sidewalks, curbs, property lines, buildings, existing water and sewer, easements, and any other known utilities or obstacles.*
- 3. Upon request of the Governmental Body, initiate project design sufficient to identify trench routes and obtain any necessary easements with the express understanding that if the underground district is not created or is subsequently delayed or cancelled, PG&E shall deduct all project-related expenses, including overheads, from the Governmental Body's Electric Rule 20A allocation. If the necessary easement(s) cannot be obtained, the Governmental Body may elect to change the project scope, request redesign of the project to avoid the need for the easement(s), or request that the project be postponed.*
- 4. If PG&E is designated as the design/trench lead, PG&E shall prepare the Intents drawings, Composite drawings and Form B for Joint Trench Construction (costs will be shared by all joint trench participants). If an entity other than PG&E is designated as the design/trench lead, PG&E shall provide electric design to the design/trench lead agency.*
- 5. Disclose project impacts to the existing streetlight system.*
- 6. Provide Governmental Body with traffic control plan for PG&E construction pursuant to the California Manual on Uniform Traffic Control Devices (MUTCD) as part of the permit process.*
- 7. Identify all locations that require an easement(s) for PG&E, prepare all necessary easement related documents, and with the cooperation of the*

- Governmental Body (as described in item 6 of "Responsibilities of Governmental Body" above), secure easements to the satisfaction of PG&E.*
8. *Once the design process begins, provide a project schedule and cost updates on a quarterly basis to the Governmental Body.*
 9. *Upon request of the Governmental Body, install no more than 100 feet of each customer's underground electric service lateral.*
 10. *Provide proper notification to all affected customers when electrical outages are necessary to complete project conversion to the new underground system.*
 11. *Remove poles, portions of poles, or tenant poles from the underground district as required by the Joint Pole Utility Agreement.*
 12. *Provide inspection services for the installation of PG&E facilities.*
 13. *Work cooperatively with PG&E concerning contaminated soils and cultural resources.*
 - a. *Contaminated Soils. In the circumstance where contamination may be a concern, PG&E's Electric Rule 20A funds will be used for core samples to design a project to avoid environmental issues. In the event contamination is encountered that triggers federal, state, and/or local laws and regulations which restrict or prohibit further work in the trench, PG&E will suspend work in the affected area until all measures required by law have been completed by the Governmental Body or other party responsible for such contamination.*
 - b. *Cultural Resources. In the circumstance where cultural resources are encountered that trigger federal, state, and/or local laws and regulations which restrict or prohibit further work in the trench, PG&E will suspend work and comply with the appropriate notification requirements.*
 14. *Electric Service Panel Conversion: Governmental Body may choose for PG&E to be the lead for the panel conversion. If so, then PG&E will convert the electric service panels to accept underground services. PG&E will have its selected contractor communicate to each property owner / responsible party the plan for the trench and panel locations and reach an agreement with the property owner / responsible party before proceeding with conversion. PG&E will be responsible for any work up to and including the meter. Any additional work needed by the property owner / responsible party will be at owner's / responsible party costs. PG&E will require its selected contractor to abide by all Governmental Body's applicable laws and regulations.*
 15. *Subsurface Equipment: Governmental Body may request that PG&E install equipment subsurface. If PG&E agrees, then the Governmental Body's Electric Rule 20A allocation shall be used for the additional installation costs necessary to complete the subsurface installation. The Governmental Body shall be responsible for paying the appropriate one-time maintenance charge. However, in the event that pad-mounted equipment cannot be installed due to space constraints, the Governmental Body will not be charged the one-time maintenance fee.*

I want to inform the Board that the Office of the Ratepayer Advocate (ORA), not PG&E, has raised a new issue for the Rule 20A Underground District. The ORA has proposed a three-year moratorium

for Rule 20A, to which PG&E is opposed. This issue will be discussed at a series of statewide General Rate Case Public Participation Hearings. Please see the following web link for hearing details:

http://www.pge.com/includes/docs/pdfs/about/company/regulation/grc_php_schedule.pdf

On December 5, 2000, the Board directed MCDOT to proceed with an underground project in Casper, once the Gualala underground project was completed. The project is to remove approximately ten poles on a quarter mile section of Main Street in the public center of town per the Rule 20A policy. Subsequently, some community members put forward a proposal to underground all area poles – around fifty. In an email exchange between PG&E and MCDOT, MCDOT was told that those non-public area poles were not eligible and a memorandum to that effect would follow – the memorandum is still pending.

MCDOT does not do the underground utilities work itself. MCDOT's Gualala project in 2000 was estimated to cost \$1.4 million – the actual reported cost by PG&E was \$4 million. Also in 2000, I believe PG&E estimated the cost for the ten poles project in Caspar to be \$700,000. Assuming costs are relative, this means that today the project for ten poles in Caspar might be a \$2 million project – and the proposed 50 pole project would be \$10 million plus. If we proceed under the current advice letter, local costs could be \$200,000. As seen with the Gualala project, issues like contaminated soil and cultural resources are unknown until studied and would be difficult to quantify ahead of time. Therefore, MCDOT will not know for certain what those costs would be. MCDOT hopes the new advice letter (Rev. No.15 above) can be approved. If so, this would cause most of the expense for the project to come from the \$8.5 million Work Credit Balance for Rule 20A in Mendocino County. MCDOT also hopes that the three-year moratorium proposed by ORA is defeated.