

City Manager's Report
October 23, 2012 City Council Meeting

Prepared by: Nate Stong, City Engineer
Community Development and Engineering Department

Item #: 9.5



Subject: Adopt Resolution No. _____, a Resolution of the City Council:

1. Authorizing the City Manager to apply to the California Public Utilities Commission (CPUC) for exemption from Undergrounding Rules for the Placerville Station Park-n-Bus Project within the Hwy 50 Scenic Highway Corridor; and
2. Approving Amendment No. 2 to the existing Consulting Services Agreement with Omni Means in the amount of \$15,864 for additional engineering and design services for the Placerville Station II Project (CIP #40708), and authorizing the City Manager to execute same.

Background: The plans for the Placerville Station II Park and Ride project are nearly complete. There are existing overhead utilities on four (4) poles along the project frontage, and according to the current design, two of these poles must be relocated approximately eight feet each in order to allow for the necessary widening to Mosquito Rd. This required relocation, in combination with the Scenic Highway Corridor rules, has led staff to pursue the undergrounding of these utilities with PG&E, AT&T, and Comcast. Cost estimates from the utility companies greatly exceeded the consultant's preliminary estimates, resulting in a project that was well over the funding limits. Since that point, staff has been working with the utility companies to develop a utility relocation design that can fit within the budget. After reviewing the utility companies cost estimates, city staff has concluded that the only viable option is to apply to the CPUC for exemption from the Scenic Highway Corridor requirements and allow the utility relocation to be overhead.

In the 1980's the City of Placerville and El Dorado County designated portions of Highway 50 as a Scenic Highway corridor. This corridor begins at the Ray Lawyer overcrossing and extends eastward to the City of South Lake Tahoe. A designated Scenic Highway requires that any overhead utilities conflicting with highway construction must be relocated to underground structures. The California Public Utilities Commission (CPUC) is the agency that enforces this mandatory requirement.

Staff has revisited this issue with Caltrans staff and CPUC staff, and they have reaffirmed to us that the relocation of existing poles, even on the order of 6 to 8 feet, require the city to underground the facilities. However, there is also a procedure that allows a utility or agency to apply for relief from the undergrounding requirement, and previous decisions by the CPUC have provided relief from this requirement when it has been shown to be cost prohibitive and that replacement of existing overhead facilities in the same location do not significantly alter the visual impact of the Scenic Highway. CPUC has supplied staff with the outline of what is required in the exemption application process. The utility companies have developed a preliminary design that eliminates two of the four poles, and relocates the other two poles

approximately 25 feet from their present location. It is staff's opinion that the relocation of the two poles by 25 feet plus the elimination of the two poles will not change the visual impact, and the almost 6 to 1 cost ratio of undergrounding to overhead relocation cost is cost prohibitive to this project. Staff has also worked with the utility companies to come up with a plan that includes a combination of overhead relocation and undergrounding that fits within the project budget, reduces the visual effect of the overhead system, and improves the prospects of gaining CPUC approval.

The city received cost estimates from PG&E and AT&T for undergrounding the length necessary to eliminate these two poles that must be relocated. These preliminary cost estimates for undergrounding total \$840,000, while the preliminary estimates to relocate the poles and keep the utility lines overhead is \$140,000, which represents a 6 to 1 cost ratio. Now that the project is nearing design completion, and the project cost estimate including construction, design, and construction engineering costs is estimated at \$700,000, with total available funding limited to \$990,000, it is apparent that the undergrounding required by the Scenic Highway guidelines cannot be accomplished within this project budget. No additional sources of funding have been identified, and therefore the only course of action available is to apply to the CPUC for relief from the undergrounding requirement.

Discussion: In the April 27, 2010 staff report to Council recommending the consulting services agreement with Omni-Means, staff anticipated that undergrounding of the utilities from the Locust/Mosquito intersection to just north of the existing El Dorado Trail crossing of Mosquito Rd would be within the project budget. The environmental document for the project (an Initial Study/Environmental assessment completed in July 2006) concluded that the project was categorically exempt, and included "potential utility relocations" as a part of the project. Utility line relocation was also discussed in the Planning Commission staff report dated May 18, 2010 leading to approval of the site plan and conditional use permit for this project. A Community Workshop was held on May 12, 2010, and there is no record of utility relocation discussion at that workshop.

Staff has met with the utility companies and all three utilities, PG&E, AT&T, and Comcast, concur that applying for this exemption from the CPUC is the appropriate action to take. The utility companies have assisted in preparation of the application by preparing the preliminary design and cost estimates for the overhead relocation option, which must be included in the application along with the details of the undergrounding option. Staff has negotiated and come to an acceptable conclusion with both PG&E and AT&T regarding the cost split for this option. Comcast has stated that there will not be a cost to the city for relocating their facilities.

Staff is projecting that a complete application can be submitted to the CPUC in November with an answer anticipated within three to six months. The utility relocation final plans would then be completed by the utility companies, and incorporated into the project plan set, to allow the project to be bid in the summer of next year. The utility relocation work would occur during the first two months of construction, and the entire project could then be completed late in 2013.

On April 27, 2010 the City Council approved an agreement with Omni Means to provide design services for the Placerville Station II project. On June 12, 2012 the City Council approved amendment #1 to the Omni Means agreement. Since that time, the design consultant has completed additional work in coordinating with the utility companies, and in order to proceed further as outlined above, must prepare the application to the CPUC, and, assuming the city receives approval from the CPUC, must revise and complete the plans, specifications, and

estimate to reflect the overhead relocation work and complete the coordination with the utility company designs and with Caltrans as necessary to get the project out to bid.

Amendment No. 2 to the Consulting Services Agreement with Omni Means is necessary to capture scope and costs not covered in the original Agreement or in Amendment #1 totaling \$15,863.60 and include the following:

- 1) Additional costs to meet, coordinate, and prepare exhibits with AT&T and PG&E in the amount of \$4,539.20.
- 2) Additional costs for preparation of the PUC Exemption Application and coordination with CPUC in the amount of \$5,868.64.
- 3) Additional costs to revise utility and electrical plan and update cost estimate and project specifications due to revised overhead utility design in the amount of \$5,455.76.

Budget Impact: As currently planned and estimated, this project cannot be constructed within the project budget, and no additional funding sources have been identified. With the negotiated settlement of the cost allocation issues with the utility companies, and the anticipated approval of the exemption from undergrounding by the CPUC, the project can be constructed within its current funding.

The City Council adopted the Fiscal Year 2006/2007 Capital Improvement Program Budget which appropriated \$1,300,000 for the Placerville Station II Project (CIP #40708). To date, the following agreements have been encumbered by the project:

Omni-Means (Original Agreement)	\$ 99,987
Omni-Means (Amendment No. 1)	16,397
Omni-Means (Proposed)	15,864
Dokken Engineering	8,755
Legal Costs	422
Environmental Stewardship/Planning	5,000
Gilly's Super Signs	129
Harrison Appraisal, Inc.	2,250
Inter-County Title Co.	222,449
Joe Vicini, Inc.	26,308
Matthew C. Boyer & Associates	2,301
MGE Engineering	5,000
Murray and Downs, Inc.	3,500
Patterson Development	1,158
Sierra Striping, Inc.	1,820
State Water Resources Control Board	1,061
City Engineering Staff	25,348
Total	<u><u>\$ 437,749</u></u>

As you can see, the \$437,749 in encumbrances, including the proposed \$15,864 Amendment

No. 2 to the agreement with Omni-Means, is well within the \$1,300,000 budget appropriation. When combined with the estimated construction cost of \$700,000, the total estimated project cost of \$1,137,749 is also well within the project budget.

Recommendation: Adopt Resolution No. _____, a Resolution of the City Council:

1. Authorizing the City Manager to apply to the California Public Utilities Commission (CPUC) for exemption from Undergrounding Rules for the Placerville Station Park-n-Bus Project within the Hwy 50 Scenic Highway Corridor; and
2. Approving Amendment No. 2 to the existing Consulting Services Agreement with Omni Means in the amount of \$15,864 for additional engineering and design services for the Placerville Station II Project (CIP #40708), and authorizing the City Manager to execute same.



Nate Stong, City Engineer



**Mike Webb, Director
Community Development & Engineering**



M. Cleve Morris, City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACERVILLE
AUTHORIZING THE CITY MANAGER TO APPLY TO THE CALIFORNIA
PUBLIC UTILITIES COMMISSION (CPUC) FOR EXEMPTION FROM
UNDERGROUNDING RULES WITHIN THE HWY 50 SCENIC HIGHWAY
CORRIDOR, AND APPROVING AMENDMENT NO. 2 TO THE CONSULTING
SERVICES AGREEMENT WITH OMNI MEANS IN AN AMOUNT OF \$15,864 FOR
ADDITIONAL DESIGN ENGINEERING SERVICES ON THE PLACERVILLE
STATION II PARK AND RIDE PROJECT (CIP # 40708)

WHEREAS, the Placerville Station II Project (CIP # 40708) is a project to construct a park and ride facility immediately south of the existing Phase I facility located at the southwest corner of Mosquito Road and Clay Street; and,

WHEREAS, this project is funded through the Federal Transit Administration Section 5309 Grant program; and,

WHEREAS, this project is adjacent to Highway 50 and is in the Highway 50 Scenic Corridor where relocation of overhead utilities requires them to be placed underground; and

WHEREAS, the planned widening of Mosquito Rd. along the projects frontage requires the relocation of several overhead joint utility poles; and,

WHEREAS, the utility companies have submitted cost estimates to the city for the underground work that far exceeds the project budget, and have now submitted cost estimates and negotiated with city staff for the city's share of overhead utility relocation; and,

WHEREAS, the CPUC has a procedure for allowing exemption from their Scenic Corridor undergrounding rules whereby the City Manager can apply for said exemption allowing the project to be constructed within the budget with overhead utility relocations instead of undergrounding; and,

WHEREAS, a Consulting Services Agreement with Omni Means was approved by City Council on April 27, 2010 for engineering design services; and,

WHEREAS, Amendment # 1 to the Consulting Services Agreement with Omni Means was approved by City Council on June 12, 2012; and,

WHEREAS, additional engineering services have been identified as necessary to move the project through the utility relocation process, the CPUC exemption process, and provide revised plans after CPUC approval is received; and,

WHEREAS, Omni-Means has provided a proposal which is acceptable to the City to complete the additional engineering design work under an amendment to the existing agreement.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Placerville does hereby:

1. Authorize the City Manager to apply to the California Public Utilities Commission (CPUC) for exemption from Undergrounding Rules for the Placerville Station Park-n-Bus Project within the Hwy 50 Scenic Highway Corridor; and
2. Approve Amendment No. 2 to the existing Consulting Services Agreement with Omni Means in the amount of \$15,864 for additional engineering and design services for the Placerville Station II Project (CIP #40708), and authorize the City Manager to execute same.

The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on October 23, 2012, by Councilmember _____ who moved its adoption. The motion was seconded by Councilmember _____.

The motion was passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Mark A. Acuna

ATTEST: _____
Susan Zito, CMC, City Clerk

AMENDMENT NO. 2 TO THE AGREEMENT FOR CONSULTING SERVICES
WITH OMNI-MEANS FOR DESIGN OF PLACERVILLE STATION PHASE II

THIS AMENDMENT TO THE AGREEMENT made and entered by and between the City of Placerville, a political subdivision of the State of California (hereinafter referred to as "City") and Omni-Means, a company duly qualified to conduct business in the State of California, whose principal place of business is Roseville, CA, (hereinafter referred to as "Consultant");

WITNESSETH

WHEREAS, the original agreement with Consultant was approved by City Council on April 27th, 2010; and,

WHEREAS, Amendment #1 to the original agreement with consultant was approved by City council on June 12th, 2012; and,

WHEREAS, subsequent to the original and amended agreement it was determined that additional design services are necessary to move the project forward toward completion; and,

WHEREAS, the Consultant has submitted an acceptable proposal attached as Exhibit "A" for the additional design services; and,

WHEREAS, it has been determined that it is in the City's best interest to obtain these additional engineering services by amending the existing Consulting Services Agreement with the Consultant;

NOW, THEREFORE, City and Consultant mutually agree as follows:

ARTICLE I

Scope of Services: Consultant agrees to provide to City those described in Exhibit "A", incorporated herein and made by reference a part hereof.

ARTICLE II

Term: As a result of this contract amendment the term of this agreement will be extended to December 31, 2013.

ARTICLE III

Compensation for Services: For additional services under this amendment as described above, City agrees to pay Consultant on a time and materials basis, an amount not to exceed \$15864.00.

All other provisions of the original agreement shall remain in effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Agreement the day and year first below written.

-- CITY OF PLACERVILLE --

Date: _____

By: _____

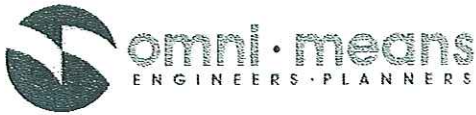
M. Cleve Morris
City Manager "City"

-- CONSULTANT --

Dated: _____

By: _____

"Consultant"



EXTRA WORK AUTHORIZATION

Attn.: Nate Stong
 City Engineer
Address: City of Placerville
 Community Development &
 Engineering Dept.
 3101 Center Street, 2nd Floor
 Placerville, CA 95667

Date: 09/26/2012 **Contract** 4/23/2010
Date:
Project: Placerville Station II
Job No.: 25-5355-04
File No.: M1455EWA004.docx
Project Manager Marty Inouye

Type: Task Authorization Additional Work Change of Scope

THE FOLLOWING WORK WILL BE PERFORMED UNDER THE SAME TERMS AND CONDITIONS AS IN THE ORIGINAL AGREEMENT UNLESS OTHERWISE STATED.

DESCRIPTION OF ADDITIONAL SERVICES	COMPENSATION
Additional Time Necessary to Coordinate with AT&T and PG&E to Determine Utility Cost Sharing Obligation, Including Additional Meeting at PG&E's Office in Placerville and Preparation of Exhibits at AT&T Request	\$4539.20
Additional Time to Assist in Preparation of the PUC Exemption Application, Including Coordination w/PUC . (Note: Estimate includes time for meeting at PUC in San Francisco if necessary)	\$5868.64
Additional Time to Revise Utility and Electrical Plan, and Update Cost Estimate and Project Specifications Due to Revised Overhead Utility Design by Utility Companies	\$5455.76
TOTAL	\$15,863.60

(Note: Estimated Compensation for extra work items does not include any time for new Project Manager to become familiar with project.)

Consultant:

 OMNI-MEANS, LTD.

 Date

Client:

Company / Agency

Signature *(Owner Authorized Representative)*

Date

Please sign and return this original for OMNI-MEANS, Ltd. files.

9/26/12

Placerville Station II
City of Placerville
Extra Work Request

1. Additional coordinated time with AT&T and PG&E

Classification	Name	Hours	Rate	Total
Project Manager	Wing	20	194.62	\$3,892.40
Project Engineer	Wu	4	86.84	\$347.36
Project Engineer	Cosseboom	4	74.86	\$299.44
Total:				\$4,539.20

2. Prepare PUC Application

Classification	Name	Hours	Rate	Total
Project Manager	Wing	24	194.62	\$4,670.88
Project Engineer	Cosseboom	16	74.86	\$1,197.76
Total:				\$5,868.64

3. Revise Improvement Plan

Classification	Name	Hours	Rate	Total
Project Manager	Wing	4	194.62	\$778.48
Project Engineer	Newton	12	139.96	\$1,679.52
Project Engineer	Cosseboom	16	74.86	\$1,197.76
Electrical Sub	ECOM			\$1,800.00
Total:				\$5,455.76

Total:	\$15,863.60
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