

RESOLUTION NO. 2010-712

Adopted by the Sacramento City Council

December 14, 2010

APPROVING AN INDIVIDUAL PROJECT AGREEMENT WITH THE REDEVELOPMENT AGENCY FOR THE NORTH 7TH STREET UTILITY UNDERGROUND PROJECT (B18219400)

BACKGROUND

- A. The relocation or undergrounding of primary voltage overhead power lines is desirable to the City as it improves aesthetics, economic vitality, safety and disabled access along corridors.
- B. The Sacramento Municipal Utility District (SMUD) recognized these benefits and established the System Enhancement Program in order to fund selected distribution system enhancements by relocating or undergrounding existing power lines below 69 kV.
- C. SMUD will fund the cost to relocate or underground its facilities and will fund the costs to construct the utility trench provided that: (i) the City has established the project and determined that it is in the public interest, (ii) the relocation of all telecommunication company facilities with leases and rights to the existing joint pole facilities has been funded and approved by those companies, (iii) the plans and specifications for the relocation of SMUD's facilities has been completed by others, (iv) the underground improvements have been constructed to SMUD's satisfaction, (v) all required building permits have been approved, (vi) all private property right of way requirements and easements and service relocation agreements with all affected property owners have been executed, and (viii) any easements that may be required by SMUD for its above-ground utility boxes have been granted.
- D. On March 9, 2010 the City Council approved the SMUD System Enhancement Program priority selection criteria and approved a list of priority ranked projects for the SMUD System Enhancement Program.
- E. In July 2010, the City was approached by SMUD and the Sacramento Regional Transit District (RT) about including the undergrounding of the utility lines along North 7th Street, between North B Street and Richards Boulevard, (the "North 7th Street Utility Underground Project") on the priority list so that the work could be funded by SMUD and undertaken as part of RT's construction of the Downtown-Natomas-Airport (DNA) Minimal Operable Segment 1 ("Green Line") project.

- F. The North 7th Street Utility Underground Project is consistent with the approved SMUD System Enhancement Program priority selection criteria and is the second-ranked project. SMUD has funding available in its current budget to fund this project and the plans have been completed and the project is ready for construction.
- G. In order for the above-ground utilities along North 7th Street to be relocated underground, the City will need to direct AT&T to relocate its existing facilities on the SMUD pole to the new trench and to reimburse the costs incurred for placement of conduits for its facilities.
- H. Resolution 2010-532, adopted on September 7, 2010, authorized the City Manager, or his designee, to undertake various actions relating to the North 7th Street Underground Project.
- I. On November 30, 2010, authorized the City Manager, or his designee, to establish the North 7th Street Utility Underground Project (B18219400) and the revenue and expenditure budgets.
- J. The North 7th Street Utility Underground Project is Categorically Exempt under the California Environmental Quality Act (CEQA) Guidelines Section 15302 (d), which exempts conversion of overhead utility lines to underground facilities.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. After due consideration of the facts presented, the findings, including the foregoing recitals and the environmental findings regarding this action, as stated in this Resolution are approved and adopted.
- Section 2. In accordance with the California Community Redevelopment Law Section 33445, the City of Sacramento finds and determines that:
 - (a) The proposed action, allocating \$50,000 of River District Tax Increment in an Individual Project Agreement (IPA) with the City of Sacramento to purchase necessary easements and pay for hazardous substance cleanup and unforeseen site conditions to enhance the current utilities, is of benefit to the River District Redevelopment Project Area.
 - (b) There are no other reasonable financial resources available to the community to finance this portion of the utility enhancement.
 - (c) The proposed action furthers the goals of the River District Redevelopment Area and its Five-Year Implementation Plan, as adopted, by eliminating the blighting influences of inadequate, under capacity, and dilapidated infrastructure inside the Project Area.

Section 3. The City Manager or the City Manager's designee is authorized to execute the IPA with the Redevelopment Agency for the North 7th Street Utility Underground Project with \$50,000 in River District Tax Increment funding.

Section 4. Staff is authorized to increase the revenue and expense budgets for the North 7th Street Utility Underground Project (B18219400) by the amount of \$50,000 in River District Tax Increment funding.

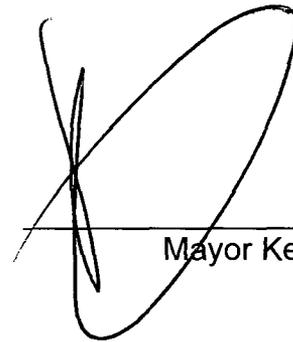
Adopted by the City of Sacramento City Council on December 14, 2010 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:


Shirley Concolino, City Clerk