

10G. Public Works – Identify Underground Utility District No. 21 and Set Hearing Date. Expenditure: None.

Recommendation of the Public Works Director that City Council:

1. Identify the location of Underground Utility District No. 21 to remove existing poles, overhead wires, associated overhead structures and to underground wires and facilities that provide electric, communication and similar services within the proposed district; and
2. Set a date of March 25, 2025 for a public hearing regarding proposed Underground Utility District No. 21; and
3. Direct staff to notify all property owners, businesses and utility companies affected by the proposed district.



Date: January 14, 2025

To: Honorable Mayor and Members of the City Council

From: Craig Bilezerian, Public Works Director

By: Shin Furukawa, Deputy Public Works Director / City Engineer
SFurukawa@TorranceCA.gov

Subject: Public Works – Identify Location of Underground Utility District No. 21 and Set Hearing Date. Expenditure: None.

RECOMMENDATION

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FUNDING

None Required.

DISCUSSION

In 1967, the California Public Utility Commission (CPUC) issued decision No. D.73078 requiring electrical utilities to budget funds to convert overhead electrical systems to underground systems. These funds, known as Rule 20A funds, were collected and set aside by Southern California Edison (SCE) on a formula basis for use by various agencies within their service area.

On June 13, 2023, the CPUC issued a Phase 2 Decision D.23-06-008 that discontinued the Rule 20A program. Furthermore, any Rule 20A funds that have not been allocated to an agency with an active Rule 20A project will be deemed forfeited on June 1, 2025. Since 1969, the City of Torrance has established 21 Utility Underground Districts (UUDs) including UUD Nos. 1 through 20, including UUD Nos. 18A and 18B (Attachment 1). In 2011, the City established UUD No. 18A which encompassed Hawthorne Blvd from Del Amo Blvd to 186th St. As design of UUD No. 18A progressed, it was determined that estimated costs were significantly higher than available Rule 20A funds.

This was due to the size and extent of existing transmission facilities within UUD No. 18A, which are significantly more expensive to underground than smaller distribution facilities. Furthermore, Hawthorne Blvd's designation as a State Highway added Caltrans permitting requirements which further increased costs. Staff elected to suspend proceedings on UUD No. 18A and consider other more cost-effective alternatives.

UUD No. 18A is now considered inactive by Southern California Edison (SCE) due to the lack of activity during the last several years, leaving a balance of undesignated Rule 20A funds. As such, the City currently has a Rule 20A allocation balance of \$3,893,306 that is subject to forfeiture unless designated to a new, viable alternative UUD.

Rule 20A projects must meet one or more of the following public interest criteria:

- Eliminate an unusually heavy concentration of overhead power lines
- Involve a street with a high volume of traffic
- Benefit a civic or public recreation area of unusual scenic interest
- Be listed as an arterial street or major collector as defined in the Governor's Office of Planning and Research guidelines

Staff has identified four suggested corridors (Attachment 2) for City Council's consideration that meet the above criteria. These corridors encompass high-visibility roadways that would most benefit from undergrounding of overhead utilities, as they will provide scenic and safety enhancements of areas that benefit public interest:

1. Madrona Ave: Adjacent to the Torrance Civic Center which is currently under consideration for a Master-Planned redevelopment.
2. Crenshaw Blvd: Adjacent to the Mary K. Giordano Regional Transit Center
3. 190th St: Several development projects along this corridor are currently being planned
4. Hawthorne Blvd: General commercial area with average traffic counts over 60,000 vehicles per day

The following Table 1 describes the limits of each suggested corridor, the existing SCE overhead facilities along each corridor, and a rough order of magnitude (ROM) cost for design and construction as developed by SCE:

Table 1 – Suggested Corridors for UUD No. 21

Option	Corridor	Limits	Existing Facilities	ROM Cost
1	Madrona Ave	Civic Center Dr to Torrance Blvd	Transmission & Distribution	\$3,650,000
1A	Madrona Ave	Civic Center Dr to Carson St	Transmission & Distribution	\$16,000,000
2	Crenshaw Blvd	Del Amo Blvd to Dominquez St	Transmission & Distribution	\$4,350,000
3	190 th St	Van Ness Ave to Western Ave	Transmission & Distribution	\$9,250,000
4	Hawthorne Blvd	Del Amo Blvd to 186 th St	Transmission & Distribution	\$15,555,000

The ROM costs shown in Table 1 are provided in 2026 dollars and include an estimated accuracy variance of approximately 40%. The ROM estimate will be updated and refined with greater accuracy following completion of SCE's final engineering design of the selected UUD.

For the suggested corridors where the ROM estimates exceed the City's allocation balance, the City may consider the following alternatives:

1. Reduce the limits of the selected UUD to fit within the available allocation balance; OR
2. Split the selected UUD corridor into concurrent Rule 20A and Rule 20B projects. The Rule 20A funds would pay for the Rule 20A project and the City would pay for the Rule 20B project from local funds; OR
3. Underground only the distribution lines or only the transmission lines within the selected UUD. However, this would mean existing poles would remain standing.; OR
4. Identify an alternate corridor

Staff is recommending alternative 1 from the above alternatives and specifically Option 1 - Madrona Ave from Civic Center Dr to Torrance Blvd from Table 1 for UUD No. 21 because it can be constructed with the City's current Rule 20A allocation balance (Attachment 3) and because of concurrent efforts of the Civic Center Master Plan.

Staff does not recommend consideration of the other corridors, which would require reducing project limits; require a significant financial contribution from the City; or require existing power poles to remain because the transmission and distribution lines share common poles.

Following selection of a UUD corridor, in conformance with Section 20 of Article 1, Chapter 7, Division 7 of the Torrance Municipal Code, the City Council must now set a time and date for a public hearing to ascertain whether or not public necessity, health, safety or welfare requires the removal of poles, overhead wires and associated overhead structures within the proposed UUD and the underground installation of wires and facilities for supplying electric communication or similar or associated service. Establishment of the UUD will prohibit future installation of overhead facilities within the District.

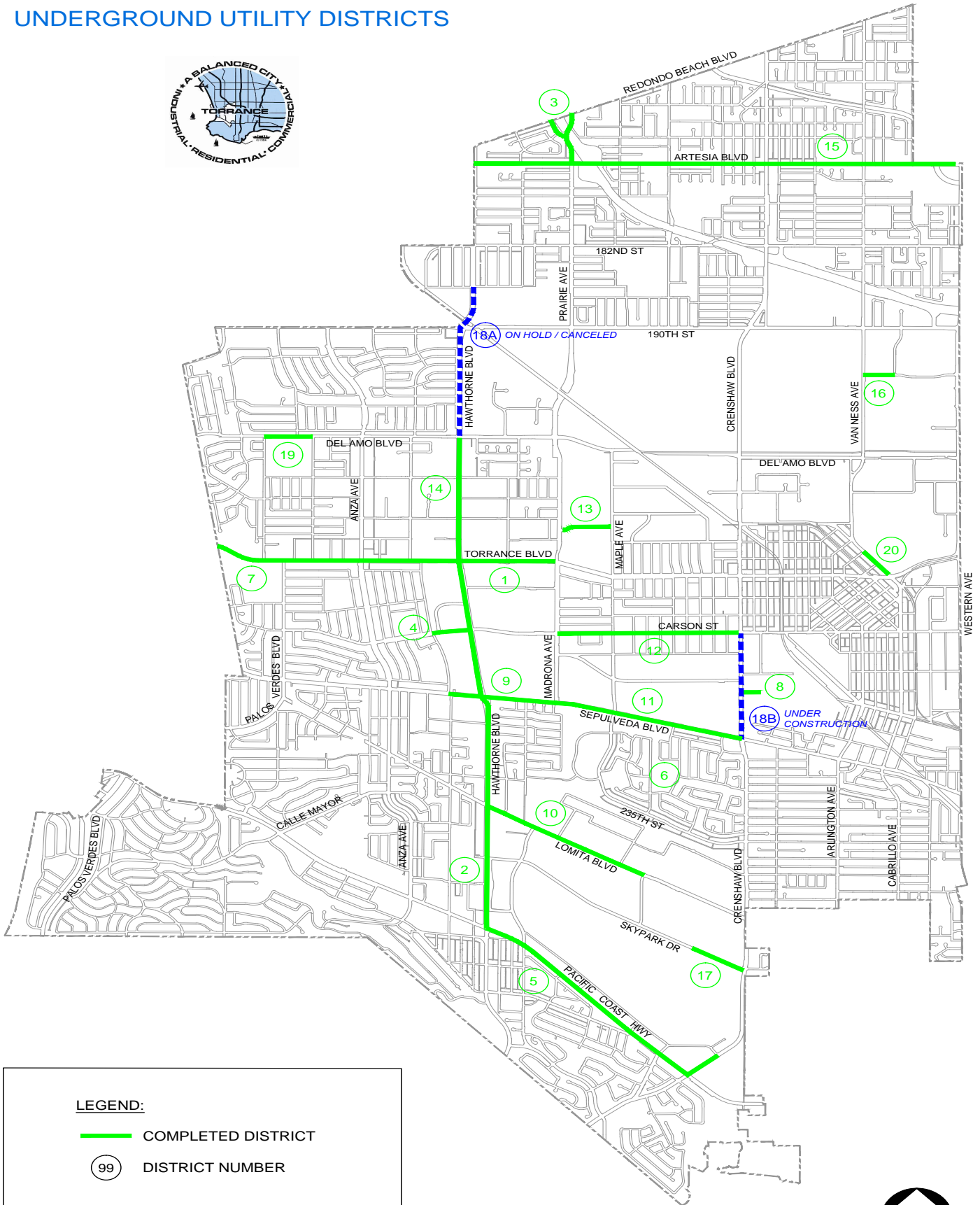
The Public Works Director will order the preparation and transmission of an Engineer's Report to the City Council at the time of the public hearing. The report will describe the boundaries of the district, the work to be undertaken, the extent of participation of the affected utility companies, estimated total costs to the City and any additional information required.

ATTACHMENTS

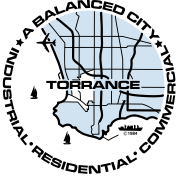
1. Location Map of Existing UUDs
2. Location Map of Suggested Corridors for UUD No. 21
3. SCE ROM Letter for Madrona Ave Option (Option 1)

CITY OF TORRANCE

UNDERGROUND UTILITY DISTRICTS

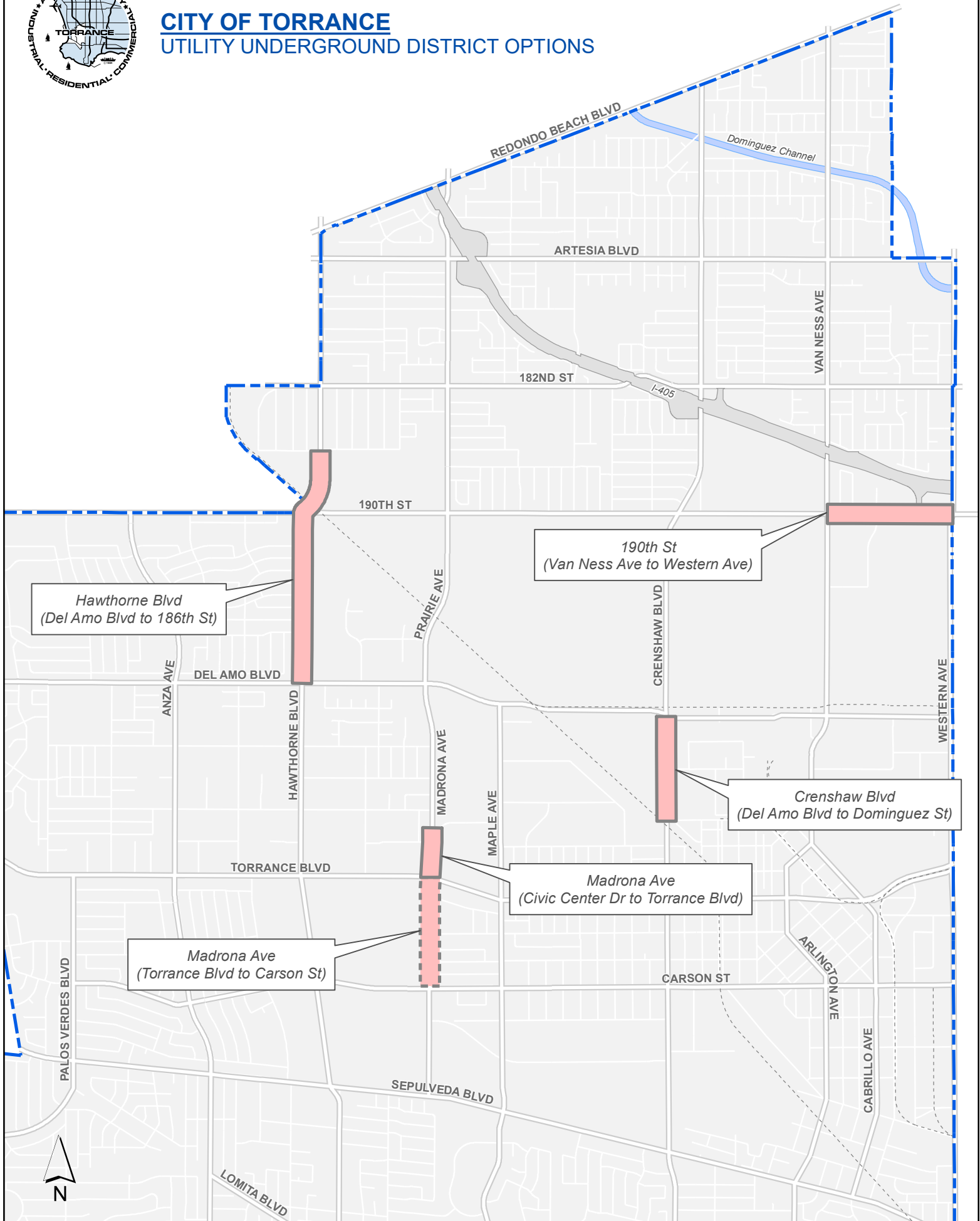


NOT TO SCALE



CITY OF TORRANCE

UTILITY UNDERGROUND DISTRICT OPTIONS





September 23, 2024

Shin Furukawa, PE
Deputy Public Works Director
City Engineer
Public Works Department
CITY OF TORRANCE
TORRANCE CITY HALL
3031 Torrance Boulevard
Torrance, CA 90503

Subject: Rough Order of Magnitude (ROM) Cost Estimate
City of Torrance Rule 20A Undergrounding Project
Madrona Avenue – Torrance Boulevard to Civic Center Drive
Transmission and Distribution Conversion

Dear Shin,

Rule 20A Project Management has reviewed the Rule 20A project in the City of Torrance: Madrona Avenue – Torrance Boulevard to Civic Center Drive. The Rough Order of Magnitude cost estimate for the project is **\$3,650,000**, expressed in **2026** dollars. The estimated trench footage for the project is 1,870 feet and includes all mainline trenching as well as crossings and service laterals. The cost of the project is escalated to the year 2026, which is the earliest anticipated year that construction would be scheduled and includes an estimated accuracy variance of approximately 40%. This assumes all the other utilities involved in the project can complete their design and prepare construction documents in the same timeframe as SCE has estimated. Should the City and SCE agree to proceed with the Rule 20A project, the scope of work and SCE estimated cost for the project can be updated and with greater accuracy following the completion of SCE's final engineering design.

City of Torrance has enough allocations to proceed with this project.

SCE's ability to proceed with this project is dependent upon the annual CPUC approved budget for the Rule 20A Program, which provides for the availability of capital funding and resources for Rule 20A projects. Funding levels for the Rule 20A Program may directly impact future allocations, that ended in 2022, and the anticipated year of construction for this proposed project.

The ROM estimate is based on the following assumptions:

- SCE has an available budget to proceed with the project.
- The City of Torrance has accumulated an adequate allocation balance for the project.
- The City of Torrance has established an underground utility district by resolution or ordinance for this project and/or area.
- City of Torrance will allow and provide for the granting of easement(s) to SCE for trench installation within the project boundary, as necessary.

Additional terms and conditions assumed in the ROM estimate are outlined in the attached **Rule 20A General Conditions Policy** document, which further defines the responsibilities of SCE and the City of Torrance to ensure the success of this project.

Please communicate the current ROM estimate and the information included regarding allocations and assumptions to the appropriate City staff.

Thank you for your assistance in this matter and should you have any questions please feel free to call me directly.

Sincerely,

Robert Ciccarelli

Robert Ciccarelli
Electrical Transmission and/or Distribution
Rule 20 Project Manager
Metro West Region

cc:
Elias Bermudez, Senior Manager New Development Planning
Talisa Lee, SCE Rule 20 Project Management
Project Files

PROPOSED UTILITY UNDERGROUNDING DISTRICT NO. 21

10G

WHAT IS RULE 20A?

- Rule 20 allows the conversion of existing overhead power lines and other equipment to underground facilities
- Rule 20A is a subprogram of Rule 20 that allocates ratepayer-funded work credits to Cities for projects that meet eligibility criteria of public interest
- Cities annually receive Rule 20A work credit allocations.
- Rule 20A funds must be committed to a utility underground district (UUD) established by resolution

CURRENT STATE OF TORRANCE RULE 20A FUNDS

- In 2021 CPUC discontinues the Rule 20A program
- City was notified by SCE in July 2024 that UUD No. 18A (Hawthorne Blvd) has been deemed inactive
- City's current Rule 20A balance of \$3,893,306 must be allocated to a new UUD prior to June 1, 2025 to avoid forfeiture of Rule 20A funds

UUD QUALIFYING CRITERIA

A UUD must meet one or more of the following public interest criteria:

1. Eliminate a heavy concentration of overhead power lines
2. Involve a street with a high volume of traffic
3. Benefit a civic or public recreation area of unusual scenic interest
4. Be classified as an arterial or major collector street

SUGGESTED UUDS FOR COUNCIL CONSIDERATION

1. Madrona Ave (Civic Center Dr to Torrance Blvd)
- 1a. Madrona Ave (Civic Center Dr to Carson St)
2. Crenshaw Blvd (Del Amo Blvd to Dominguez St)
3. 190th St (Van Ness Ave to Western Ave)
4. Hawthorne Blvd (186th St to Del Amo Blvd)

1. Madrona Ave (Civic Center Dr to Torrance Blvd)



- ROM Cost: \$3,650,000
- Adjacent to Civic Center

1a. Madrona Ave (Civic Center Dr to Carson St)



- ROM Cost: \$16,000,000
- Extension of Option 1 corridor to Carson St

2. Crenshaw Blvd (Del Amo Blvd to Dominguez St)



- ROM Cost: \$4,350,000
- Adjacent to Mary K. Giordano RTC

3. 190th St (Van Ness Ave to Western Ave)



- ROM Cost: \$9,250,000
- Adjacent to several projects currently in development

4. Hawthorne Blvd (186th St to Del Amo Blvd)



- ROM Cost: \$15,550,000
- Heavily travelled commercial corridor
- Power lines exist on both sides of the street

QUESTIONS?

