

June 17, 2004

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular meeting of
June 22, 2004

**UNDERGROUND DISTRICT IN THE AREA GENERALLY EAST OF
PACIFIC COAST HIGHWAY INCLUDING 13TH, 14TH, 15TH, AND 16TH
STREETS AND BONNIE BRAE, AND OCEAN, ALL WEST OF PROSPECT -
VERIZON DESIGN COST IN THE AMOUNT OF \$26,930.53**

Recommendation:

That the City Council approve the appropriation from the Capital Improvement Fund in the amount of \$26,930.53 to cover the design costs for telephone service associated with this proposed district and direct the City Manager to execute the agreement with Verizon.

Background:

This proposed district presented a petition to the City in 2001 in order to start the process of undergrounding the utilities in this area. A map is attached that shows the streets included. There are a total of 185 parcels in the proposed assessment district area. The project was stalled, like several others, during the energy crisis when SCE stopped working on these types of projects. The electrical design work was finished in the spring of 2003 and forwarded to Verizon for its design to be completed. Verizon went through a great deal of downsizing and did not complete the design effort. Staff, in conversations with the new Verizon staff, suggested and they received approval to allow a private engineering company under contract to Verizon to complete the design work. The attached letter from Verizon sets the price for the design work, which will be done by an engineering company and completed within 90 days. Once they are finished, the plans are then forwarded to the cable company for its design. After we have all three completed designs, we will have the total cost estimate and will be able to proceed to the formal assessment engineering proceedings.

Staff, at the request of one of the committee members in this area, will prepare and send out a letter to all property owners explaining the status of the proposed district and expected time frame that we will be able to move into the formal assessment district proceeding.

The costs for this design, like the other districts that the city has worked on, will be reimbursed once the district is successful.

Respectfully submitted,

Stephen R. Burrell
City Manager