

May 15, 2006

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
May 23, 2006

**BEACH DRIVE UNDERGROUND UTILITY DISTRICT –
FINAL NOTICE TO PROPERTY OWNERS TO COMPLETE PRIVATE CONVERSIONS**

Recommendation:

It is recommended that the City Council:

1. Authorize the Director of Public Works to obtain the services of an electrical contractor and perform the utility conversions to properties still non-compliant following the 30-Day Final Notice; and
2. Authorize the Director of Public Works to execute a contract with Bear Electric to perform these utility conversions.

Summary:

The Beach Drive Underground Utility District is presently in the final phases of completing the conversion from overhead to the new underground utility system. Edison and Verizon have begun transferring properties to the underground system. However, the wooden service poles and overhead wires cannot be removed until every property has completed their private property utility conversion. The property owners were noticed at the beginning of the project of this requirement. The majority have either completed or started this work, with only one property left yet to begin.

At the April 11, 2006 City Council Meeting, Staff was authorized to give "Final Notice" to all property owners in the Beach Drive Underground Utility District that have not completed their private utility conversions and to further direct staff to disconnect the overhead utility services to those properties that do not complete the necessary work within 30 days of receiving said notice in accordance with the City's Municipal Code (Section 13.08.110).

Staff has been informed by the utility companies that they are prohibited by the Public Utilities Commission (PUC) to disconnect utility services. Therefore, the only option available to Staff per the City's Municipal Code is to acquire the services of an electrical contractor and order the work to be completed.

Staff's proposal is to mail and post a letter to the one property that has not yet completed the conversion 30 days prior to pole removal. The utility companies anticipate beginning pole removal the first week of July 2006.

If the property owner does not comply with the conversion requirement following the 30-Day Final Notice, the Director of Public Works will order the work to be performed by a previously selected electrical contractor.

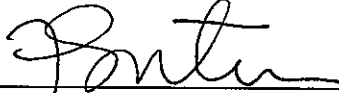
As of May 11, 2006, one (1) property has not begun work on the conversion. Staff obtained an estimate from "Bear Electric" to perform the utility conversion for this property. Additional estimates may be required if other properties fail to complete their conversions within the 30-Day Final Notice time period.

Fiscal Impact:

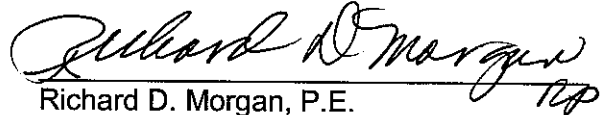
The District was formed with \$37,000 included for construction contingency. Therefore, funding is available to cover the costs to perform any necessary utility conversions. These costs will include the actual work performed plus administrative fees. Following the completion of work, Staff will recommend that Council begin assessment proceedings against those properties.

Respectfully submitted,

Concur:



Frank Senteno, P.E.
Associate Engineer



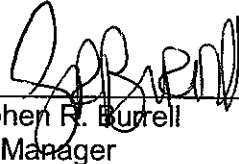
Richard D. Morgan, P.E.
Director of Public Works/City Engineer

Noted for Fiscal Impact:

Concur:



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager