Underground Utility District No. 6 and Rule 20A Program Update

City Council

September 10, 2026



Utility District No. 6 and Rule 20A

August 27 Council Direction

CPUC Underground Utility Program

- Underground overhead utilities using utility-funded credits
- Administered through PG&E
- Program expires in 2033

Projects Must Be Within Established Districts

- Limited to previously established underground utility districts
- Rule 20A projects must be 600’ or one block

August 27 Council Direction

- Shortened project may be selected in existing district
- Evaluation of Monterey Avenue from Fanmar Way to Cherry Ave
- Item continued for PG&E preliminary estimate

Utility District No. 6 and Rule 20A Credit Status

Current PG&E Rule 20A Credit Balance

- Approximately $3.08 million available
- Approximately $45,000 spent on 6A-1 development (not yet deducted)
- Additional planning and coordination costs continue to accrue

Rule 20A Credits Generally Cover

- Eligible PG&E engineering and coordination
- Eligible PG&E underground construction

Potential City Costs

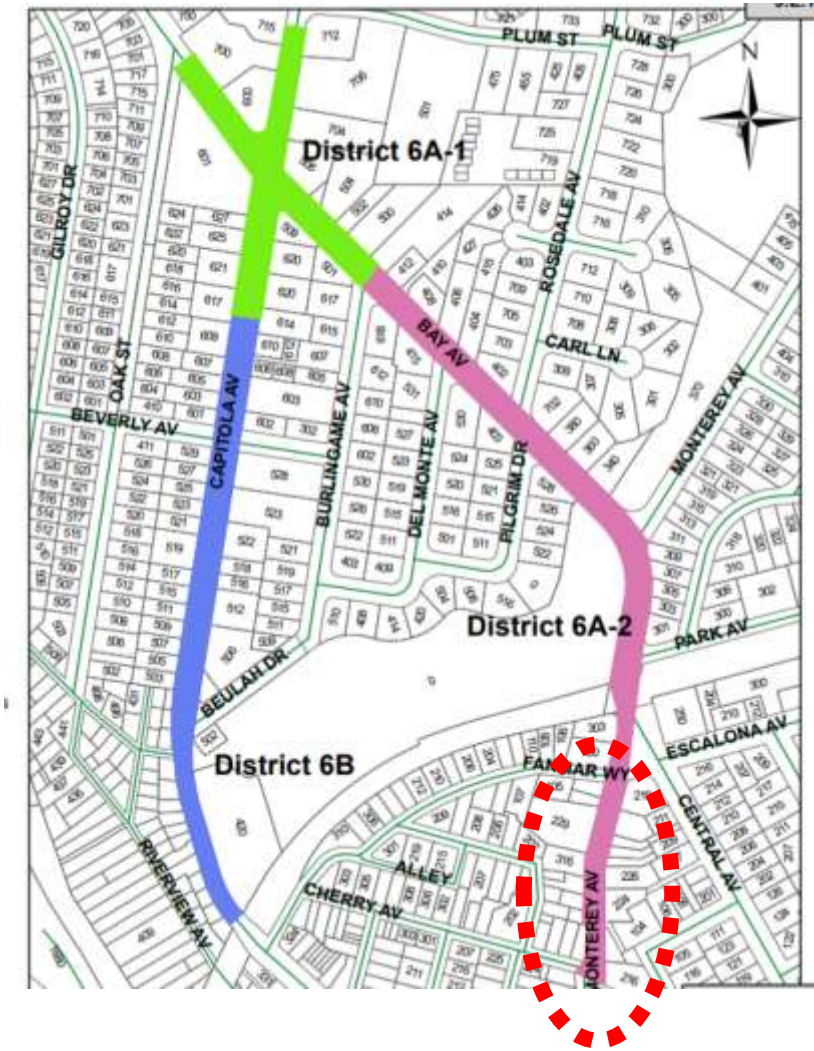
- Easement acquisition
- Roadway and sidewalk restoration
- Replacement street lighting
- Costs exceeding available work credits

Utility District No. 6 and Potential Monterey Avenue Rule 20A Project

Fanmar Way to Cherry Ave

- Within existing District 6A-2
- Project has not entered





Utility District No. 6 and Monterey Avenue Preliminary Rule 20A Estimate

PG&E Class 5 Estimate
$2.7 million

- Based on projected footage, service count, and costs from similar projects.

Available Rule 20A Credits
$3.08 million

- Approximately $45,000 in prior 6A-1 costs has not yet been deducted.

Limitations

- Early planning estimate (not a project budget)
- Retaining wall construction may increase cost and schedule
- Additional City funding may be required

Utility District No. 6 and Additional Cost and Schedule Rule 20A Considerations

Potential City Costs

- Roadway and sidewalk restoration
- Replacement street lighting
- Easements
- Traffic control and environmental review
- Project administration and cost overruns

Schedule Risk

- Rule 20A funding expires at end of 2033
- PG&E has identified schedule concerns for 6A-1
- Monterey Avenue has not entered design

Utility District No. 6 and Options for Council Direction

Continue Evaluating Monterey Avenue

- Select Monterey Avenue as preferred project and continue coordination with PG&E

Continue Advancing District 6A-1

- Continue utility coordination, easement, and project-development work already underway

Take No Further Action

- Discontinue District No. 6 efforts and allow credits to expire in 2033