

implemented.

SUMMARY:

The recommended actions will enable Pacific Gas & Electric Company (PG&E) to implement the second phase of a three-phase project to ultimately install 112 new street lights where no lights currently exist in the unincorporated Community of Las Lomas in northern Monterey County.

DISCUSSION:

The County has funded and PG&E is in the process of installing a total of 112 new street lights on existing power poles located in the public right-of-way of County roads within the Community of Las Lomas.

On July 25, 2013, an Application for Street Light Service was submitted to PG&E to initiate the design and implementation of the proposed project. On September 19, 2013, PG&E invoiced the County for an advance payment of \$10,000 to initiate the engineering design of the project, and payment was made on October 30, 2013. PG&E is continuing to bill against this deposit as it completes the engineering for the project.

The project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) because the installation of streetlights on existing utility poles within the existing public right-of-way of County roads constitutes minor alteration to existing public utilities, which is exempted by CEQA Section 15301(b). The project was further determined to be exempt from the California Coastal Act because the installation of streetlights on existing utility poles within the existing public right-of-way of County roads falls under Section 20.70.120(R) of Title 20 (Exemptions from Coastal Development Permits) as a safety improvement on a public road.

On June 3, 2014, the Board of Supervisors approved Electric Agreement No. 1167198 in the amount of \$7,017.91 to convert five existing street lights from HPS to LED, and Electric Agreement No. 1168827 in the amount of \$9,814.51 for installation of thirty nine new streetlights (Phase 1). To date, thirty eight of these lights have been installed, and installation activity is on-going.

On August 14, 2014, PG&E submitted proposed Electric Agreement Contract ID 1178063 for signature and payment of \$11,803.25 for installation of the next sixty street lights in the project, which will bring the total number of lights installed to 104.

PG&E will submit a final proposed Electric Agreement for the third and final phase of the project in the coming months.

OTHER AGENCY INVOLVEMENT:

PG&E is installing the street lights. PG&E will own, operate, and maintain the street lights, and will bill the County for the monthly cost.

Staff is working with the community to determine the best mechanism for the community to finance the ongoing cost to operate and maintain the proposed street lights. Options include the possible formation of a new lighting assessment district, or inclusion of this service into the Pajaro/Sunny Mesa Community Services District. A benefit/cost analysis of these options has been prepared, and meetings are being scheduled with representatives of the community, LAFCO, and the Pajaro/Sunny Mesa Community Services District to explore the process to select a preferred option and determine the process for implementation.

FINANCING:

On June 5, 2013, the Board of Supervisors approved adding the Las Lomas Lighting Project, Project 1722, to

the Facilities Master Plan Implementation Project Fund 404 during the FY 2013-14 Budget Hearings and allocated \$800,000 from Fund 404. At that time, it was anticipated that this project would carry into FY 2014-15. On June 24, 2014, the Board approved appropriations of \$518,500 in Fund 404 as part of the FY 2014-15 Budget Adoption. There are sufficient funds available to pay PG&E the \$11,803.25 for the installation of sixty lights for phase two of this project.

At this time, there has not been a determination as to what method will be established to assess property owners for the on-going operating costs of the new street lights, i.e., monthly electric bills. PG&E states the service cost to operate and maintain the street lights will be approximately \$3.50 per month per light or \$42.00 per year per light or \$4,704 per year. Until institutional arrangements are completed for the community to assume payment of the operation and maintenance costs of the street lights, staff recommends paying the ongoing utility bills associated with the new street lights be paid out of the Utilities Unit FY 2014-15 Adopted Budget Fund 001-3008182-RMA098. It is anticipated that the amount paid by the County would be reimbursed once institutional arrangement is decided upon by the unincorporated Community of Las Lomas.

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Approved by:

Robert K. Murdoch, P.E., Director of Public Works

Benny J. Young, RMA Director

Dated: September 12, 2014

Attachments: Contract ID 1178063: Las Lomas; Location Map (Attachments on file with Clerk of the Board)