

# **Solano County**

675 Texas Street  
Fairfield, California 94533  
[www.solanocounty.com](http://www.solanocounty.com)



## **Agenda - Final**

**Tuesday, January 14, 2020**

**8:30 AM**

**Board of Supervisors Chambers**

### **Board of Supervisors**

*Erin Hannigan (Dist. 1) Chairwoman*  
*(707) 553-5363*

*Monica Brown (Dist. 2), Vice-Chair*  
*(707) 784-3031*

*James P. Spring (Dist. 3)*  
*(707) 784-6136*

*John M. Vasquez (Dist. 4)*  
*(707) 784-6129*

*Skip Thomson (Dist. 5)*  
*(707) 784-6130*

SOLANO COUNTY BOARD OF SUPERVISORS  
HOUSING AUTHORITY, SPECIAL DISTRICTS,  
SOLANO FACILITIES CORPORATION, AND  
IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY

Temporary parking permits for the County Parking Garage are available from the Board Clerk for visitors attending the Board of Supervisors' meeting for more than 2 hours.

The County of Solano does not discriminate against persons with disabilities and is an accessible facility. If you wish to attend this meeting and you will require assistance in order to participate, please call the Office of the Clerk of the Board of Supervisors at 707-784-6100 at least 24 hours in advance of the event to make reasonable arrangements to ensure accessibility to this meeting.

Non-confidential materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Solano County Government Center, 6th Floor Receptionist's Desk, 675 Texas Street, Fairfield, during normal business hours.

If you wish to address any item listed on the Agenda, or Closed Session, please submit a Speaker Card to the Board Clerk before the Board considers the specific item. Cards are available at the entrance to the Board chambers. Please limit your comments to three minutes. For items not listed on the Agenda, please see items from the public below.

## **AGENDA**

### **CALL TO ORDER - 8:30 A.M.**

### **ROLL CALL**

### **CLOSED SESSION**

- 1      **20-49**      Conference with Labor Negotiators: Solano County representatives: Marc Fox, Jeannine Seher, Georgia Cochran, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American

Physicians and Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors); Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

Conference with Legal Counsel - Existing Litigation: County of Solano v. Dept of Water Resources, et al., Sacramento case no. 34-2019-80003113

Attachments:    [A - Memorandum](#)

## **RECONVENE - 9:00 A.M.**

## **REPORT OF ACTION IN CLOSED SESSION (IF APPLICABLE)**

## **SALUTE TO THE FLAG AND A MOMENT OF SILENCE**

## **PRESENTATIONS**

### Health and Social Services:

- 2        **20-5**        Approve and present a plaque of appreciation honoring Cynthia Sottana, Employment and Eligibility Services Manager, upon her retirement from the Department of Health and Social Services with over 11 years of dedicated public service to Solano County (Supervisor Brown)

## **ITEMS FROM THE PUBLIC**

*This is your opportunity to address the Board on a matter not listed on the Agenda, but it must be within the subject matter jurisdiction of the Board. Please submit a Speaker Card before the first speaker is called and limit your comments to three minutes. The Board will hear public comments for up to fifteen minutes. Any additional public comments will be heard at the conclusion of the meeting. Items from the public will be taken under consideration without discussion by the Board and may be referred to staff.*

## **ADDITIONS TO OR DELETIONS FROM THE AGENDA**

## **APPROVAL OF THE AGENDA**

**PUBLIC COMMENT ON CONSENT CALENDAR**

*Each speaker shall have 3 minutes to address any or all items on the Consent Calendar.*

**APPROVAL OF THE CONSENT CALENDAR**

*The Board considers all matters listed under the Consent Calendar to be non-controversial or routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion unless Board members request specific items be discussed and/or removed from the Consent Calendar.*

**CONSENT CALENDAR****GENERAL GOVERNMENT**Board of Supervisors:

- 3      **20-59**      Adopt a resolution recognizing Monday, January 20, 2020 as Martin Luther King Jr. Day, a day to express our heartfelt appreciation of Dr. King and to honor his legacy as a man of determination, dignity, honor and strength

Attachments:    [A - Resolution](#)

General Services:

- 4      **20-26**      Approve an agreement for \$794,000 with Status Electrical Corporation of British Columbia, Canada for the Juvenile Detention Facility Security System Upgrades Project at 740 Beck Avenue in Fairfield; and Authorize the County Administrator or designee to execute the agreement and any amendments within the approved project budget

Attachments:    [A - Contract](#)  
                         [B - Budget Summary](#)  
                         [C - Bid Results](#)

**HEALTH AND SOCIAL SERVICES**Health and Social Services:

- 5      **20-34**      Adopt a resolution recognizing The Center for Higher Purpose as meeting the necessary qualifications to offer Driving Under the Influence services as a new provider in Vacaville

Attachments:    [A - Resolution](#)

**CRIMINAL JUSTICE**District Attorney:

- 6      **20-32**      Adopt a resolution to amend the List of Numbers and Classifications of Positions to add 1.0 FTE Deputy District Attorney V and delete 1.0 FTE Deputy District Attorney IV
- Attachments:    [A - Resolution](#)

**LAND USE/TRANSPORTATION**Resource Management:

- 7      **20-6**      Authorize the Director of Resource Management to solicit bids, award, and execute up to \$4,110,000 for various Public Works construction and consultant contracts for the 2020 construction season
- Attachments:    [A - Location Maps](#)
- 8      **20-30**      Authorize the Director of Resource Management, with County Counsel concurrence, to award and execute a \$851,776 construction contract with Gordon H. Ball, Inc. to replace two large culverts on Cherry Glen Road
- 9      **20-31**      Adopt a resolution approving the formation of and participation in a subregion as part of the Association of Bay Area Governments' Regional Housing Needs Allocation process
- Attachments:    [A - Resolution](#)

**REGULAR CALENDAR****Rescheduled Consent Items****Consider the following:**

- A)
- B)
- C)

**GENERAL GOVERNMENT**General Services:

- 10      **20-25**      Consider approving the use of “Best Value” method of procurement of construction services for the Sheriff Hot Water and Main Jail Shower Replacement Projects; and Authorize the use of the proposed criteria to ensure the selection is conducted in a fair and impartial manner
- Attachments:    [A - Senate Bill No. 128 Best Value Procurement](#)  
                         [B - Best Value Process Summary - Sheriff Hot Water & Shower Replacements](#)  
                         [C - Request for Qualifications Evaluation](#)

**LAND USE/TRANSPORTATION**Resource Management:

- 11      **19-894**      Receive an informational presentation on the purpose and use of Solano County’s Rule 20A credits and the status of credits available to Solano County; and Provide general direction to the Department of Resource Management regarding utilization of Rule 20A credits
- Attachments:    [A - Undergrounding Conditions](#)
- 12      **20-10**      Receive the annual report and Capital Improvement Plan for the English Hills Transportation Impact Fee Program for FY2018/19; and Conduct a Public Hearing to consider adoption of a resolution which approves the updated English Hills Transportation Impact Fee Area Capital Improvement Plan and authorizing expenditures of \$174,573 from the English Hills Area Road Improvement Reserve Account toward the Timm Road Improvement Project
- Attachments:    [A - English Hills Boundary Map](#)  
                         [B - Annual Report](#)  
                         [C - Capital Improvement Plan](#)  
                         [D - Fact Sheet](#)  
                         [E - Public Notice](#)  
                         [F - Resolution](#)

**BOARD MEMBER COMMENTS AND REPORTS ON MEETINGS****ADJOURN:**

*To the Board of Supervisors meeting of January 28, 2020 at 8:30 A.M., Board Chambers,  
675 Texas Street, Fairfield, CA*



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## Agenda Submittal

<b>Agenda #:</b>	1	<b>Status:</b>	Closed Session
<b>Type:</b>	Closed Session	<b>Department:</b>	County Counsel
<b>File #:</b>	20-49	<b>Contact:</b>	Bernadette S. Curry, 784-6151
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	

**Title:** Conference with Labor Negotiators: Solano County representatives: Marc Fox, Jeannine Seher, Georgia Cochran, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American Physicians and Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors); Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

Conference with Legal Counsel - Existing Litigation: County of Solano v. Dept of Water Resources, et al., Sacramento case no. 34-2019-80003113

**Governing body:** Board of Supervisors

**District:** All

**Attachments:** A - Memorandum

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X

Public Hearing Required? Yes \_\_\_ No X

## **CLOSED SESSION MEMO**

- A. LICENSE/PERMIT DETERMINATION (GC § 54956.7)
  - a. Number of applicants:\_\_\_\_\_
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (GC § 54956.8)
  - a.
- C. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
  - a. County of Solano v. Dept of Water Resources, et al., Sacramento case no. 34-2019-80003113
- D. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (GC § 54956.9)
  - a. Significant exposure to litigation pursuant to GC § 54956.9 (b):
  - b. Initiation of litigation pursuant to GC § 54956.9(c):
- E. LIABILITY CLAIMS-JOINT POWERS AUTHORITY (GC § 54956.95)
  - a. Claimant:\_\_\_\_\_
  - b. Agency against whom claim filed:\_\_\_\_\_
- F. THREAT TO PUBLIC SERVICES OR FACILITIES (GC § 54957)
  - a. Consultation with:\_\_\_\_\_
- G. PUBLIC EMPLOYEE APPOINTMENT
  - a. Title:
- H. PUBLIC EMPLOYMENT (GC § 54957)
  - a. Title:
- I. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC § 54957)
  - a. Title:
- J. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (GC § 54957)
  - a. No information required
- K. CONFERENCE WITH LABOR NEGOTIATORS (GC § 54957.6)

Solano County representatives: Marc Fox, Jeannine Seher, Georgia Cochran, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American Physicians and Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors);



Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

- L. CASE REVIEW/PLANNING (GC § 54957.8)
- M. REPORT INVOLVING TRADE SECRET (GC § 54962, etc.)
  - a. Estimated year of public disclosure:\_\_\_\_\_
- N. HEARINGS
  - a. Subject matter:\_\_\_\_\_
  - (nature of hearing, i.e. medical audit comm.,  
quality assurance comm., etc.)



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## Agenda Submittal

<b>Agenda #:</b>	2	<b>Status:</b>	Presentation
<b>Type:</b>	Presentation	<b>Department:</b>	Health and Social Services
<b>File #:</b>	20-5	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Approve and present a plaque of appreciation honoring Cynthia Sottana, Employment and Eligibility Services Manager, upon her retirement from the Department of Health and Social Services with over 11 years of dedicated public service to Solano County (Supervisor Brown)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Health and Social Services (H&SS) recommends the Board approve and present a plaque of appreciation honoring Cynthia Sottana, Employment & Eligibility Services Manager, upon her retirement from the Department of Health and Social Services with over 11 years of dedicated public service to Solano County.

### **SUMMARY/DISCUSSION:**

Cynthia Sottana retired effective December 6, 2019 as an Employment & Eligibility (E&E) Services Manager overseeing the Multi-Program Intake units of the Employment and Eligibility Division. Ms. Sottana's retirement is one that will bring closure to years of being a committed, dedicated and loyal employee to the County of Solano. Ms. Sottana began her 11-year journey when she was hired in February 2008 as an Office Assistant extra help employee. She later became an Accounting Clerk II for the Assessor Recorder before promoting to a Clerical Operations Manager for E&E. Ms. Sottana promoted again to Program Services Manager, responsible for hiring, before her final assignment where she was responsible for Multi-Program intake.

Ms. Sottana values making a difference in the lives of others and demonstrated this value by serving the public. Ms. Sottana's knowledge of customer service has been utilized through the hiring of new employees in E&E and she has received positive feedback from clients who have had the pleasure of interacting with her.

Ms. Sottana's retirement plans include traveling, spending time with her grandchildren and enjoying her life in the Vallejo. The County wishes Ms. Sottana all the best in her new journey.

### **FINANCIAL IMPACT:**

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget. The costs associated with preparation and purchase of the plaque are included in the Board's FY2019/20 Adopted Budget.

**ALTERNATIVES:**

The Board may choose not to approve the plaque honoring Cindy Sottana. This is not recommended as it is an opportunity to acknowledge the dedicated service of a Solano County employee.

**OTHER AGENCY INVOLVEMENT:**

There is no other agency involvement.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENT RECOMMENDATION



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## Agenda Submittal

<b>Agenda #:</b>	3	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Board of Supervisors
<b>File #:</b>	20-59	<b>Contact:</b>	Erin Hannigan, 553-5363
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution recognizing Monday, January 20, 2020 as Martin Luther King Jr. Day, a day to express our heartfelt appreciation of Dr. King and to honor his legacy as a man of determination, dignity, honor and strength		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

It is recommended that the Board of Supervisor adopt a resolution recognizing Monday January 20, 2020 as Martin Luther King Jr. Day, a day to express our heartfelt appreciation of Dr. King and to honor his legacy as a man of determination, dignity, honor and strength.

### **SUMMARY/DISCUSSION:**

Born on January 15, 1929 in Atlanta, Georgia, Dr. Martin Luther King Jr. was an American Baptist minister, activist, humanitarian and civil rights leader. He is best known for his role in the advancement of civil rights using nonviolent civil disobedience, specifically based on his religious beliefs.

As a Nobel Peace Prize recipient, Dr. King traveled to communities across our nation and around the world to deliver his lectures and teach his beliefs of non-violent resolution; his words provided inspiration and sustenance to those in American society struggling against racism, poverty and war.

Dr. King delivered one of his most famous speeches, "I Have a Dream," during the greatest civil rights demonstrations in US history to thousands of people at the Lincoln Memorial in Washington D.C. on August 28, 1963. The speech was the pinnacle of the 1963 March on Washington, establishing his reputation as one of the greatest orators in American history.

At 6:01 p.m. on April 4, 1968 Dr. King paid the ultimate sacrifice for his beliefs when he was assassinated by gunshot at his hotel in Memphis, Tennessee. Although he was only 39 years old when he died, Dr. King had accomplished more for American civil rights through the practice of non-violent revolution than anyone in history.

Martin Luther King Jr. is remembered to this day as a man of determination, dignity, honor and strength.

**FINANCIAL IMPACT:**

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget

**ALTERNATIVES:**

The Board may choose not to adopt the resolution, but this is not recommended because it is an opportunity to honor and remember Dr. Martin Luther King Jr. and his significant contribution to civil rights in America

**OTHER AGENCY INVOLVEMENT:**

None.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

# *Resolution No. 2020 -*

## **RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS RECOGNIZING MONDAY, JANUARY 20, 2020 AS MARTIN LUTHER KING JR. DAY**

**WHEREAS**, Monday, January 20, 2020 is a day of remembrance of the Reverend Martin Luther King Jr., born January 15, 1929, who dedicated his life to the pursuit of equality for all regardless of race, creed or national origin; and

**WHEREAS**, Dr. Martin Luther King Jr. traveled to communities all across our nation and around the world to deliver his lectures and teach his belief of non-violent resolution; his words provided inspiration and sustenance to those in American society struggling against racism, poverty and war; and

**WHEREAS**, Dr. Martin Luther King Jr. delivered the most famous of his speeches, "I Have a Dream," during the greatest civil rights demonstration in the history of our nation, which was held on the steps of the Lincoln Memorial in Washington D.C. on August 28, 1963; and

**WHEREAS**, Dr. Martin Luther King Jr. paid the ultimate sacrifice for his beliefs when he was assassinated on April 4, 1968 in Memphis, Tennessee; and

**WHEREAS**, in Solano County and in communities across this nation we remember the life, work and the dream of Dr. Martin Luther King Jr. as a national holiday first observed on January 20, 1986 and continues to be observed annually in his honor on the third Monday in January; and

**WHEREAS**, from his 1963 book Strength to Love, Dr. King writes these words to live by:

***"The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy. The true neighbor will risk his position, his prestige, and even his life for the welfare of others."***

**NOW, THEREFORE BE IT RESOLVED**, that the Solano County Board of Supervisors recognizes Monday, January 20, 2020 as Martin Luther King Jr. Day, a day to express our heartfelt appreciation of Dr. Martin Luther King Jr. and to honor his legacy as a man of determination, dignity, honor and strength.

Dated this 14<sup>th</sup> day of January, 2020

\_\_\_\_\_  
ERIN HANNIGAN, Chairwoman  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	4	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Contract	<b>Department:</b>	General Services
<b>File #:</b>	20-26	<b>Contact:</b>	Mark Hummel, 784-7908
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Approve an agreement for \$794,000 with Status Electrical Corporation of British Columbia, Canada for the Juvenile Detention Facility Security System Upgrades Project at 740 Beck Avenue in Fairfield; and Authorize the County Administrator or designee to execute the agreement and any amendments within the approved project budget		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Contract, B - Budget Summary, C - Bid Results		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services recommends that the Board of Supervisors:

1. Approve an agreement for \$794,000 with Status Electrical Corporation of British Columbia, Canada for the Juvenile Detention Facility Security System Upgrades Project at 740 Beck Avenue in Fairfield; and
2. Authorize the County Administrator or designee to execute the agreement and any amendments within the approved project budget.

### **SUMMARY:**

The Department of General Services is recommending the Board of Supervisors approve an agreement (Attachment A) for \$794,000 with Status Electrical Corporation as the lowest responsible bidder for the Juvenile Detention Facility Security System Upgrades Project at 740 Beck Avenue, in Fairfield.

### **FINANCIAL IMPACT:**

The total approved project budget for the Juvenile Detention Facility Security System Upgrades (Project) is \$1,825,000 (Budget Unit 1749) which includes the recommended construction contract for \$794,000; project management costs for \$270,000; engineering and design fees for \$120,000; permits and inspections for \$12,000; miscellaneous expenses (Advertising, Prints, Mailing, etc.) for \$13,000; and project contingencies of \$616,000. The project is funded from FY15/16 BU#1740 New Foundations Improvements Project Savings of \$97,764; AB109 Fund of \$450,885; Accumulated Capital Outlay Fund of \$1,351; and General Fund State Mandated Cost of \$1,275,000. Attachment B provides breakdown of the estimated project cost and funding

sources for the Project. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

**DISCUSSION:**

The Project consists of security controls, video, paging and intercom systems integration of the 3 buildings (Bldg. A Main Juvenile Hall, Bldg. B Old Challenge, and Bldg. C 'New Foundations' which is now New Challenge) in the Juvenile Detention Facility Campus. The Project includes replacements of analog touch button control panels to digital touchscreens, additional control work stations and new IP based cameras, upgraded network video storage server, additional electronic lock/unlock control and monitoring of select perimeter doors.

The Project was advertised as required by Public Contract Code. A total of three bids were received (Attachment C) with Status Electrical Corporation as the lowest responsible bidder. The Department of General Services is recommending the Board approve a contract for \$794,000 with Status Electrical Corporation to construct the Project

**ALTERNATIVES:**

The Board could reject, postpone, or direct staff to re-bid the project. These actions are not recommended because the work will address previously identified security concerns and bring systems into compliance with the State's video storage requirements. Delay of the work may result in cost increase due to escalation. In addition, the bid process was conducted in conformance with the Public Contract Code.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**



## AGREEMENT BETWEEN OWNER AND CONTRACTOR

This Agreement is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between the COUNTY OF SOLANO, a political subdivision of the State of California, (referred to as 'Owner') and Status Electrical Corporation (referred to as the 'Contractor') for the following Project:

The Project: **JUVENILE DETENTION FACILITY SECURITY SYSTEM  
UPGRADES PROJECT**

Engineer: Stanton Engineering  
1819 K Street, Suite 250  
Sacramento, CA 95811

The Owner and the Contractor agree as set forth below.

### ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract documents consist of this Agreement, the General Conditions and those documents enumerated in Sub-paragraph 1.1.1 of the General Conditions, which documents are incorporated into and made a part of this Agreement

### ARTICLE 2 THE WORK

The Contractor shall perform all the Work required by the Contract Documents for the **Juvenile Detention Facility Security System Project at 740 Beck Avenue, Fairfield , CA**, dated October 17, 2019; Addendum 1 dated November 4, 2019; Addendum 2 dated November 13, 2019; Addendum 3 dated November 18, 2019; and Addendum 4 dated November 25, 2019.

### ARTICLE 3 TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

The Work to be performed under this Contract shall commence no later than five (5) calendar days after the Notice to Proceed is issued to the Contractor, and shall be carried out and completed according to the schedule set forth in Document 00 73 00/ Supplementary Conditions, and Section 00 11 00/ Notice To Bidders.

The Contractor agrees that the Work will be substantially completed in **210** calendar days from the Notice to Proceed. The Contractor agrees that the County will suffer economic damages, which may be difficult to quantify, in the event that the Work is not completed within this time period and therefore, Contractor agrees to pay the County liquidated damages in the amount outlined in Document 00 73 00/ Supplementary Conditions, Article 1.4, Liquidated Damages for each and every calendar day of delay beyond the **240** calendar days Final Completion.

**ARTICLE 4**  
**CONTRACT SUM**

The County shall pay the Contractor for the performance of the Work, subject to additions and deductions by Change Order or as otherwise provided in the Contract Documents, a total Contract Sum of \$794,000.

**ARTICLE 5**  
**PROGRESS PAYMENTS**

Based upon Applications for Payment submitted to the Project Manager by the Contractor and Project Certificates for Payment issued by the Project Manager, the County shall make progress payments on account of the Contract Sum to the Contractor as provided in the Contract Documents as follows:

Progress Payments: The Contractor shall on or before the first day of each month, make an estimate of the work performed during the preceding month and submit same to the Project Manager for checking and approval. On or about the 20th day of the month following the month in which the work was performed, the County shall pay to the Contractor ninety five (95%) percent of the value of said work in place, as checked and approved by the Project Manager. The balance of five (5%) percent of the estimate shall be retained by the County until the time of final acceptance of said work.

The remaining retention would be held until 35 days after the Notice of Completion is filed with the Solano County Recorder's Office and completed according to Section 017700 Contract Closeout Procedures.

**ARTICLE 6**  
**FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be paid by the County to the Contractor when the Work has been completed, the Contract fully performed, the Project Manager has issued a Project Certificate for Payment which approves the final payment due the Contractor, Board of Supervisors of Solano County has formally accepted the project as complete by Resolution and Notice of Completion filed by the County Recorder's Office.

**ARTICLE 7**  
**MISCELLANEOUS PROVISIONS**

7.1 Terms used in this Agreement, which are defined in the Document 00 72 00 - General Conditions of the Contract for Construction, shall have the meanings designated in those Conditions.

7.2 Notices shall be addressed as follow:

OWNER:  
COUNTY OF SOLANO  
Birgitta Corsello, County Administrator  
675 Texas Street  
Fairfield, CA 94533

CONTRACTOR:  
STATUS ELECTRICAL CORP.  
Keith Falardeau, President  
PO Box 69, Stn A  
Abbotsford, BC, Canada

- 7.3 **Prevailing Wages.** The Contractor agrees that State Prevailing Wages apply to this Project, and that the Contractor will pay the rates for each trade or craft and shall require the subcontractors on the project to pay the rates for each trade and craft. The Payroll Submittal Information attached as Section 00 45 46 - Payroll Information is incorporated as if set forth in full and is a part of this Contract. The Contractor agrees to repay the County any and all amounts paid to any subcontractor in violation of Public Contract Code Section 6109.
- 7.4 **Execution of Contracts in Counterparts.** This Contract may be executed in two or more counter parts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument, it being understood that all parties need not sign the same counterpart. In the event any signature is delivered by facsimile or electronic transmission (e.g. by e-mail delivery of a '.pdf' format data file), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if facsimile or electronic signature page were an original signature.

**ARTICLE 8**  
**EXECUTION OF AGREEMENT**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COUNTY:

By: \_\_\_\_\_  
Birgitta Corsello,  
County Administrator

STATUS ELECTRICAL CORPORATION:

By: \_\_\_\_\_  
Keith Falardeau,  
President  
Keith Falardeau, President  
Status Electrical Corp.

APPROVED AS TO FORM:

By: \_\_\_\_\_  
County Counsel of Solano County, California

NOTE: If the Contractor is a corporation, attach to this Contract a certified copy of the by-laws, resolutions, or excerpts of a meeting of the Board of Directors of the Corporation authorizing the person executing this Agreement to do so for the Corporation.





Head Office:  
2669 Deacon Street  
Abbotsford BC V2T 6H3  
(604) 859-1892

Seattle Sales Office:  
14900 Interurban South, Suite 271  
Seattle WA 98168  
(877) 859-1892

Automation Office:  
100 - 3193 262nd Street  
Aldergrove, BC V4W 2Z6  
(604) 859-8470

#### CORPORATE RESOLUTION OF SIGNING AUTHORITY

WHEREAS, the Corporation is determined to grant signing and authority to certain person(s) described hereunder.

RESOLVED, that the Board of Directors is hereby authorized and approved to authorize and empower the following individual to make, execute, endorse and deliver in the name of and on behalf of the corporation, but shall not be limited to, any and all written instruments, agreements, documents, execution of deeds, powers of attorney, transfers, assignments, contracts, obligations, certificates and other instruments of whatever nature entered into by this Corporation.

Name: Keith Falardeau

Position/Title: President

Telephone Number: 604 859 1892

Email Address: [kfalardeau@statuselectrical.com](mailto:kfalardeau@statuselectrical.com)

Signature: \_\_\_\_\_

Keith Falardeau, President  
Status Electrical Corp.

The undersigned certifies that he/she is the properly elected and qualified Secretary of the books, records and seal of Status Electrical Corporation, a corporation duly conformed pursuant to the laws of the state of Washington, and that said meeting was held in accordance with state law and with the Bylaws of the above-named corporation.

This resolution has been approved by the Board of Directors of Status Electrical Corporation

I, as authorized by the Company, hereby certify and attest that all the information above is true and correct.

Keith Falardeau

Keith Falardeau, President  
Status Electrical Corp.

Secretary and President

**JUVENILE DETENTION FACILITY  
SECURITY SYSTEM UPGRADES PROJECT BU 1749**

**740 BECK AVENUE, FAIRFIELD**

**Project Funding Source**

BU 1740 New Foundations Improvements Project Savings	\$	97,764
AB109	\$	450,885
Accumulated Capital Outlay	\$	1,351
General Fund	\$	1,275,000
<b>Total Project Funding</b>		<b>\$ 1,825,000</b>

**Other Project Expenses**

Construction Cost	\$	794,000
Project Management	\$	270,000
Engineering Design and Management Fees	\$	120,000
Permits / Inspections	\$	12,000
Miscellaneous Expense (Advertising, Prints, Mailing, etc)	\$	13,000
Contingencies	\$	616,000
<b>Total Project Expenses</b>		<b>\$ 1,825,000</b>

## Bid Results

### Juvenile Detention Facility Security System Upgrades Project (BU#1749) 740 Beck Avenue, Fairfield

Name of Firm	Location	Bid	
Status Electrical Corporation	British Columbia , Canada	\$	794,000
American Alarm	Antioch	\$	1,200,000
3D Technology Services	Rancho Cordova	\$	1,222,434



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	5	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Health and Social Services
<b>File #:</b>	20-34	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution recognizing The Center for Higher Purpose as meeting the necessary qualifications to offer Driving Under the Influence services as a new provider in Vacaville		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X  
Public Hearing Required? Yes \_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Health and Social Services recommends that the Board adopt a resolution recognizing The Center for Higher Purpose as meeting the qualifications necessary to offer Driving Under the Influence services as a new provider in Vacaville.

### **SUMMARY/DISCUSSION:**

Title 9, Chapter 3 of the California Code of Regulations outlines the requirements necessary for programs offering services for alcohol and drug impaired drivers. Section 9805 requires that new providers of Driving Under the Influence (DUI) services obtain endorsement from the County Board of Supervisors as part of the vendor's application to the Department of HealthCare Services to demonstrate the need for a new vendor and that the establishment of a new vendor will not jeopardize the fiscal integrity of existing licensed DUI providers in the County.

There is an established need given that the Caminar Healthy Partnership program closed its Vacaville site in May 2019 and, until then, two DUI vendors operated in Vacaville for many years. Additionally, each of the three major cities in the County has historically sustained two DUI programs. The replacement of a vendor also provides a choice for clients. Further, the population in Vacaville has increased 13% in the last 20 years to 100,154 currently from 88,625 individuals in 2000.

The Center for Higher Purpose is a newly established non-profit which seeks to provide DUI services. The program will offer all levels of DUI programs: first offender, 18-month, and the 30-month program. There are no other providers in the County that offer the 30-month program, which is required for individuals with multiple DUIs.

The County's Alcohol and Drug Advisory Board received a presentation on the proposed services at its

October 2019 meeting and approved this vendor to move forward in the process.

**FINANCIAL IMPACT:**

There are no costs associated with endorsing this potential DUI vendor. The County receives a statutorily required 5% payment on gross participant fees for the administration and monitoring of DUI programs.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

**ALTERNATIVES:**

The Board could choose not to endorse this vendor for DUI services. This is not recommended because it provides additional resources to the community.

**OTHER AGENCY INVOLVEMENT:**

No other County agencies are involved in the license approval process. The Department of HealthCare Services will review the vendor's application and provide the final certification.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



**RESOLUTION NO. 2020 - \_\_\_\_**

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS  
APPROVING THE CENTER FOR HIGHER PURPOSE TO APPLY FOR AND PROVIDE  
DRIVING UNDER THE INFLUENCE SERVICES IN VACAVILLE**

**WHEREAS**, Section 9805 of Title 9 of the California Code of Regulations requires that an application to become a new Driving Under the Influence service provider includes a resolution from the Board of Supervisors; and

**WHEREAS**, there is a need to replace a Driving Under the Influence program that closed its Vacaville office in May 2019; and

**WHEREAS**, because two vendors have historically operated in Vacaville, the addition of a new vendor does not jeopardize the fiscal integrity of the other vendor; and

**WHEREAS**, the Alcohol and Drug Advisory Board approved the application; and

**WHEREAS**, The Center for Higher Purpose will submit its complete application to the State Department of HealthCare Services for its initial license.

**RESOLVED**, the Solano County Board of Supervisors approves of The Center for Higher Purpose as a new DUI provider in Vacaville.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting January 14, 2020 by the following vote:

AYES: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_

NOES: SUPERVISORS \_\_\_\_\_

EXCUSED: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_  
ERIN HANNIGAN, Chairwoman  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	6	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	District Attorney
<b>File #:</b>	20-32	<b>Contact:</b>	Jason Aguirre, 784-3267
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution to amend the List of Numbers and Classifications of Positions to add 1.0 FTE Deputy District Attorney V and delete 1.0 FTE Deputy District Attorney IV		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The District Attorney recommends that the Board of Supervisors adopt a resolution to amend the List of Numbers and Classifications of Positions to add 1.0 FTE Deputy District Attorney V and delete 1.0 FTE Deputy District Attorney IV.

### **SUMMARY/DISCUSSION:**

The Deputy District Attorney V (DDA V) classification is characterized by the responsibility to lead others or perform difficult assignments involving complex factual and legal issues. The DDA V is distinguished from the Chief Deputy District Attorney classification in that the Chief Deputy District Attorney is responsible for supervising the operations of a Legal Division. The DDA V position is distinguished from the Deputy District Attorney IV (DDA IV) classification in that the DDA IV does not provide for leading and directing attorneys within a division. DDA Vs in the District Attorney's Office prosecute the most serious homicide, domestic violence, and sexual assault cases, supervise prosecution teams in the department, or a combination of both responsibilities. The District Attorney's Office is currently allocated 7.0 FTE DDA V.

The District Attorney seeks the addition of 1.0 FTE DDA V to supervise the Financial Crimes Unit. The Financial Crimes Unit consists of the Consumer and Environmental Crimes Unit, the Real Estate Fraud Unit, the Workers' Compensation Unit, and the Automobile Fraud Unit. The Financial Crimes Unit is unique as it includes both criminal and civil prosecution units, where final disposition includes financial restitution for victims of real estate fraud, auto insurance fraud, workers' compensation fraud, consumer fraud, and environmental fraud. Civil prosecution often requires knowledge and expertise in different types of laws and court procedures.

The DDA V assigned to the Financial Crimes Unit will coordinate and manage court coverage for the unit, act as a liaison between the prosecution unit and the Management Team regarding department policies, procedures, and legal updates, attend case filing meetings and assist with filing decisions, and review

pre-plea agreements, making sure the proposed sentence matches the defendant's conduct.

The addition of a DDA V eliminates the need for future assignment pay to ensure there are adequate lead positions in the department to support the various crime units.

**FINANCIAL IMPACT:**

The current salary range per the Listing of Classes & Salaries for the Deputy District Attorney IV is between \$131,000 (Step 1) to \$159,232 (Step 5). The salary range for Deputy District Attorney V is \$150,650 (Step 1) to \$183,117 (Step 5). Based on the Step 5 salary, the add/delete of the Deputy District Attorney V for the Deputy District Attorney IV will result in additional cost to the District Attorney of \$23,885 at the time when the new Deputy District Attorney V reaches step 5. The increase in labor cost for FY2019/20 will be absorbed by the Department's existing Budget and requires no General Fund contribution. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

**ALTERNATIVES:**

The Board of Supervisors could elect not to adopt the resolution amending the allocation list; however, there's a substantial need for an additional DDA V in the District Attorney's Office to lead the work of the attorneys assigned to the Financial Crimes Unit.

**OTHER AGENCY INVOLVEMENT:**

The District Attorney has consulted with the County Administrator's Office and the Human Resources Department regarding the change in the classification from Deputy District IV to a Deputy District Attorney V.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION


**RESOLUTION NO. 2019 - \_\_\_\_\_**

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS  
AMENDING THE LIST OF NUMBERS AND CLASSIFICATIONS OF POSITIONS  
WITHIN SOLANO COUNTY**

**Resolved**, that the Solano County Board of Supervisors authorizes the Director of Human Resources to make any technical corrections if needed; and,

**Further resolved**, that the Solano County Board of Supervisors does hereby amend, modify and/or alter its Allocation List of Positions of Solano County as set forth below:

Department	Budget Unit	Class No.	Position Control No.	Class Title	Effective Date	Departmental Total Positions			
						Allocated	Filled	Proposed	Change
District Attorney – Consumer Affairs	6502	313130	13755	Deputy District Attorney IV	1/26/20	50.75	49.75	49.75	(1.00)
District Attorney – Consumer Affairs	6502	314010	NEW	Deputy District Attorney V	1/26/20	7.00	7.00	8.00	1.00

  
\_\_\_\_\_  
Director of Human Resources

12/27/2019  
\_\_\_\_\_  
Date

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on

\_\_\_\_\_ by the following vote:

AYES: SUPERVISORS \_\_\_\_\_

NOES: SUPERVISORS \_\_\_\_\_

EXCUSED: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_  
ERIN HANNIGAN, Chairwoman  
Solano County Board of Supervisors

ATTEST:

BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	7	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Contract	<b>Department:</b>	Resource Management
<b>File #:</b>	20-6	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Authorize the Director of Resource Management to solicit bids, award, and execute up to \$4,110,000 for various Public Works construction and consultant contracts for the 2020 construction season		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Location Maps		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board of Supervisors authorize the Director of Resource Management to solicit bids, award, and execute up to \$4,110,000 for various Public Works construction and consultant contracts for the first half of the 2020 construction season.

### **SUMMARY:**

The Department of Resource Management (DRM) will need to execute bid and consultant contracts for the following projects and consultant services:

1. Rio Vista Corporation Yard Improvements Phase 1, with a project cost of \$800,000;
2. Sidewalk Improvement Project 2020, with a project cost of \$1,500,000;
3. Timm Road Improvement Project, with a project cost of \$1,700,000;
4. On-Call geotechnical engineering consultant services, with a contract cost of \$60,000; and,
5. On-Call electrical engineering consultant services, with a contract cost of \$50,000.

Locations of the projects are attached (A - Location Maps). Each contract will be bid and/or solicited separately. With the Board's authorization, the DRM will solicit the bids, and award and execute contracts with the lowest responsible bidders or best evaluated proposers.

The identified projects are included in the 2019-2020 Capital Improvement Plan approved by the Board in December.

### **FINANCIAL IMPACT:**

The \$4,110,000 in total contract costs will be primarily funded by the Road Fund and SB 1 funds. The Rio

Vista Corporation Yard Improvements will receive approximately \$72,000 from the Public Facilities Fees for the portion of the building expansion attributed to growth. The Timm Road Improvement Project will receive \$134,000 in Yolo Solano Air Quality Management District grant funds for the bike lane additions, as well as \$174,573 from the English Hills Transportation Impact Fee for the road expansion. There is no impact to the General Fund from these contracts. The costs associated with preparing this agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

### **DISCUSSION:**

The project work to be undertaken over the next 6 months includes a mix of sidewalk, road, culvert, shoulder, pavement, intersection and building improvements. Descriptions of the individual projects are as follows:

#### **Rio Vista Corporation Yard Improvements Phase 1**

The project will install a new pre-manufactured office building in Solano County's Public Works Corporation Yard at 940 St. Francis Way in Rio Vista. Other work includes installing new utility connections, new lighting, new sidewalk along St. Francis Way, driveway expansion, retaining wall installation, new fencing, and new parking and ADA additions. Once these improvements are complete, Operations Division will relocate their crew space and office facilities to the new building. A future phase will demolish the old building and replace it with a new garage structure.

#### **Sidewalk Improvement Project 2020**

The project will add new sidewalks, replace aged sidewalks, and replace cracked concrete gutters in the Homeacres and Starr Subdivision areas of Vallejo, as well as the lower Green Valley area of Fairfield.

#### **Timm Road Improvement Project**

The project will complete the following improvements along Timm Road, from Shawn Lane north through the northern gravel terminus:

1. Construct 4-foot paved shoulders;
2. Improve the vertical curve just north of Lakeview Drive;
3. Pave the gravel portion of Timm Road north of Allendale Road;
4. Replace several large cross culverts; and
5. Upgrade signs and striping along the corridor.

#### **On-Call Geotechnical Engineering Consultant Services**

With the complexity of upcoming projects, DRM anticipates a need to retain 2 years of on-call geotechnical engineering consultant services to provide swift recommendations where timing will be critical to contract schedules.

#### **On-Call Electrical Engineering Consultant Services**

DRM anticipates a need to retain 2 years of on-call electrical engineering consultant services to provide plan details for the Rio Vista Corporation Yard improvements, provide estimates for future corporation yard electrical work, and to provide direction and details on signal and street light repair and replacements.

### **ALTERNATIVES:**

The Board may choose not to authorize the solicitation, award or execution of these contracts. This is not recommended, as the contracts are necessary to propel and complete the projects anticipated in the Capital Improvement Plan.

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this item, as to form, and will review and approve the contracts prior to execution.

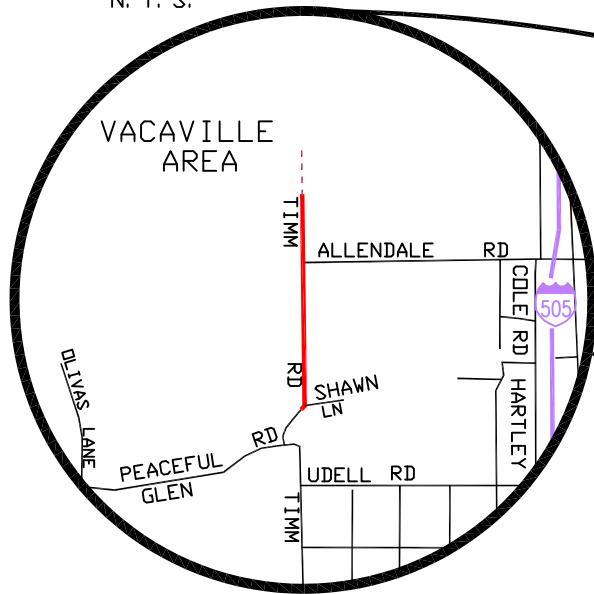
**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

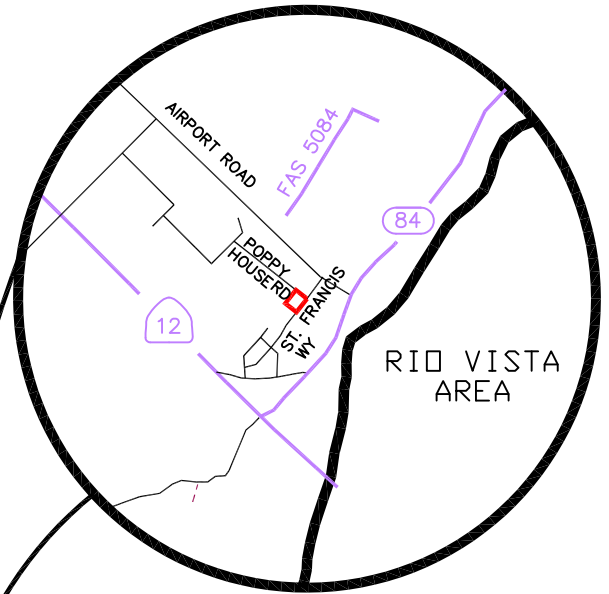


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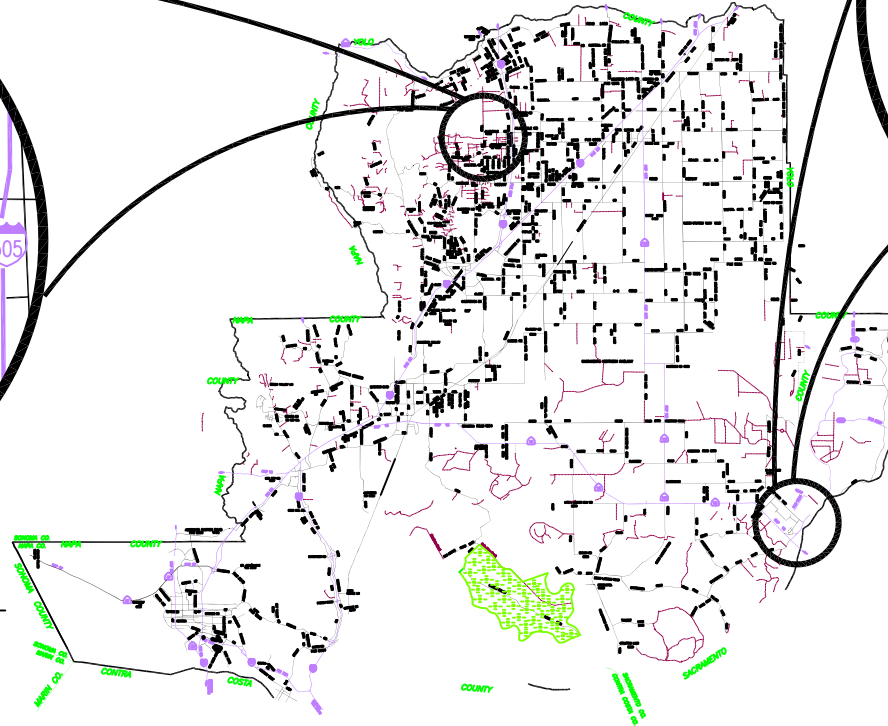
SOLANO COUNTY, CALIFORNIA  
RESOURCE MANAGEMENT  
PUBLIC WORKS DEPT.



TIMM ROAD  
IMPROVEMENT PROJECT



RIO VISTA YARD  
IMPROVEMENT PROJECT



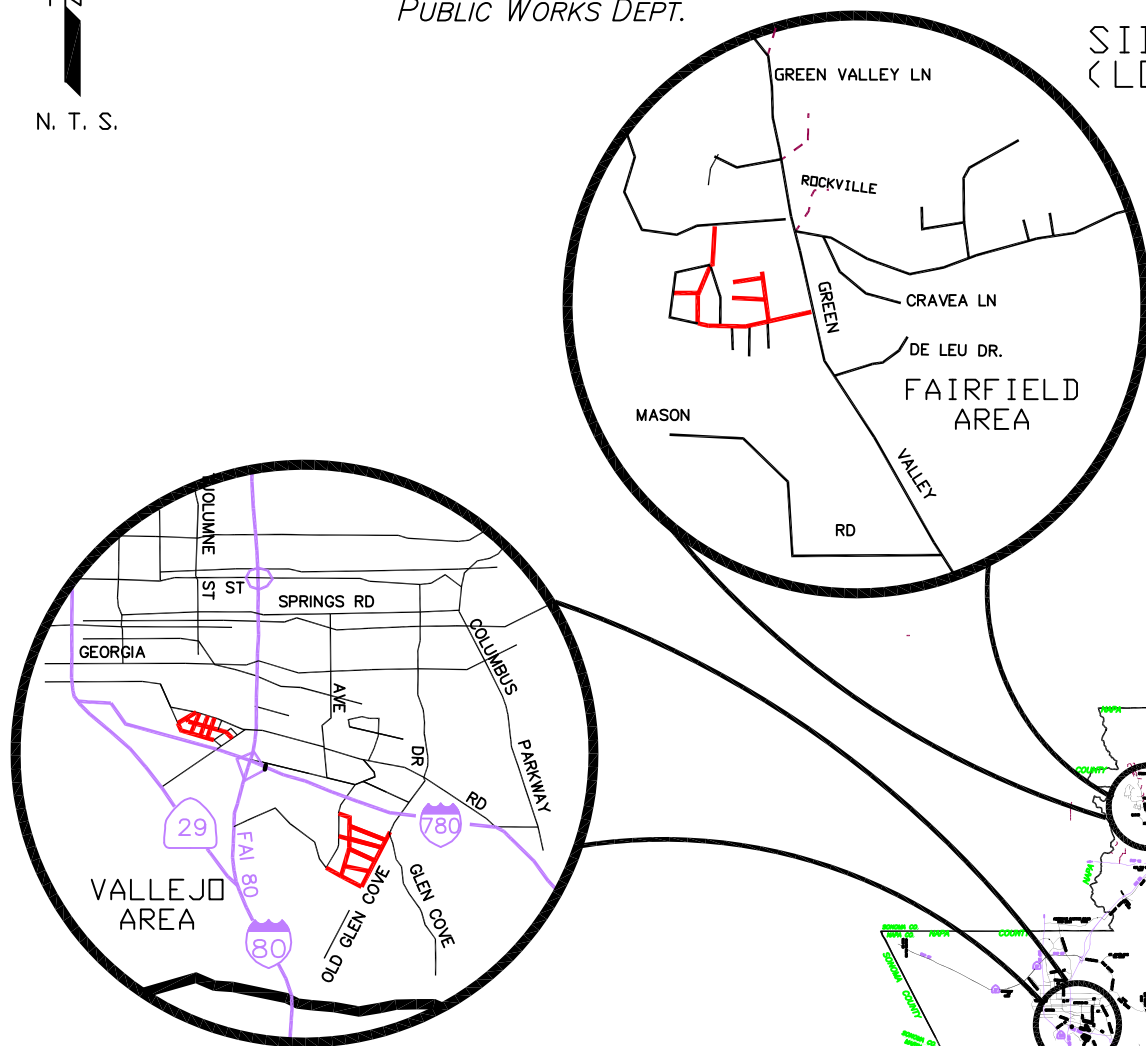
LOCATION MAP



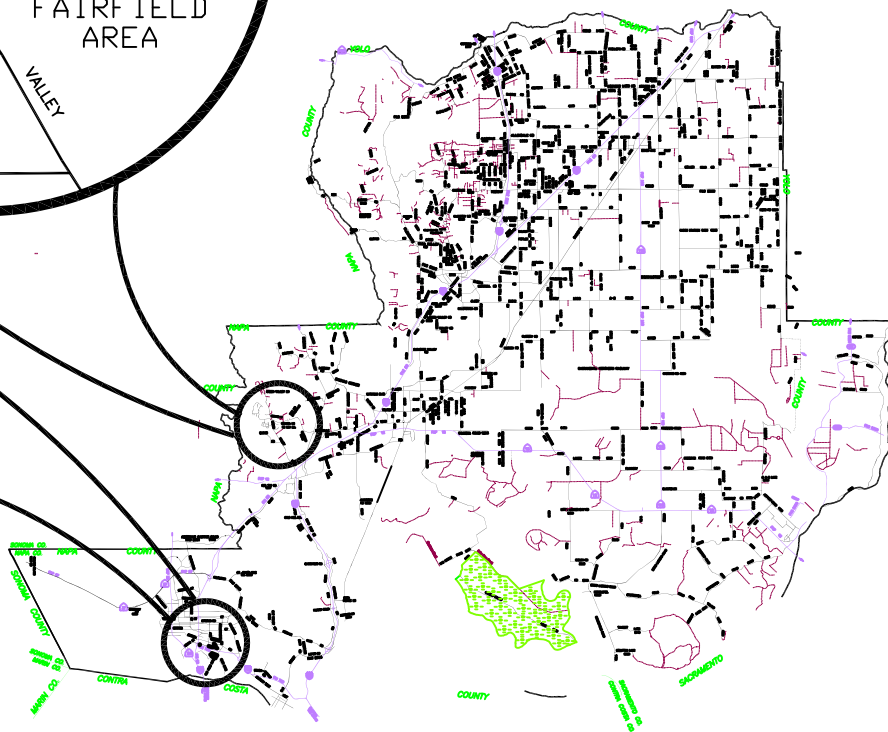


SOLANO COUNTY, CALIFORNIA  
RESOURCE MANAGEMENT  
PUBLIC WORKS DEPT.

# SIDEWALK IMPROVEMENT PROJECT 2020 (LOWER GREEN VALLEY AREA)



SIDEWALK IMPROVEMENT PROJECT 2020  
(HOMEACRES & STARR SUBDIVISION)



## LOCATION MAP



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	8	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Contract	<b>Department:</b>	Resource Management
<b>File #:</b>	20-30	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Authorize the Director of Resource Management, with County Counsel concurrence, to award and execute a \$851,776 construction contract with Gordon H. Ball, Inc. to replace two large culverts on Cherry Glen Road		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATION:

The Department of Resource Management recommends that the Board of Supervisors authorize the Director of Resource Management, with County Counsel concurrence, to award and execute a \$851,776 construction contract with Gordon H. Ball, Inc. to replace two large culverts on Cherry Glen Road.

### SUMMARY/DISCUSSION:

The Cherry Glen Culvert Replacements Project will demolish and replace the two large culverts on Cherry Glen Road. One of the culverts is jointly owned with the City of Vacaville, and the Board previously authorized on May 7, 2019, a joint agreement ("Agreement") with the City to split the costs of replacement for the joint culvert along with a construction contract execution up to \$800,000. On December 5, 2019, the Department of Resource Management (DRM) opened 9 bids for the project and Gordon H. Ball, Inc. was the lowest responsible bidder at \$851,776. After review and analysis of the bids, DRM staff recommends expanding the contract award and execution amount to match the lowest responsible bidder.

With the Board's authorization, the Director of Resource Management, with County Counsel concurrence, will award and execute a construction contract with Gordon H. Ball, Inc., and deliver the project work in accordance with the agreement with the City.

### FINANCIAL IMPACT:

The \$51,776 increase over the original project estimate will be proportionally split between the City and County in accordance with the Agreement. The project will be paid with agency Road Funds, with no impact to the General Fund.

### ALTERNATIVES:

The Board may choose not to authorize the award and execution of the construction contract. This is not recommended, as the number of bids received indicate this is a competitive bid for the contract work that is necessary to replace the culverts.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this item as to form and will review and approve the contract prior to execution.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



# Solano County

675 Texas Street  
Fairfield, California 94533  
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## Agenda Submittal

<b>Agenda #:</b>	9	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Resource Management
<b>File #:</b>	20-31	<b>Contact:</b>	Matt Walsh, 784-6765
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution approving the formation of and participation in a subregion as part of the Association of Bay Area Governments' Regional Housing Needs Allocation process		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board of Supervisors adopt a resolution approving the formation of and participation in a subregion as part of the Association of Bay Area Governments' (ABAG) Regional Housing Needs Allocation (RHNA) process.

### **SUMMARY:**

RHNA is the process utilized by the Association of Bay Area Governments (ABAG) to allocate housing need, by income group, to each of the cities and counties in the Bay Area. It is associated with housing requirements applicable to local jurisdictions under State Housing Element law. Work on the RHNA process has commenced, and Solano County and each of its cities have informally agreed at the City County Coordination Council meeting on August 8, 2019 to form a subregion which will allow the County and the cities to allocate the county's housing allocation to each of its local agencies using a locally developed methodology. For an agency to be included in a subregion, it is required that each legislative body in the subregion that wants to participate to approve a resolution and submit it to ABAG by February 1, 2020.

### **FINANCIAL IMPACT:**

The costs associated with preparing the agenda item and with submission of the resolution are nominal and absorbed by the department's FY2019/20 Adopted Budget.

### **DISCUSSION:**

#### **Background**

Under State Housing Element law, the Regional Housing Needs Allocation (RHNA) process is the procedure for allocating a "fair share" of housing units, in all income categories, to each city and county in California,

including the Bay Area. Under State law, the Association of Bay Area Governments (ABAG) is responsible for formulating the methodology and allocating the housing units to each jurisdiction. The RHNA planning period addresses an 8 year planning cycle.

Also, as provided for under State law, contiguous cities and counties may choose to come together and form a subregion. Under the RHNA process, a subregion is allocated a total number of units, and the subregion itself must develop its own internal methodology for distributing those units among its agencies. The methodology must comply with California housing law, which has undergone statutory revisions in the last two years. Once the allocation is final, each agency must then update its Housing Element to incorporate those units into its next planning period for the years 2022 - 2030.

During the previous RHNA process, Solano was one of three counties in the Bay Area electing to utilize a subregional approach. The others were Napa County and San Mateo County. Formation of a subregion allows for more local control and coordination among the County and each of its cities in the allocation process.

The Solano Subregion procured consultant assistance during the previous process to assist staff with the development of its methodology and to help navigate the technical requirements that a subregion must adhere to. The County and its cities have contracted with a consultant, Placeworks, to provide this technical guidance.

For informational purposes, for the 2007-2014 RHNA cycle, Solano County was allocated a combined total of 12,985 housing units. For the 2014-2022 cycle, the County was allocated 6,977 units. The reduction in unit allocation was primarily resultant of a larger percentage of the Bay Area's regional allocation being dispersed to Priority Development Areas and employment centers, most of which are located in the inner Bay Area.

#### **RHNA 2022-2030**

While ABAG has not been assigned its regional allocation from HCD at this time, ABAG staff expects a significant increase in unit allocation to the region, with each County's allocation potentially doubling or tripling. This is likely intended to reflect the well documented increasing shortage of housing in California.

ABAG has already begun the RHNA methodology process for the upcoming cycle of 2022-2030. Its Housing Methodology Committee (HMC) has been meeting monthly beginning in September 2019. The HMC consists of Bay Area local agency staff, elected officials, and other stakeholders who meet and discuss potential methods to disperse housing unit needs fairly and equitably to cities and counties while also meeting statutory requirements. Solano County and its cities have two designated committee members. Supervisor Brown is the elected representative, and Matt Walsh is the staff representative.

Staff is recommending that the County again form a subregion as it did during the last cycle to provide more local control over how Solano's overall unit allocation ultimately gets dispersed to its local agencies. ABAG requests that each subregion be overseen by a countywide body that will approve the final subregional methodology and local housing unit dispersement. In August 2019, the Solano City County Coordinating Council (4Cs) agreed to act as the decision-making body for the Solano Subregion. To accomplish this, it is required that each city and county within the subregion must adopt resolutions and agree to be included in the subregion. Copies of the resolutions must be submitted to ABAG by February 2020.

The Solano Subregion utilized the assistance of a consultant to help manage the subregion during the last RHNA methodology process. The consultant developed various draft methodologies for the subregion to consider and helped navigate the technical and statutory requirements that a subregion is held to. Having the consultant as part of the team was a significant benefit. For this RHNA cycle, Placeworks has been retained to help provide that technical assistance, with financial contribution from each city and the county to cover the

contract amount.

**ALTERNATIVES:**

The Board could choose not to adopt the resolution and not participate the subregional process. This alternative is not recommended because the 4Cs has already authorized the local formation of a subregion and has agreed to be the decision-making body for the subregion.

**OTHER AGENCY INVOLVEMENT:**

It is expected that each city in Solano County will participate in the subregion. Executed resolutions from each participating agency will be forwarded to ABAG for its approval.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

RESOLUTION NO. 2020 - \_\_\_\_\_

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS AUTHORIZING SOLANO COUNTY TO BECOME A MEMBER OF THE SOLANO COUNTY SUBREGION TO ADMINISTER THE REGIONAL HOUSING NEEDS ALLOCATION PROCESS FOR THE SOLANO COUNTY SUBREGION'S 2022-2030 HOUSING ELEMENT UPDATE**

**Whereas**, the Association of Bay Area Governments (ABAG) is required by State Law to administer the Regional Housing Needs Allocation process in the Bay Area; and

**Whereas**, ABAG has begun preliminary work on developing the process with the objective of completing the program in July of 2021; and

**Whereas**, state law allows ABAG to delegate the authority to allocate the housing need within a subregion to a "subregional entity" that consists of any combination of geographically contiguous local governments within ABAG; and

**Whereas**, the representatives of jurisdictions within Solano County have undertaken the task of forming a subregional entity, which is referred to herein as the "Solano County Subregion"; and

**Whereas**, the County of Solano desires to join the Solano County Subregion and become a member of it on the terms described below; and

**Whereas**, the Solano City-County Coordinating Council (CCCC), using the resources of both the Solano Transportation Authority and Solano County, will provide staff support to the Solano County Subregion.

**Resolved**, that the Solano County Board of Supervisors approves the formation of the Solano County Subregion. The County Administrator shall ensure that a copy of this resolution is delivered to ABAG and is authorized and directed to execute and deliver all necessary documentation to facilitate the formation of the Solano County Subregion in a manner consistent with this resolution and state law.

**Further Resolved**, that the Board of Supervisors acknowledges and agrees that:

1. The Solano City-County Coordinating Council will act on behalf of, and the final decision maker for, the Solano County Subregion.
2. The Solano County Subregion will make decisions pursuant to its rules, attached hereto as Exhibit A.
3. The Solano County Subregion will identify an Authorized Representative(s) to act on its behalf and serve as contact with ABAG.

Passed and adopted by the Solano County Board of Supervisors on January 14, 2020, by the following vote:

AYES:	Supervisors	_____
		_____
NOES:	Supervisors	_____
EXCUSED:	Supervisors	_____

\_\_\_\_\_  
ERIN HANNIGAN, Chairwoman  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk

Exhibit A  
Decision Making Rules of the Solano County Subregion

Government Code section 65584.03 allows the formation of a subregional entity to allocate a subregion's housing need. It goes on to provide that the Subregional Entity's decisions shall be approved "by vote of the county or counties, if any, and the majority of the cities with the majority of the population within a county or counties" unless the local agency members adopt rules governing the Subregional decision-making process.

The following rules shall apply to decisions of the Solano County Subregion:

Staff level discussions of the Solano County Subregion shall occur at meetings of the County's planning directors or their designees, which shall occur roughly monthly over the course of the process.

Final decisions regarding documents, relating to the Solano County Subregion, shall be made by the Solano City-County Coordinating Council (CCCC) at their regular meetings, following CCCC's rules and procedures.





# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	10	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Report	<b>Department:</b>	General Services
<b>File #:</b>	20-25	<b>Contact:</b>	Mark Hummel, 784-7908
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Consider approving the use of "Best Value" method of procurement of construction services for the Sheriff Hot Water and Main Jail Shower Replacement Projects; and Authorize the use of the proposed criteria to ensure the selection is conducted in a fair and impartial manner		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Senate Bill No. 128 Best Value Procurement, B - Best Value Process Summary - Sheriff Hot Water & Shower Replacements, C - Request for Qualifications Evaluation		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X

Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services recommends that the Board of Supervisors:

1. Consider approving the use of "Best Value" method of procurement for construction services for the Sheriff Hot Water and Shower Replacement Projects consistent with the Public Contract Code section 20155 et seq. (Attachment A); and
2. Authorize the use of the proposed criteria to ensure the selection is conducted in a fair and impartial manner (Attachments B and C).

### **SUMMARY:**

The Board previously approved funding of \$5,023,006 for Sheriff Hot Water Replacement in Budget Unit 1799 and also approved \$1,600,000 for the Main Jail shower replacements in Budget Unit 1733. To minimize operational disruption, construction of both projects will be awarded under a single construction contract.

Both construction work efforts will take place inside the detention areas of the main downtown jail at 500 Union Avenue in Fairfield. Due to the overlap and complexity of the two projects, it is in the best interest of the County to award the work to a highly qualified contractor with significant experience operating within detention environments under a single contract. Use of the best value procurement method will help ensure selection of a highly qualified contractor, which will likely reduce project costs, expedite the completion of the project and provide features not achievable through awarding the contract solely on the basis of the lowest bid price.

Solano County is among the selected counties in the best value pilot program for construction projects in excess of \$1,000,000 in which cost is one consideration along with quality criteria. Senate Bill 128 (Beall)

Public contracts: Best Value Construction Contracting for Counties Pilot Program, recently approved by the Governor, extends the operation of these provisions until January 1, 2025.

The Department of General Services recommends that the Board consider approving the use of this pilot best value procurement program for the piping and shower replacements and, in doing so, adopt and publish procedures and required criteria associated with the pilot program.

#### **FINANCIAL IMPACT:**

The Board approved \$5,023,006 from a combination of Capital Renewal and Accumulated Capital Outlay in Budget Unit (BU) 1799, to upgrade domestic water plumbing throughout the facility. An initial Phase 1 (of 2) construction contract for plumbing equipment and piping repairs and replacements in the primary mechanical room resulted in an initial construction cost of \$761,620. Funds remaining after Phase 1 are \$4,261,386 and will be used to fund Phase 2 of the project.

The Board also approved \$1,600,000 from a combination of Capital Renewal Reserve and Criminal Justice Temporary Construction Fund in BU 1733, to replace aging showers at the main downtown jail (the Justice Center Detention Facility, or JCDF - often referred to as the "main jail" or "downtown jail), construction of which will be performed jointly with Phase 2 piping replacements. The combined remaining balance of approved funds for the upcoming plumbing and shower replacement construction efforts is \$5,861,386.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

#### **DISCUSSION:**

##### **Main Jail (JCDF) Hot Water and Shower Replacement Projects**

The JCDF is the County's downtown Fairfield detention facility. Existing water distribution piping in the JCDF has reached the end of its useful life. Whereas initial project scope focused on replacement of domestic hot water piping, further investigation showed domestic cold water piping also needs extensive replacement and is now included in the scope of work. Additionally, as inmate shower finishes, waterproofing, and plumbing fixtures are at the end of their useful lives, their replacement will impact operations in all inmate housing units. To minimize operational disruption within the JCDF during replacements and repairs, construction for both projects will be performed as a combined work effort under a single construction contract. The combined work will improve conditions by replacing domestic piping for hot and cold water and renovating existing inmate showers. Schematic design documents for piping replacement are 75% complete, with schematic design of the shower replacements also underway. Final construction documents for both scopes of work are expected to be completed by early 2020. Under the best value procurement method, contractor pre-qualification will commence in early 2020 as well, followed by submission of bid proposals in March-April, and with the construction contract presented to the Board of Supervisors for approval in late spring or early summer 2020.

##### **Best Value procurement for the Main Jail (JCDF) Hot Water and Shower Replacement Projects**

Solano County, along with several other California counties, is authorized by Public Contract Code (PCC) section 20155 et seq. to utilize best value construction contracting under a pilot program. The original program is now extended through January 1, 2025 by Senate Bill 128 (Beall), approved by the Governor on October 3, 2019. Solano County previously utilized the best value pilot program to successfully deliver the \$26M Rourk Vocational Training Center. Solano County sponsored and supported the original best value pilot program legislation SB762 (Wolk) and has more recently supported its extension under SB128 (Beall).

Under this legislation, the successful bidder may be selected on the basis of the best value to the County. Per PCC Section 20155.1(a), "Best value" means a procurement process whereby the selected bidder may be chosen on the basis of objective criteria for evaluating the qualifications of bidders with the resulting selection representing the best combination of price and qualifications."

PCC further stipulates that an evaluation committee appointed by the County shall evaluate the qualifications of proposing bidders based solely upon the criteria set forth in the solicitation documents, and the committee shall assign a quality score to each bid proposal. The County's evaluation committee will be determined by the Project's Working Group, with guidance from the Sheriff's Office and County Administrator's Office executive management. To determine the best value contractor, the PCC stipulates that the County divide each bidder's price by its qualifications score. The lowest resulting cost per quality point will represent the best value bid.

While the County could award the project construction contract on the basis of the lowest responsible bid price, awarding the construction contract on the basis of best value will accomplish the objectives of expediting the completion of the project and providing features not achievable through awarding the contract on the basis of the lowest bid price, which includes providing individually qualified and experienced contractor project team personnel dedicated specifically to this project.

To implement best value selection, PCC requires that the Board of Supervisors adopt and publish procedures and required criteria that ensure all selections are conducted in a fair and impartial manner. Attachment B summarizes the proposed procedure and criteria for the Project so that the selection will comply with the best value requirements of the PCC.

Upon approval by the Board to proceed with best value method of procurement, the Department of General Services will initiate the two-step process of prequalification of potential bidders pursuant to PCC section 20101 as required under PCC subsection 20155.3(c), followed by the submittal of bid proposals from prequalified contractors. Notice inviting participation of interested bidders will be published in accordance with PCC 20125.

Staff will also return in early 2020 to request approval of a Project Labor Agreement for the project in compliance with PCC 20155.2 and its requirement for the use of skilled and trained workforce.

#### **ALTERNATIVES:**

The Board could choose not to authorize the use of best value delivery method and, instead, direct staff to proceed with a bid on the basis of the lowest responsible bid price. This is not recommended because of the complexity of the work, the nature of critical detention operations in the facility, and the need for a highly qualified and experienced contractor to perform the work and is also not consistent with the Board's previous support for best value construction delivery of appropriate projects.

#### **OTHER AGENCY INVOLVEMENT:**

General Services Department's Facilities Operations Division was consulted during preparation of the plans and technical specifications for the project. Sheriff's Office detention facility management team was consulted during project design regarding construction phasing and mitigation of operational impacts. The Department of Resource Management Building Division will review and approve the final project plans. County Counsel will review and approve the best value Request for Qualifications, Request for Proposals and construction contract as to content and form.

#### **CAO RECOMMENDATION:**

### **APPROVE DEPARTMENTAL RECOMMENDATION**

## PUBLIC CONTRACT CODE SECTION 20155-20155.9 with current legislative amendments

Note: amendments [*shown in italics*] were approved by Governor October 3, 2019 and will be adopted January 1, 2020

**20155.** (a) ~~This article provides for a pilot program for the Counties of Alameda, Los Angeles, Riverside, San Bernardino, San Diego, Solano, and Yuba for construction projects in excess of one million dollars (\$1,000,000).~~

*[This article provides for a pilot program for the Counties of Alameda, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Mateo, Santa Clara, Solano, and Yuba for construction projects in excess of one million dollars (\$1,000,000).]*

(b) The board of supervisors of a county shall let any contract for a construction project pursuant to this article to the bidder representing the best value or else reject all bids.

(c) The bidder may be selected on the basis of the best value to the county. In order to implement this method of selection, the board of supervisors shall adopt and publish procedures and required criteria that ensure that all selections are conducted in a fair and impartial manner. These procedures shall conform to Sections 20155.3 to 20155.6, inclusive, and shall be mandatory for a county that chooses to participate in the pilot program.

(d) If the board of supervisors of a county deems it to be in the best interest of the county, the board of supervisors, on the refusal or failure of the successful bidder for a project to execute a tendered contract, may award it to the bidder with the second lowest best value score, as determined in accordance with subdivision (c) of Section 20155.5. If the second bidder fails or refuses to execute the contract, the board of supervisors may likewise award it to the bidder with the third lowest best value score, as determined in accordance with subdivision (c) of Section 20155.5. ~~20155.1. As used in this article:~~

*[(e) (1) A county listed in subdivision (a) may also use the best value construction contracting method set out in this article to award individual annual contracts, which shall not exceed three million dollars (\$3,000,000), adjusted annually to reflect the percentage change in the California Consumer Price Index, for repair, remodeling, or other repetitive work to be done according to unit prices. The contracts shall be based on plans and specifications for typical work. No annual contracts may be awarded for any new construction.*

*(2) For purposes of this subdivision, best value criteria shall be applied to the annual contract for construction services, rather than to an individual, specific project. Annual contracts may be extended or renewed for two subsequent annual terms and a maximum of six million dollars (\$6,000,000) over the subsequent two terms of the contract. Contract values shall be adjusted annually to reflect the percentage change in the California Consumer Price Index.*

*(3) For purposes of this subdivision, "unit price" means the amount paid for a single unit of an item of work, and "typical work" means a work description applicable universally or applicable to a large number of individual projects, as distinguished from work specifically described with respect to an individual project. For purposes of this section, "repair,*

*remodeling, or other repetitive work to be done according to unit prices" shall not include design or contract drawings.]*

**20155.1.** As used in this article:

(a) "Best value" means a procurement process whereby the selected bidder may be selected on the basis of objective criteria for evaluating the qualifications of bidders with the resulting selection representing the best combination of price and qualifications.

(b) "Best value contract" means a competitively bid contract entered into pursuant to this article.

(c) "Best value contractor" means a properly licensed person, firm, or corporation that submits a bid for, or is awarded, a best value contract.

(d) "County" means any of the following counties:

~~(1) The County of Alameda.~~

~~(2) The County of Los Angeles.~~

~~(3) The County of Riverside.~~

~~(4) The County of San Bernardino.~~

~~(5) The County of San Diego.~~

~~(6) The County of Solano.~~

~~(7) The County of Yuba.~~

*[(1) The County of Alameda.*

*(2) The County of Los Angeles.*

*(3) The County of Monterey.*

*(4) The County of Riverside.*

*(5) The County of San Bernardino.*

*(6) The County of San Diego.*

*(7) The County of San Mateo.*

*(8) The County of Santa Clara.*

*(9) The County of Solano.*

*(10) The County of Yuba.]*

(e) "Demonstrated management competency" means the experience, competency, capability, and capacity of the proposed management staffing to complete projects of similar size, scope, or complexity.

(f) "Financial condition" means the financial resources needed to perform the contract. The criteria used to evaluate a bidder's financial condition shall include, at a minimum, capacity to obtain all required payment bonds, performance bonds, and liability insurance.

(g) "Labor compliance" means the ability to comply with, and past performance with, contract and statutory requirements for the payment of wages and qualifications of the workforce. The criteria used to evaluate a bidder's labor compliance shall include, as a minimum, the bidder's ability to comply with the apprenticeship requirements of the California Apprenticeship Council and the Department of Industrial Relations, its past conformance with those requirements, and its past conformance with requirements to pay prevailing wages on public works projects.

(h) "Qualifications" means the financial condition, relevant experience, demonstrated management competency, labor compliance, and safety record of the bidder, and, if required by the bidding documents, some or all of the preceding qualifications as they pertain to subcontractors proposed to be used by the bidder for designated portions of the work. A county shall evaluate financial condition, relevant experience, demonstrated

management competency, labor compliance, and safety record, using, to the extent possible, quantifiable measurements.

(i) "Relevant experience" means the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity.

(j) "Safety record" means the prior history concerning the safe performance of construction contracts. The criteria used to evaluate a bidder's safety record shall include, at a minimum, its experience modification rate for the most recent three-year period, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period.

**20155.2.** As used in this article:

(a) "Apprenticeable occupation" means an occupation for which the Chief of the Division of Apprenticeship Standards had approved an apprenticeship program pursuant to Section 3075 of the Labor Code prior to January 1, 2014.

(b) "Skilled and trained workforce" means a workforce that meets all of the following conditions:

(1) All the workers are either skilled journeypersons or apprentices registered in an apprenticeship program approved by the Chief of the Division of Apprenticeship Standards.

(2) (A) As of January 1, 2016, at least 20 percent of the skilled journeypersons employed to perform work on the contract or project by the entity and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved by the Chief of the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(B) As of January 1, 2017, at least 30 percent of the skilled journeypersons employed to perform work on the contract or project by the entity and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved by the Chief of the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(C) As of January 1, 2018, at least 40 percent of the skilled journeypersons employed to perform work on the contract or project by the entity and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved by the Chief of the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(D) As of January 1, 2019, at least 50 percent of the skilled journeypersons employed to perform work on the contract or project by the entity and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved by the Chief of the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(E) As of January 1, 2020, at least 60 percent of the skilled journeypersons employed to perform work on the contract or project by the entity and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved by the Chief of the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or located outside California and approved for federal

purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(F) For an apprenticeable occupation in which no apprenticeship program had been approved by the Chief of the Division of Apprenticeship Standards prior to January 1, 1995, up to one-half of the graduation percentage requirements of subparagraphs (A) to (E), inclusive, may be satisfied by skilled journeypersons who commenced working in the apprenticeable occupation prior to the chief's approval of an apprenticeship program for that occupation in the county in which the project is located.

(c) "Skilled journeyperson" means a worker who either:

(1) Graduated from an apprenticeship program for the applicable occupation that was approved by the Chief of the Division of Apprenticeship Standards or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the United States Secretary of Labor.

(2) Has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the Chief of the Division of Apprenticeship Standards.

**20155.3.** A county shall proceed in accordance with the following when awarding best value contracts under this article:

(a) The county shall not select a bidder on the basis of the best value to a county unless, after evaluating at a public meeting the alternative of awarding the contract on the basis of the lowest bid price, the county makes a written finding that awarding the contract on the basis of best value, for the specific project under consideration, will accomplish one or more of the following objectives: reducing project costs, expediting the completion of the project, or providing features not achievable through awarding the contract on the basis of the lowest bid price.

(b) The county shall prepare a solicitation for bids and give notice pursuant to Section 20125. A county may identify specific types of subcontractors that are required to be included in the bids.

A county shall comply with Chapter 4 (commencing with Section 4100) of Part 1 with regard to construction subcontractors identified in the bid.

(c) The county shall establish a procedure to prequalify bidders pursuant to Section 20101. The information required pursuant to this section shall be verified under oath by the bidder in the manner in which civil pleadings in civil actions are verified. Information submitted by the bidder as part of the evaluation process shall not be open to public inspection to the extent that information is exempt from disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

(d) Each solicitation for bids shall do all of the following:

(1) Invite prequalified bidders to submit sealed bids in the manner prescribed by this article.

(2) Include a section identifying and describing the following:

(A) Criteria that the county will consider in evaluating bids.

(B) The methodology and rating or weighting system that will be used by the county in evaluating bids.

(C) The relative importance or weight assigned to the criteria identified in the request for bids.

(e) Final evaluation of the best value contractor shall be done in a manner that prevents cost or price information from being revealed to the committee evaluating the qualifications of the bidders prior to completion and announcement of that committee's decision.

**20155.4.**

(a) A best value contractor shall not be prequalified or shortlisted unless the contractor provides an enforceable commitment to the county that the contractor and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(b) A contractor's commitment that a skilled and trained workforce will be used to perform the project or contract may be established by any of the following:

(1) The contractor's agreement with the county that the contractor and its subcontractors at every tier will comply with the requirements of this section and that the contractor will provide the county with evidence, on a monthly basis while the project or contract is being performed, that the contractor and its subcontractors are complying with the requirements of this section.

(2) If the county has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract, and that includes the requirements of this section, the contractor's agreement that it will become a party to that project labor agreement.

(3) Evidence that the contractor has entered into a project labor agreement that includes the requirements of this section and that will bind the contractor and all its subcontractors at every tier performing the project or contract.

20155.5. Selection of the best value contractor shall be made as follows:

(a) (1) An evaluation committee appointed by the county shall evaluate the qualifications of the bidders based solely upon the criteria set forth in the solicitation documents, and shall assign a qualifications score to each bid.

(2) A county shall establish written policies and procedures, consistent with applicable law, to ensure that members of an evaluation committee are free from conflicts of interest, if the county has not already established applicable written policies and procedures.

(b) A county shall not award a contract for a construction project pursuant to this article if a solicitation for bids for that construction project results in the submission of fewer than three responsive bids to the county for evaluation.

(c) Except as provided in subdivision (d) of Section 20155, the award of the contract shall be made to the bidder whose bid is determined by a county, in writing, to be the best value to the county. To determine the best value contractor, the county shall divide each bidder's price by its qualifications score. The lowest resulting cost per quality point will represent the best value bid.

(d) A county shall issue a written decision of its contract award.

(e) Upon issuance of a contract award, a county shall publicly announce its award identifying the best value contractor to which the award is made, the project, the project price, and the selected best value contractor's score based on the evaluation criteria listed in the request for bids. The notice of award shall be made public and include the score of the selected best value contractor in relation to all other responsive bidders and their respective prices. The contract file shall include documentation sufficient to support the decision to award.

#### **20155.6.**

(a) If a county elects to award a project pursuant to this article, retention proceeds withheld by the county from the selected best value contractor shall not exceed 5 percent if a performance and payment bond, issued by an admitted surety insurer, is required in the solicitation of bids.

(b) In a contract between the selected best value contractor and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage of the



retention proceeds withheld shall not exceed the percentage specified in the contract between the county and the selected best value contractor. If the selected best value contractor provides written notice to a subcontractor that, prior to or at the time the bid is requested, a bond may be required and the subcontractor subsequently is unable or refuses to furnish a bond to the selected best value contractor, then the selected best value contractor may withhold retention proceeds in excess of the percentage specified in the contract between the county and the selected best value contractor from any payment made by the selected best value contractor to the subcontractor.

**20155.7.**

(a) ~~Before January 1, 2020~~ *[Before March 1, 2024]*, the board of supervisors of a participating county shall submit a report to the appropriate policy committees of the Legislature and the Joint Legislative Budget Committee. The report shall include, but is not limited to, the following information:

- (1) A description of the projects awarded using the best value procedures.
  - (2) The contract award amounts.
  - (3) The best value contractors awarded the projects.
  - (4) A description of any written protests concerning any aspect of the solicitation, bid, or award of the best value contracts, including the resolution of the protests.
  - (5) A description of the prequalification process.
  - (6) The criteria used to evaluate the bids, including the weighting of the criteria and an assessment of the effectiveness of the methodology.
  - (7) If a project awarded under this article has been completed, an assessment of the project performance, to include a summary of any delays or cost increases.
- (b) A report submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

**20155.8.**

Except as otherwise provided in this article, this article is not intended to change in any manner any guideline, criteria, procedure, or requirement of a county to let any contract for a project to the lowest responsible bidder or else reject all bids.

**20155.9.**

~~This article shall remain in effect only until January 1, 2020,~~ *[This article shall remain in effect only until January 1, 2025]*, and as of that date is repealed.

## Summary of Best Value Procurement Procedure for Sheriff Hot Water and Shower Replacements

*(Outline of basis of RFQ)*

### **Purpose:**

To establish procedural roles and responsibilities in Best Value Procurement for selecting a bidder on the basis of best value for a construction project in excess of \$1,000,000.

### **Authorization:**

Public Contract Code sections 20155-20155.9 / Senate Bill (SB) 128

### **Procedure:**

This document summarizes procedures, required criteria, and scoring by which responses to the pending Request for Qualifications (RFQ) and Request for Proposal (RFP) solicitations for this project will be evaluated. This information will be incorporated into the formal RFQ and RFP documents.

### **Selection Committee (Evaluation Team):**

The County will establish a Selection Committee of key County stakeholders and expert consultants with project and industry knowledge to properly, fairly and impartially evaluate the received proposals. This committee will contain a minimum of 3 and no more than 6 members. These members will have no contact with any potential General Contractors from the time of issuance of the RFQ to the final recommendation to the Board of Supervisors for the project award in accordance with the Rules of Conduct (for Evaluation Team Committee Members) located as Attachments H & I of the County's Purchasing & Contracting Policy.

### **Criteria and Scoring Summary:**

Following is a summary of the General Contractor project team qualification information to be required and corresponding scoring structure. More detailed information on which the scoring will be based will be incorporated into the RFQ and RFP documents. A General Contractor's total score for use in the final "Best Value" determination will be a cumulative of both the RFQ and RFP scores.

No more than the top five (5) ranked General Contractors will be invited by the Selection Committee to participate in the Request for Proposal (RFP) phase. The shortlisted General Contractors will be issued the complete Request for Proposal and be invited to submit a proposal to construct the project.

#### **RFQ – 170 pts**

- **Mandatory Requirements** Pass/Fail
  - Includes evidence of necessary licenses, insurance, eligibility to work on Public Works projects
  
- **Relevant Experience and Past Performance**
  - Firm Experience 50 pts
  - Jail/Detention Experience 70 pts
  - Safety Record 25 pts
  - Claims History 25 pts

**RFP – 300 pts**

- Project Team Qualifications 100 pts
- Project Approach/Management 100 pts
- Schedule Plan 50 pts
- Local Participation 50 pts

**Appeal Procedure:**

Where a timely and completed application results in a rating below that necessary to become shortlisted, a General Contractor may appeal such a decision by delivering notice to the County's General Services Director of the decision with respect to its RFQ rating, no later than ten business days following the date of written notification from the County that the General Contractor does not meet the rating established by the County. Without a timely notice of appeal, the General Contractor waives any and all rights to challenge the decision of Solano County, whether by administrative process, judicial process or any other legal process or proceeding.

If the General Contractor gives the required notice of appeal and requests a hearing, the hearing shall be conducted so that it is concluded no later than ten (10) business days after Solano County's receipt of the notice of appeal. The hearing shall be an informal process conducted by an Appeals Panel or hearing officer appointed by the County Administrator's Office. At or prior to the hearing, the General Contractor will be advised of the basis for Solano County's shortlist determination. The General Contractor will be given the opportunity to present information and present reasons in opposition to the rating. Within one day after the conclusion of the hearing, the Appeals Panel or hearing officer will render its decision which shall be final and not subject to further appeal.

End

## RFQ Evaluation

*(Outline of basis of RFQ)*

Submitted Statements of Qualifications will be evaluated by the Selection Committee for completeness and conformance to RFQ requirements. Each responding General Contractor must meet or exceed the requirements and provide written answers to all questions in PART A – MANDATORY REQUIREMENTS in order to be evaluated on the criteria set forth in PART B – RELEVANT EXPERIENCE AND PAST PERFORMANCE.

Information submitted by any bidder as part of the evaluation process shall be open to public inspection to the extent that information is not exempt from disclosure under the California Public Records Act.

### **PART A – MANDATORY REQUIREMENTS**

PART A shall consist of the following categories to determine a General Contractor's eligibility to bid on a public works project:

1. **Declaration.** A declaration required for items (2) through (5), below, stating that reasonable diligence has been used in its preparation and it is true and complete to the best of the signer's knowledge.
2. **Licensure.** Evidence demonstrating possession of all required licenses, registration, and credentials are in good standing that are required to construct the project.
3. **Financial Information.** Submission of evidence, including financial statements, that establishes that the General Contractor has the capacity to perform the work under the project and obtain all required payment and performance bonding.
4. **Insurance.** Submission of evidence that establishes that the General Contractor has liability insurance, Worker's Compensation, and other insurance requirements as identified in the Instructions to Bidders.
5. **Termination/Failure to Complete; Violations; Claims, Arbitration and Litigation.** Provisions of information and a declaration providing detail concerning all of the following:
  - a. Provision of a declaration certifying the General Contractor has not had a surety company finish work on any project within the last five (5) years.
  - b. Any construction claim or litigation totaling more than five hundred thousand dollars (\$500,000) or five (5) percent of the annual value of work performed, whichever is less, settled against any member of the General Contractor's team within the last five (5) years.

- c. Serious and/or repeated violations of the Occupational Safety and Health Act, as provided in Part 1 (commencing with section 6300) of Division 5 of the Labor Code, settled against any member of the General Contractor's team.
- d. Any violations of federal or state law, including, but not limited to, those laws governing the payment of wages, benefits, or personal income tax withholding, or of Federal Insurance Contributions Act (FICA) withholding requirements, state disability insurance withholding, or unemployment insurance payment requirements, settled against any member of the General Contractor's team over the last five years. For the purposes of this subclause, only violations by a General Contractor's team member as an employer shall be deemed applicable, unless it is shown that the General Contractor's team member, in his or her capacity as an employer, had knowledge of his or her subcontractor's violations or failed to comply with the conditions set forth in subdivision (b) of section 1775 of the Labor Code.
- e. Information and details that any officer of such bidder, or any employee of such bidder who has a propriety interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation. (See [www.ols.dgs.ca.gov](http://www.ols.dgs.ca.gov))
- f. Violations of the Contractor's State License Law (Chapter 9 (commencing with section 7000) of Division 3 of the Business and Professions Code), excluding alleged violations or complaints.
- g. Any determination of the General Contractor of submitting a false or fraudulent claim to a public agency over the last five (5) years.
- h. Agreement to comply with all other provisions of law applicable to the project, including, but not limited to, the requirements of Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the Labor Code.

## **PART B - Relevant Experience and Past Performance Evaluation**

The Relevant Experience and Past Performance Criteria will be evaluated by the RFQ Evaluation Team and assigned quality points for relative merit of written data and responses.

Each General Contractor submittal shall provide information on projects completed or currently in progress by the team, or individual members of the team demonstrating experience with projects of similar scope and complexity. Though example buildings may not necessarily be public or detention buildings, the information provided must clearly identify the relevance of each example to the requirements of the JCDF Piping and Shower Replacements project.

Provide specific project related experience in projects of relevance of size, scope, and complexity. If applicable, provide examples of projects team members have previously completed together.

The Relevant Experience and Past Performance Criteria will be evaluated by the RFQ Evaluation Team and assigned quality points for relative merit of written data and answers based on the criteria listed below.

### **1. Firm Experience (50 Points)**

Each of the General Contractors shall submit examples of relevant projects as described in Part B of the RFQ for the specific criteria required. Information shall be clearly and concisely presented and will identify the relevance of each project as applicable to the JCDF Plumbing and Shower Renovations project. Photos and other graphic materials shall be included. At a minimum, project descriptions should address:

- a. Firm Profiles – for each team member, include information on the company's history, significant accomplishments and professional philosophy.
- b. Delivery Methods – describe past experience of each firm with fixed price construction projects and the methods of project delivery and cost control. Include experience with delivery methods in construction management at risk, build and/or lump sum.
- c. Management – indicate how team members have directed or participated in projects on strong team organizations with clear lines of authority and hierarchy. Provide information on how the schedules, budgets and quality have been maintained throughout the project. Indicate how communication between the various team members and the client was managed to ensure all project requirements were addressed and included.
- d. Other project related experience including energy efficiency and sustainable building experience, and historical client information and customer satisfaction shall also be considered.

### **2. Detention Facility Experience (70 Points)**

Provide examples of similar work completed by the General Contractor. List at least three, but no more than five, examples of projects completed, the description of each project, the names of personnel involved, the role of each, the final contract value, and a client reference.

The County is looking for experience with the major elements of the project which include re-plumbing of an existing large facility with continued occupancy and providing detention-grade plumbing systems.

Provide examples of work completed for the County of Solano or other government agencies within California. Project size should be of similar size but is not required to be of similar construction type. It is the intent of this

requirement to show that the General Contractor is familiar in working successfully with government agencies.

**3. Safety Record (25 Points)**

Provide the current Safety record for the General Contractor (EMR). Provide any industry recognition received for Safety excellence. List any CalOSHA citations at the level of willful, serious and/or repeat; if any please describe the specifics. Provide any standard Safety Plan elements that exceed CalOSHA requirements, if any please describe the element and reason for incorporating into the safety plan.

**4. Claims History (25 Points)**

Provide listing of any claims within the State of California within the past 5 years in excess of \$100,000. Provide detailed information on the content and justification of those claims.

End



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	11	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Resource Management
<b>File #:</b>	19-894	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Receive an informational presentation on the purpose and use of Solano County's Rule 20A credits and the status of credits available to Solano County; and Provide general direction to the Department of Resource Management regarding utilization of Rule 20A credits		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Undergrounding Conditions		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board of Supervisors receive an informational presentation on the purpose and use of Solano County's Rule 20A credits and the status of credits available to Solano County; and Provide general direction to the Department of Resource Management regarding utilization of Rule 20A credits.

### **SUMMARY:**

Background: The Public Utilities Commission instituted the current undergrounding program in 1967 with Tariff Rule 20, which governs and funds conversion of overhead electrical utilities with new replacement underground services. Tariff Rule 20 also established rules to govern who shall bear the cost of the conversion between the utilities and agencies.

PG&E's Rule 20A program provides annual credits to local cities and counties to assist in the costs of undergrounding electric overhead utilities. These credits are allocated annually and can be accumulated until there is an identified approved project. Solano County 's Rule 20A ledger balance with PG&E currently totals \$4 million. The use of these credits are somewhat limited in their conversion into a project, and there is typically a required funding match from other fund sources to complete a project. To utilize the credits for a project, the local agency must enter into an agreement for PG&E which specifies how the credits are converted to reimbursable dollars. The credits can also be swapped with other agencies by agreement to help facilitate projects that are short on funds.

In consideration of the variety of options available to the County with regards to the credits, the Board is being asked to consider and provide direction to the Department of Resource Management as to how to prioritize use of these credits.



**FINANCIAL IMPACT:**

Receiving the presentation and providing comments has no impact on the Road Fund or General Fund. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

**DISCUSSION:**

The Rule 20A program provides an annual allotment of credits to agencies statewide for specific use in undergrounding utilities to eliminate overhead electric poles and lines. It has been a number of years since the County has had an identified project with sufficient Rule 20A funds and other funds to prepare a project. Previously, PG&E project selection criteria recommended undergrounding along high trafficked corridors where there are safety concerns of pole strikes by vehicles. General undergrounding of poles along pedestrian, business, and residential areas has also been approved in the past. The credits can be converted to useable funds only after entering into an agreement with PG&E, similar to the sample agreement attached (A - Standard Agreement). The reimbursement can be used to fund PG&E staff time on a Rule 20A project, consultant design costs, and most of the costs of constructing the undergrounding work. However, the credits are limited as to how they can be spent, and specifically exclude portions of environmental clearance, local agency staff time throughout the project, relocation of other interfering utilities, and many of the costs for connections outside the public right of way. Road Funds have similar constraints on expenditures for utility work inside and outside of the right of way. Rule 20A projects often need other sources of funding to complete projects and could require General Fund and/or local transportation sales taxes to bridge these funding gaps. Once the credits are spent through a Rule 20A agreement, PG&E, with approval from the Public Utilities Commission, levies statewide tariffs on utility rate payers to fund the Rule 20A program expenditures.

Rule 20A projects have historically poor records of delivery due to the variety of constraints they encounter. PG&E is not currently initiating any new Rule 20A projects until some of the backlogged statewide Rule 20A projects are completed. Many agencies initiate Rule 20A projects, but encounter significant issues related to accessing private properties to allow the numerous connections necessary to underground the lines. Often, the electric boxes at residences need to be upgraded, and Rule 20A limits the amount of reimbursement leaving the difference in costs either paid by the private homeowner or by the local jurisdiction's General Fund. Private landowners are typically resistant to coming out of pocket for Rule 20A costs. Older lines and connections may also serve properties without any legal easement, providing no means to complete the work without creation of new formal easements. Without local landowner buy-in, these projects can present challenges.

In 2009, the Solano County Board of Supervisors considered a Rule 20A project in Suisun Valley along Rockville Road. Staff worked with PG&E to scope the project and established a preliminary project estimate of \$8 million. At that time, Solano County had a Rule 20A credit balance of approximately \$3.4 million, which left the project with a significant funding shortfall. In addition, staff found that the standard Rule 20A agreement proposed by PG&E at that time had terms which could've led to significant expenditure of the County's Rule 20A credits without any guarantee that the project would move into construction. Other agencies were making similar complaints about the delivery of their Rule 20A projects at that time. Preliminary scoping of the project by Department and PG&E staff identified many properties that would need tie-in work that was ineligible for Rule 20A funds, and also required undergrounding of lines on properties that had no easements for access and use. In 2014, staff put the project on hold until future terms and funding conditions improved.

The Rule 20A program has undergone significant changes since the 2007 Great Recession, including temporary credit freezes, significantly reduced annual credit allocations, and difficult and expensive agreement terms. Prior to 2019, the standard Rule 20A agreement placed significant funding conditions and timelines on local agencies without holding PG&E to similar terms. The California State Association of Counties (CSAC),

along with a group of member agencies, spent several years lobbying to change the terms of the standard Rule 20A agreement. In February 2019, the Public Utilities Commission (PUC) approved an updated version, which provides more favorable terms to agencies with PG&E sharing some of the expenses. CSAC has since recommended that local agencies move forward on Rule 20A projects as a show of good faith and to show interest in using the funds. This new agreement allowed several frozen Rule 20A projects to move forward and seek connecting funds for completion.

At this time, Department of Resource Management has identified several concepts the Board could consider and is seeking further direction regarding the County's current Rule 20A credits.

### Options

#### 1) Initiate A New Project

The Department could begin the process of identifying and initiating a new project with PG&E. PG&E has indicated it is accepting new applications to determine the needs of local agencies as well as to assist local agencies on the preliminary steps of the process. It should be noted that PG&E is currently not funding new Rule 20A projects until the current backlog is reduced.

A new project initiation would require scoping of locations under the terms of the new agreement. Project locations would need to be initially vetted by PG&E staff for eligibility, and then brought to the Board for a decision on a single project. Some potential project locations that could be considered include the undergrounding of lines along Midway Road in Dixon, or Rockville Road, or Suisun Valley Road in Suisun Valley, or Benicia Road and Lemon Street in Vallejo. Long linear projects with simple frontages run with PG&E estimates at \$800k-\$1 million per mile. Double-pole lined roads are more expensive.

A specific example project would be the Benicia Road Improvement Project in the County's Capital Improvement Plan, which has potential use of Rule 20A funds for the undergrounding of some utility poles along the roadway and sidewalks. Undergrounding along Benicia Road would be constrained to limited portions of the road, with preliminary estimates around \$2.5 million in Rule 20A credits, but could grow to well over \$6 million by adding the intersecting streets. Adjoining connections onto adjacent private properties would need funding from a source other than the Road Fund as some of these expenses are ineligible for both Rule 20A and Road Funds. It is also estimated that utilizing Rule 20A underground power into a project may add 3-5 years or more to the lead time.

#### 2) Do Nothing - Let Rule 20A Credit Balance Grow

The County gains less than \$100K in credits per year. The Department could let the credit ledger grow over time by not initiating any new project. Eventually the credit balance would grow to a size where a large project could be undertaken. It's common for agencies to have credit balances in the millions of dollars. However, with the recent bankruptcy announcement of PG&E, there is some concern that the Rule 20A program is under greater scrutiny because of its track record of delivery. Early prognostication by CSAC and some member agencies envision Rule 20A surviving bankruptcy due to the value of undergrounding of electric poles in fire prone areas. PG&E staff recently indicated that the PUC will be reviewing the Rule 20A program this winter, with potential to make new findings as to its use. A claim by the County was submitted to PG&E as part of the bankruptcy process to attempt to preserve the County's credit balance if the credits are to be liquidated.

#### 3) Swap Rule 20A Credits with Local Agencies

PG&E has referred several other agencies to the County staff seeking to swap funds for Rule 20A credits. PG&E and the Public Utilities Commission are supportive of swaps because they can provide Rule 20A funding where shortfalls exist in projects in process. The list of statewide Rule 20A projects in process is long.

The concept of a swap is where another agency with a project “purchases” the Rule 20A credit value with another source of funding at a deep discount. Rule 20A credits are renowned for their difficulty to expend, so agencies have not shown a willingness to pay a high exchange rate. The benefits of a “credit swap” are that an agency can swap credits for other funds that can be used on projects or in turn used as match for a Rule 20A project.

Staff solicited interest in credit swaps with the Directors of Public Works of each of the local cities, as well as the Solano Transportation Authority. The City of Rio Vista responded with interest, but there are no details to report. Staff has also received proposals for swaps from the City of Pismo Beach and the County of San Mateo. If this is a favorable alternative, the Department would return to the Board with a swap agreement for consideration.

A mix of one, two, or all three of the alternatives could also be considered. A small project could be initiated, with a credit swap for General Funds to create match, with a remainder balance left for unanticipated project overruns. The Board’s comments would be helpful for staff to determine the next course(s) of action.

**ALTERNATIVES:**

The Board could choose to not receive the presentation on Rule 20A credits. This is not recommended because the Department needs some Board input on the alternatives available for utilizing the Rule 20A credits.

**OTHER AGENCY INVOLVEMENT:**

County Counsel’s Office has reviewed and approved this item as to form.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to  
Consider Revisions to Electric Rule 20  
and Related Matters.

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FILED  
PUBLIC UTILITIES COMMISSION  
MAY 11, 2017  
MERCED, CALIFORNIA  
RULEMAKING 17-05-010

**ORDER INSTITUTING RULEMAKING TO CONSIDER REVISIONS  
TO ELECTRIC RULE 20 AND RELATED MATTERS**

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## **ORDER INSTITUTING RULEMAKING TO CONSIDER REVISIONS TO ELECTRIC RULE 20 AND RELATED MATTERS**

### **Summary**

This Order institutes a rulemaking proceeding to consider revisions to Rule 20, the Commission's program for replacement of overhead with underground electric facilities.

The Commission may revise or otherwise modify Rule 20, or take another course of action based on the Commission's assessment of which option is most likely to enhance the fair, efficient allocation of ratepayer funds to communities for the undergrounding of electric infrastructure in specified locations and circumstances. The Commission will primarily focus on revisions to Electric Tariff Rule 20A but may make conforming changes to the other parts of Rule 20.

### **1. Summary of Electric Tariff Rule 20A**

Rule 20 defines the policies and procedures followed by the electric utilities to convert overhead power lines and other equipment to underground facilities. Rule 20A is part of Electric Tariff Rule 20 of the California investor-owned electric utilities, including Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), PacifiCorp, Bear Valley Electric Service Company (BVES), and Liberty Utilities (Liberty).<sup>1</sup> Under Rule 20A, these utilities annually allocate work credits to California's communities – either cities or unincorporated areas of counties – to convert overhead electric facilities to underground. The

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<sup>1</sup> Rule 20 includes four sets of rules – Rule 20A, 20B, 20C and 20D. While the rules are interrelated, the scope of this updated rulemaking focuses on revisions to Rule 20A and conforming changes to Rules 20B, 20C and 20D.

communities accumulate their annual allocations until they have enough credits to fund an undergrounding project. After the local communities work with their utility to complete the project, the utility requests authorization from the Commission to include completed projects in its rate base and recover project costs from ratepayers.

As discussed in earlier Commission decisions, the public overwhelmingly supports the undergrounding of electric facilities for a variety of reasons. Undergrounding enhances safety and reliability, provides aesthetic benefits, and increases property values.<sup>2</sup> In general, undergrounding a facility may make the system more reliable (since the facility is protected by being underground). At the same time, undergrounding may make the electric system less resilient since accessing the line/facility is made more complicated (and therefore taking longer when compared to above-ground facilities).

The Commission has also approved parallel rules to Rule 20A for the undergrounding of communications lines and facilities. Undergrounding of electric and communication facilities often needs to be coordinated because utilities attach different types of infrastructure to utility poles; undergrounding only the electric facility may not achieve the public interest benefits of undergrounding.

When it established the Rule 20A undergrounding program, the Commission required that any such projects must have been determined, by the

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<sup>2</sup> See, for example, Decision (D.) 73078 (67 CPUC 490, 512) and D.01-12-009 at 19.

governing body of the community, to be in the public interest for one or more of the following reasons:<sup>3</sup>

1. Undergrounding will avoid or eliminate an unusual heavy concentration of overhead electric facilities;
2. The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic;
3. The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public; and
4. The street or road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research Guidelines.

We note that the Rule 20A tariffs of PG&E and SDG&E also require that the governing body to acknowledge that wheelchair access is in the public interest and will be considered as a basis for defining the boundaries of projects that otherwise qualify for Rule 20A under the four criteria listed above.

Currently, annual work credit allocations are based on the amount allocated to a city or a county in 1990 as the base and adjusted for the following:

- 50% of the change from the 1990 total budgeted amount is allocated in the same ratio as the number of overhead meters in any city or unincorporated area to the total system overhead meters; and
- 50% of the change from the 1990 total budgeted amount is allocated in the same ratio as the total number of meters in any city or the unincorporated area to the total system meters.

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<sup>3</sup> The first three criteria date back to the 1967 creation of the program in D.73078. The Commission added the fourth criterion in 2001.



The intent of this allocation formula is to insure that work credits are allocated equitably to all communities that need undergrounding of their overhead electric lines, but with slightly more weight given to those communities that have a greater undergrounding need.

In addition to meeting the public interest criteria listed above, the Rule 20A tariff requires that the local community has adopted an ordinance creating an underground district in the project area, requiring, among other things, (1) that all existing overhead communication and electric distribution facilities in such district shall be removed, (2) that each property installs the electrical facilities necessary to receive service from the utility's underground facilities, and (3) authorizing the utility to discontinue its overhead service.

The utilities work with the communities to plan and schedule conversion work. Each electric utility forecasts annual spending on these projects during its three-year General Rate Case (GRC) cycle based on its estimate on the projects that communities will be initiating during those years. Medium and large telecommunications and cable companies do not have GRCs and do not earn a rate of return on capital investment nor collect revenues from their customers in the same manner as the electric utilities. The cost to underground electric lines and facilities varies dramatically by location, with large differences between urban and rural settings. Once approved by the Commission, the utility earns a return on these capital investments.

## **2. Legislative and Procedural Background**

The Commission has a long history when it comes to Rule 20. In 1965, the Commission opened Case 8209, which was an "Investigation on the Commission's Own Motion into the Tariff Schedules, Rates, Rules, Charges, Operations, Practices, Contracts, Service, and Aesthetics and Economics of

Facilities of All Electric and Communication Public Utilities in California.”

In 1967, the Commission issued Decision (D.) 73078 which promulgated the first rules concerning service connections and overhead conversions, and directed that they be filed by all of the electric and communication utilities. For the electric utilities, these rules became Rule 20. Rule 20A continued to be updated and refined periodically over time – perhaps most notably in D.82-01-18 and in D.90-05-032. While some of the modifications were more technical in nature, D.90-05-032 addressed the issue of equity in the allocation formula. In that decision, the Commission modified the allocation formula in order to assist communities that have eligible projects but insufficient allocations, and to address concerns that while all ratepayers contribute to Rule 20 funding, some have only a very small fraction of their contributions returned for use by their communities.<sup>4</sup> The allocation methodology described above is a result of the Commission’s action in D.90-05-032.

As we consider updates to Rule 20A, we also look to any relevant guidance given to the Commission by the California Legislature. As first enacted in 1971, California Public Utilities (Pub. Util.) Code § 320 states:<sup>5</sup>

The Legislature hereby declares that it is the policy of this state to achieve, whenever feasible and not inconsistent with sound environmental planning, the undergrounding of all future electric and communication distribution facilities which are proposed to be erected in proximity to any highway designated a state scenic highway pursuant to Article 2.5 (commencing with Section 260) of Chapter 2 of Division 1 of the Streets and Highways Code and which would be visible

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<sup>4</sup> See D.90-05-032, Finding of Fact 2.

<sup>5</sup> Stats. 1971, Ch. 1697.

from such scenic highways if erected above ground. The commission shall prepare and adopt by December 31, 1972, a statewide plan and schedule for the undergrounding of all such utility distribution facilities in accordance with the aforesaid policy and the rules of the commission relating to the underground of facilities.

The commission shall coordinate its activities regarding the plan with local governments and planning commissions concerned.

The commission shall require compliance with the plan upon its adoption.

This section shall not apply to facilities necessary to the operation of any railroad.

While § 320 is limited to undergrounding of facilities in proximity to scenic highways, it provides relevant history for the Commission's actions in undergrounding. While the due date for the statewide plan is no longer relevant, § 320 informs the Commission with legislative guidance in terms of the need for an overall plan and set of rules for undergrounding in general.

In 1999, the California Legislature adopted Assembly Bill 1149.<sup>6</sup> This legislation directed the Commission to complete a study on ways to amend, revise, and improve rules governing the replacement of overhead electric and communications facilities with underground facilities. The Commission opened Rulemaking (R.) 00-01-005 in response to this legislation.

As part of R.00-01-005, the Commission held numerous Public Participation Hearings in a variety of geographic locations. The Commission's rulemaking process was also informed by broad participation from electric and telecommunications companies, cable companies, consumer groups and several

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<sup>6</sup> Stats. 1999, Ch. 844.

municipalities. D.01-12-009, which mandated the current rules that provide for the uniformity of Rule 20A, benefitted from all of this participation. In that decision, the Commission directed PG&E, SDG&E and SCE to draft and file by Advice Letter a model Tariff Rule 20. D.01-12-009 also expanded Rule 20A “public interest” criteria to include projects where the street or road or right-of-way is considered an arterial street or major collector; extended the use of Rule 20A funds by allowing cities to (a) leverage funds with Rule 20B funds and (b) mortgage Rule 20A funds by borrowing up to five years’ worth of credits ahead of time;<sup>7</sup> required standardized reporting from the utilities; improved communication between utilities and residents; and ordered the creation of an updated Undergrounding Planning Guide.

In D.01-12-009, the Commission envisioned that there would be a second phase of R.00-01-005. Subjects contemplated in D.01-12-009 for this second phase included, but were not limited to, the following:<sup>8</sup>

- whether or not to establish standards for conversion projects so that third parties can competitively bid on projects with no compromise of quality, safety, or reliability;
- whether incentive mechanisms are a better way to manage costs and encourage timely completion of projects;

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<sup>7</sup> Local communities may accumulate their Rule 20A credits and bank them for future projects and can also borrow against future anticipated allocations to facilitate the undergrounding of particular projects. D.01-12-009 lengthened the borrowing timeline from three to five years.

<sup>8</sup> D.01-12-009 at 25-26.

- investigation of whether there should be a “breakpoint” in allowing new overhead pole and line installation or whether the current exemption process is working;<sup>9</sup>
- explore the value of charging for undergrounding via a line item on utility bills;
- the creation of a fair, equitable, and competitively neutral recovery mechanism for telecommunications carriers and cable companies to recover their undergrounding costs;
- whether adjustments in the Rule 20A allocation formula are appropriate; and
- are there reforms to the undergrounding program that are more properly within the legislative domain?

The Commission ultimately closed R.00-01-005 before reaching this second phase. As discussed nearly four years later in D.05-04-038, “Overtaking events in the electric industry required the Commission to manage and control its resources such that Phase 2 of the proceeding was never fully initiated...”

D.05-04-038 closed the rulemaking and directed that the Interim Order issued in D.01-12-009 revising the rules for converting overhead utility lines to underground will stay in place until the Commission opens a new proceeding, or until further order of the Commission.

In 2001, the City of San Diego (City) adopted an ordinance to underground all of its utility facilities in the next 20 years, including infrastructure that went beyond the established public interest criteria for undergrounding and would therefore be ineligible for recovery under Rule 20. In 2002, the Commission

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<sup>9</sup> D.01-12-009, footnote 1: “In this context, a break point would denote where there would be no further installations of overhead lines.” The footnote states that “the granting of exemptions for new construction is frustrating the overall goals of the program.”

approved Resolution E-3788, which authorized a franchise fee surcharge within the City for electric conversions not eligible under Rule 20. As part of this effort, there was need for greater coordination in the City between SDG&E's implementation of Rule 20 and SBC (later AT&T California, Inc.) use of its Tariff Rule 32. In D.06-12-039, the Commission authorized AT&T California to collect from its customers a limited-time surcharge to help pay for the undergrounding of its lines in the service area that overlapped with the city of San Diego.<sup>10</sup> The Commission deemed AT&T California's circumstances "unique" given the transition from traditional rate regulation to the Universal Regulatory Framework, and directed Commission staff to advise any utilities seeking similar measures, either as surcharges or increases in franchise fees, that the statewide plan (established as summarized above) continues to control utility undergrounding. In 2014, the Commission authorized SDG&E the ability to consider wildfires when converting electric facilities to underground. The Commission agreed with SDG&E that undergrounding could "mitigate the risks of wildfires in the more fire-prone areas of SDG&E's service territory."<sup>11</sup> The Commission approved a SDG&E-specific version of Rule 20D that is modeled on Rule 20A, but limited to areas where the governing body has determined that such undergrounding will occur in the SDG&E Fire Threat Zone as developed in accordance with D.09-08-029 and will occur in an area where the SDG&E has determined that undergrounding is a preferred method to reduce fire risk and enhance the reliability of the facilities to be undergrounded.

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<sup>10</sup> See Application (A.) 05-03-005 for additional background.

<sup>11</sup> D.14-01-002, Finding of Fact 6.

### **3. Current Status of Rule 20A Implementation**

In the over 15 years since the current version of Rule 20A was adopted, we have considered on a case-by-case basis changes to the Rule 20A program established in D.01-12-009. For example, the Commission temporarily revised annual allocation amounts in a previous PG&E GRC decision.<sup>12</sup> The Commission has also issued resolutions concerning Rule 20A allocations and policy, including Resolutions E-3788, E-4731, E-4001, E-3637, and E-4146.

In November 2016, the Commission's Policy and Planning Division authored a staff report reviewing Rule 20A entitled, "Program Review: California Overhead Conversion Program, Rule 20A for Years 2011-2015."<sup>13</sup> The staff report's review of the Rule 20A allocations over this five year period indicates that there is a large balance of unclaimed credit allocations: local communities have been allocated but have not yet redeemed the equivalent of approximately one billion dollars of Rule 20A credits. It is unclear at this time how many of these allocated credits will be redeemed in the future and on what time horizon.

The staff report shows that costs to underground an electric line or facility can vary significantly based on whether the project is in an urban, suburban or rural location. Rule 20A may not adequately accommodate this cost differential between the urban, suburban and rural locations in allocating the credits to local communities. Some local communities are simply unaware of the existence of

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<sup>12</sup> See, D.11-05-018 in PG&E's 2011 GRC Application (A.) 09-12-020.

<sup>13</sup> Available online at [http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/Organization/Divisions/Policy\\_and\\_Planning/PPD\\_Work\\_Products\\_\(2014\\_forward\)\(1\)/PPD\\_Rule\\_20-A.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work_Products_(2014_forward)(1)/PPD_Rule_20-A.pdf)



their allocations and do not consider undergrounding facilities in their local planning process. Some local communities are so small that their work credit allocations are marginal and not sufficient to conduct an undergrounding project of even modest size. The staff report also observes that there is a need for additional coordination between electric and telecommunication companies on conversion projects, a subject envisioned for Phase 2 of R.00-01-005.

#### **4. Discussion**

Based on issues identified in the staff report such as the large number of unredeemed Rule 20A credits and the urban/suburban/rural differences in costs of undergrounding a facility, as well as various ratemaking issues noted in the GRC process and the potential need to re-examine the criteria that makes up the “public interest” as being a rationale for redeeming the Rule 20A credits, we conclude that it is reasonable to institute this new rulemaking.

In this rulemaking, the Commission will also require additional information about how joint infrastructure above-ground poles and other facilities can be converted to undergrounding. We also intend to examine whether there is a need to modify the allocation methodology to local jurisdictions depending on the types of attachments to the above-ground pole/facility.

The Commission should also consider updates to Rule 20A that would leverage the undergrounding opportunity and maximize the local community investment with all utility facilities. Accordingly, we include in the scope of this rulemaking any revisions to Rule 20A that are necessary to leverage undergrounding opportunities with communications facilities. We name as respondents to this rulemaking the Facilities-Based Competitive Local Exchange Carriers, including the telecommunications Incumbent Local Exchange Carriers



(ILECs) AT&T California, Cal-Ore Telephone Company, Calaveras Telephone Company, Citizens Telecommunications Company of California, Ducor Telephone Company, Foresthill Telephone Company, Happy Valley Telephone Company, Hornitos Telephone Company, Kerman Telephone Company, Pinnacles Telephone Company, Ponderosa Telephone Company, Sierra Telephone Company, Siskiyou Telephone Company, Frontier California, Volcano Telephone Company, Consolidated Communications of California, Winterhaven Telephone Company and the other Facilities-Based Companies. We invite other communication providers that have an interest in electric undergrounding, including but not limited to cable companies and wireless companies to seek party status and to participate in this rulemaking. In addition, we also invite local municipalities who are allocated the work credits to participate.

As noted above, the electric utilities seek recovery of Rule 20A project costs as part of their General Rate Case process, based on annual budgets for project expenditures established in those proceedings. Since the Commission's action in D.01-12-009, we have considered on a case-by-case basis the reduction of work credit allocations and whether there is a mismatch between funds authorized and spent. While we do not make any determinations about any pending GRCs in this order, we do think it is appropriate to examine the ratemaking issues associated with Rule 20A to ensure that there is a proper match between the demand to underground, the design of the Rule 20A allocation methodology, and the regulatory process to ensure that Commission-approved budgets for Rule 20A projects are spent in a reasonable manner.

## **5. Preliminary Scoping Memo**

This rulemaking will be conducted in accordance with Article 6 of the Commission's Rules of Practice and Procedure, "Rulemaking."<sup>14</sup> As required by Rule 7.1(d), this order instituting rulemaking includes a preliminary scoping memo as set forth below, and preliminarily determines the category of this proceeding and the need for hearing.

### **5.1. Scope**

The scope of this rulemaking proceeding is to consider whether to revise or otherwise modify Rule 20 to enhance the fair, efficient allocation of ratepayer funds to communities for the undergrounding of electric infrastructure in specified locations and circumstances. The Commission will primarily focus on revision of Electric Tariff Rule 20A but may also consider conforming changes to other parts of Rule 20.

The scope shall also include consideration of changes to Rule 20A to facilitate the undergrounding of other utility infrastructure at the same time as the electric lines and facilities are converted to underground.

Also included in the scope are a series of broad questions listed below in Section 5.1.2. A subset of these questions were previously identified in D.01-12-009, including whether or not we should establish standards for conversion projects so third parties can competitively bid on projects with no compromise of quality, safety or reliability, whether adjustments in the Rule 20A allocation formula is appropriate, and whether or not there are benefits to listing the charges for undergrounding as a line item on utility bills.

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<sup>14</sup> All references to "Rules" are to the Commission's Rules of Practice and Procedure, which are available on the Commission's website.

We also include in the scope general consideration of undergrounding in urban/suburban/rural local communities, whether disadvantaged communities fully benefit from the program, and whether the criteria for considering the public interest should be updated.<sup>15</sup>

The scope of the proceeding will broadly consider the fair and equitable distribution of ratepayer dollars allocated to undergrounding, including equal access and potential to enjoy benefits from undergrounding at reasonable cost.

The scope of this proceeding will also include potential modifications to Rule 20 to account for changes to the communications regulatory system created by switching to the Uniform Regulatory Framework in 2006 in D.06-08-030, which occurred after the Commission last revised Rule 20. When last examined in R.00-01-005, both electric utilities and ILECs were under traditional rate-of-return regulation. With the changes starting in 2006, the landscape has changed and assumption embedded in Rule 20 about ILECs may no longer be valid. In light of the communications transition, Rule 20 may also need to be revised to account for competitive neutrality, since in 1998 the Commission granted SCE a Certificate of Public Convenience and Necessity (CPCN) for limited communications transport service and PG&E has recently filed an application for similar authority.<sup>16</sup> In addition, the number and type of communication companies which make use of utility poles has grown

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<sup>15</sup> The CalEnviroScreen, as produced by the state's Office of Environmental Health Hazard Assessment, contains one definition of disadvantaged communities. (See <https://oehha.ca.gov/calenviroscreen/> for additional information.)

<sup>16</sup> SCE was granted a CPCN in D.98-12-083; PG&E filed its request for a CPCN in A.17-04-010. We note that the electric utilities may also provide communication services, with Southern California Edison already doing so.

considerably, including video, broadband, mobile. Moreover, these providers are competing in the same geographic area where access to the utility pole is a significant issue. The scope of this rulemaking will consider revisions to Rule 20 to promote equitable and competitively neutral recovery of underground project costs.

Consistent with Rule 6.3(a) of the Commission's Rules of Practice and Procedure, any decision by the Commission in this proceeding to modify or amend Rule 20 will apply prospectively.

## **5.2. Initial Questions and Information**

To support this rulemaking, the Commission intends to seek extensive information from the electric utilities and the Facilities-Based Competitive Local Exchange Carriers and the ILECs regarding the Rule 20A program, and to seek responses to a wide range of questions about the program. The preliminary list of information we intend to seek, and the initial list of the questions we intend to ask, are provided below. Respondents and interested persons are asked to file comments evaluating the appropriateness of the wording of the questions and the validity of the data sources identified herein. Respondents and interested persons are also encouraged to recommend additional questions or data that may facilitate the Commission's review of the Rule 20A program. Following receipt of these comments, the Commission will hold a workshop and prehearing conference to discuss and refine the list of data and the initial questions and will thereafter, by ruling, issue a final list of questions for comment.

### **5.2.1. Preliminary Information from Electric Utilities**

As part of this Order Instituting Rulemaking (OIR), we anticipate directing each electric utility to file and serve the following data for the 2005-2016 calendar

years. This data will create a common baseline on the relevant issues identified in this rulemaking.

- A complete list of Rule 20A-eligible communities;
- The amount of work credit allocations available to each community each year;
- The number of projects in the following categories:
  - initiated for the next ten years (process has started but no Utilities Conversion Plan);
  - (in planning phase with a Utilities Conversion Plan);
  - in progress (construction); or
  - completed.

The data should denote whether these projects are in urban, suburban or rural locations or if the project is located in a disadvantaged community.

- The estimated cost of individual projects initiated and/or in progress;
- The total cost of each completed project, including both the ratepayer and non-ratepayer cost of each completed project;
- The number of work credit allocations used for each project, including the number of mortgaged or borrowed credit allocations;
- The number of projects completed or underway that relied on credits that were bought or traded, if any; the percentage of the project funding provided by those credits; the cost to acquire those credits (if known).
- The utility's total annual Rule 20A spending;
- The CalEnviroScreen Score of the locations with completed projects;
- A general description of the utility's Rule 20A-related outreach and education efforts plans, partnerships, staffing and resources. To the extent applicable, describe how and

in what ways these strategies vary by region (including urban/suburban/rural and whether the project is in a disadvantaged community);

- The number of meters installed each year using new electric lines that were granted an exemption from the requirement to underground and the number of meters installed using new electric lines that were not exempt from requirement to underground; and
- A list of communities that have never completed a Rule 20A project nor utilized Rule 20A work credit allocations for projects.

#### **5.2.2. Audit of Electric Utilities' Rule 20A Programs**

Each electric utility shall file and serve a programmatic and financial audit of its administration of its Rule 20A program, conducted by an independent firm in consultation with the Commission's Utility Audit Finance & Compliance Branch and Energy Division. The audit will review compliance with the Commission's prior decisions, as well as review for the proper financial oversight of the use of Rule 20A ratepayer funds. Each electric utility shall send a copy of their proposed audit scope to the Director of the Commission's Energy Division and the manager of the Commission's Utility Audit Finance & Compliance Branch, and provide a copy to the service list within 60 days of today's Order. The Energy Division director shall have 30 days to respond in writing to each utility's proposed scope. The audit shall examine issues including but not limited to:

- 1) Percentages of cost spent on project overhead, labor, materials, and any other cost categories;
- 2) Whether communities are receiving credits but have not used them for extended periods of time;
- 3) Identification of factors that contribute to any identified project cost overruns;

- 4) Percentages of project cost paid by utilities, local government, residents, and any other entities with cost responsibility; and
- 5) The audit shall also address: the utility Rule 20A program communication and outreach efforts; the utility process for developing Rule 20A revenue requirements for its GRC; whether Rule 20A credit trading and transfer takes place between communities and how the utility is involved in that process; and the utility's communication practices for coordinating with other utilities that have facilities that are co-located on the pole.

The deadline for the audit will be 180 days after the Pre-Hearing Conference unless otherwise revised or determined by the Assigned Commissioner's Scoping Memo.

#### **5.2.3. Preliminary Information from Facilities-Based Providers**

As part of this OIR, we anticipate directing each Facility-Based Provider named as a respondent to this rulemaking to provide a summary of current undergrounding practices, including any coordination or collaboration with the electric utilities, and any relevant overlaps with Rule 20A. The summary should include the timelines, funding, coordination outreach efforts with local communities, coordination with electric utilities, and best practices from their existing undergrounding tariffs.

#### **5.2.4. Initial Scoping Questions**

To accomplish the goals of this rulemaking, our review will address, but may not be limited to, the following questions:

##### **Rule 20A Work Credits**

- 1) For the purposes of allocating Rule 20A work credits, is it reasonable to have a different methodology within each utility service territory for urban, suburban and rural areas? Would changing the work credit allocation



methodology promote additional conversion of lines and facilities to underground in a more fair and equitable manner than current practices?

- 2) In addition to banking and borrowing Rule 20A allocation credits, should a local government be allowed to buy/sell/trade its Rule 20A credits with other local jurisdictions so long as the total number of allocations redeemed does not exceed total project cost? If yes, should the electric utility be the entity to monitor and record this market activity? Should trading be limited to local jurisdictions within the same utility service territory?
- 3) Should rules be developed to increase Rule 20A participation from small municipalities, rural areas, and un-incorporated areas? What about projects located in disadvantaged communities?
- 4) Should the Commission examine appropriate ratemaking treatment options, such as one-way memorandum accounts, for tracking Commission-authorized Rule 20A budgets to prevent these funds from being used for other purposes?

**Public Interest Criteria**

- 5) Should current criteria listed in the Rule 20A tariff for determining “the public interest” be augmented to include updates to existing factors (including safety and reliability) or newer factors, such as wheelchair access, new forms of public safety promotion, or other environmental factors beyond scenic and aesthetic benefits?
- 6) Should the criteria to determine “the public interest” be different depending on whether the project area is an urban, suburban, or rural location? Are the “safety and reliability” benefits of undergrounding different for these different locations?
- 7) Should the public interest criteria be revised to balance the trade-offs between promoting safety and reliability versus concerns of resiliency and recovery? Does the geographic



region of the underground project (urban/suburban/rural) influence this distinction?

**Allocation Methodology/Funding**

- 8) Should the Rule 20A allocation methodology be modified to prioritize undergrounding utility infrastructure located in high fire areas, as defined in R.15-05-006, the Commission's rulemaking to develop and adopt fire-threat maps and fire-safety regulations? If yes, are there any safety concerns the Commission should consider when undergrounding in these high-fire areas?
- 9) Should Rule 20A be modified to have a different allocation methodology if the overhead pole (or other eligible facility) being replaced has telecommunications or other public use infrastructure co-located on the pole? Are there other modifications to Rule 20A that would help promote the simultaneous undergrounding of telecommunications infrastructure?
- 10) Should the Rule 20A allocation methodology take into account different ownership models of the above-ground infrastructure? For example, if the utility pole is owned solely by the electric utility versus co-owned by another entity, such as an ILEC or another facilities-based communications service provider?
- 11) Should entities with facilities attached to the above-ground pole bear any financial responsibility when a Rule 20A project is implemented?
- 12) How do pole ownership/leasing agreements influence the undergrounding process, if at all?
- 13) How, if at all, should the allocation methodology be modified to ensure competitive neutrality between the electric utilities and the facilities based providers?
- 14) Should the allocation methodology be modified to leverage grant or public-use programs or other sources of non-electric-ratepayer funds to help promote the new undergrounding of additional projects?

- 15) Besides Rule 20A funds, how else could local governments finance undergrounding of utility infrastructure? Are there non-ratepayer sources of funds that could be better leveraged to promote undergrounding? Should the allocation methodology be revised to recognize different local tax bases/financial resources of communities that are located in urban/suburban/rural parts of the state, or those potential projects located in disadvantaged communities?
- 16) Should there be an overall cap on Rule 20A credits allocated to local communities? Should an electric utility suspend the issuance of new credits to a community if it attests that it does not plan to use an allocation in the next five years? Would letting Rule 20A credits expire or be transferred to another community if they are not used by a certain time improve or limit achieving Rule 20A objectives? Should the Commission examine the disposition of historic unused work allocation credits? For example, will communities be able to redeem unused work allocation credits?

#### **Outreach Strategies**

- 17) Should the electric utilities modify their local government outreach, existing partnerships or other approaches to facilitate a more equitable uptake of Rule 20A credits allocated to local communities? Should there be different strategies for coordination with local governments if they are in an urban, suburban or rural setting? What if the potential project is located in a disadvantaged community?

#### **Additional Rule 20 Concerns**

- 18) Should the Commission consider different revisions to Rule 20 for the small multi-jurisdictional electric utilities (BVES, Liberty, and PacifiCorp) to promote the undergrounding of lines and facilities in their service territories?

- 19) Should third parties be allowed to bid on Rule 20A projects? If so, what rules must the Commission establish to ensure the projects are high quality and meet all relevant safety and reliability standards? What contract provisions should the Commission establish to ensure proper labor protections?
- 20) Should the Commission consider how incentive mechanisms could be used as a way to manage costs and encourage timely completion of projects?
- 21) Should the Commission consider whether there should be a “breakpoint” in allowing new overhead pole and line installation, or is the current exemption process working?
- 22) Should the Commission change how the utility bill presents the costs of undergrounding facilities?
- 23) Should the Commission consider the use of Rule 20A allocations for conversion-related work like grid hardening, subsurface transformers, hazardous waste cleanup, etc.?
- 24) Does the undergrounding of existing utility infrastructure prevent the deployment of future infrastructure or upgrades of existing equipment?
- 25) Should the Commission review or modify Rules 20B, 20C or 20D as part of our comprehensive review of Rule 20A? If so, suggest what modifications, if any, are needed to better align Rules 20B, 20C or 20D with the suggested changes to Rule 20A?
- 26) Should poles that include wireless antennas be exempt from underground conversions? Alternatively, is it possible to mitigate the impact of underground conversions by relocating wireless facilities to other poles?
- 27) Should the Commission modify Rule 20 to better leverage or coordinate with existing broadband grant programs, such as the California Advanced Services Fund? Should the Commission consider exempting the undergrounding of poles where grants have already been given?

### **5.3. Proceeding Category and Need for Hearings**

Pursuant to Rule 7.1(d), we preliminarily determine that (1) the category for this rulemaking proceeding is quasi-legislative as that term is defined in Rule 1.3(d), and (2) there is no need for evidentiary hearings in this proceeding. As permitted by Rule 6.2, parties may address these preliminary determinations in their written comments that are to be filed and served in accordance with the preliminary schedule for this proceeding. The assigned Commissioner will make a final determination regarding the category of this proceeding and the need for hearings in a scoping memo issued pursuant to Rules 7.1(d) and 7.3(a).

Pursuant to Pub. Util. Code § 1708.5(f), the Commission intends to conduct this proceeding using notice and comment rulemaking procedures. Accordingly, the comments and reply comments submitted pursuant to the preliminary schedule may constitute the record used by the Commission to decide matters within the scope of this proceeding. In addition to responding to those questions, parties should include in their comments and reply comments all information they want the Commission to consider in this proceeding, as there may not be another opportunity for parties to present such information to the Commission.

Pub. Util. Code § 1708.5(f) also provides that “the commission may conduct any proceeding to adopt, amend, or repeal a regulation using notice and comment rulemaking procedures, without an evidentiary hearing, except with respect to a regulation being amended or repealed that was adopted after an evidentiary hearing, in which case the parties to the original proceeding shall retain any right to an evidentiary hearing accorded by Section 1708.” Because the Commission adopted and subsequently amended the model Rule 20A in R.00-01-005 without an evidentiary hearing, Pub. Util. Code § 1708.5(f) allows the

Commission to amend Rule 20A in this rulemaking proceeding without an evidentiary hearing.<sup>17</sup>

#### 5.4. Preliminary Schedule

For purposes of meeting the preliminary scoping memo requirements and to expedite the proceeding, we establish the following preliminary schedule:

Event	Date
OIR issued	May 11, 2017
Comments on OIR Scope/Schedule/Questions/Data filed and served	45 days after OIR issued
Preliminary Information from ILECs filed and served	45 days after OIR issued
Prehearing Conference/Initial Public Workshop to discuss (1) best questions (2) best data (3) audit scope	No later than 60 days after OIR issued
Electric IOUs filed and serve audit scope	60 days after OIR issued
The Energy Division director provides written response to each utility's proposed audit scope	30 days after IOUs file and serve audit scope
Scoping Memo (including final data and questions)	No later than 90 days after OIR issued
Intervenor Compensation NOIs filed and served	30 days after Prehearing Conference
Electric IOU data served	60 days after Prehearing Conference
Responses to Scoping Memo questions filed and served	30 days after Electric IOUs serve data
Replies to Responses filed and served	21 days after responses to Scoping Memo questions filed and served
Public Participation Hearings	September -- October 2017
Electric IOU audits filed and served	180 days after audit scope is filed
Comments on Electric IOU audits filed and served	30 days after Electric IOU audits filed and served
Reply Comments on Electric IOU audits filed and served	14 days after Comments on Electric IOU audits filed and served
Submittal date (based on this Preliminary Schedule)	February 2018
ALJ Proposed Decision	May 2018
Final Decision	July 2018

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<sup>17</sup> Parties may request evidentiary hearings as set forth in this Order and consistent with the Rules of Practice and Procedure.

### **5.5. Modification Process**

Any person filing comments on this OIR shall state any objections to the preliminary scoping memo regarding the category, need for hearing, issues to be considered or schedule. (Rule 6.2.)

The assigned Commissioner through his/her ruling on the scoping memo and subsequent rulings, and the assigned Administrative Law Judge (ALJ) by ruling with the assigned Commissioner's concurrence, may modify the schedule as necessary during the course of the proceeding to promote the efficient and fair resolution of the rulemaking. We anticipate this proceeding will be resolved within 18 months from the issuance of the scoping memo.

### **6. Service of this OIR**

The Commission's Executive Director shall cause copies of this order to be served on named respondents to this Order Instituting Rulemaking and the service lists for R.17-03-009, Investigation (I.) 15-11-007, A.16-09-001, A.15-09-001 and A.14-11-003.

Pursuant to Pub. Util. Code § 1711(a), the Commission shall, where feasible and appropriate and before determining the scope of the proceeding, seek the participation of those who are likely to be affected, including those who are likely to benefit from, and those who are potentially subject to, a decision in that proceeding. The Commission shall demonstrate its efforts to comply with this Section in the text of the initial scoping memo of the proceeding. Therefore, the Commission's Executive Director is hereby directed to work with the Commission's News and Outreach Office to ensure that notice of this OIR is provided to communities and counties in the service areas of the respondents, since they are likely to be directly impacted by this proceeding.

## **7. Parties, Service List, and Subscription Service**

PG&E, SCE, SDG&E, Liberty, BVES, and PacifiCorp are named as respondents to this rulemaking.

We also name as respondents the Facilities-Based Competitive Local Exchange Carriers, including the ILECs, namely AT&T California, Cal-Ore Telephone Company, Calaveras Telephone Company, Citizens Telecommunications Company of California, Ducor Telephone Company, Foresthill Telephone Company, Happy Valley Telephone Company, Hornitos Telephone Company, Kerman Telephone Company, Pinnacles Telephone Company, Ponderosa Telephone Company, Sierra Telephone Company, Siskiyou Telephone Company, Frontier California, Volcano Telephone Company, Consolidated Communications of California, Winterhaven Telephone and the other facilities-based communication providers.

We also invite, but do not require, other communication providers that attach to the pole, cable companies, and wireless companies to seek party status and to participate in this rulemaking. We also encourage participation from local municipalities who are allocated Rule 20 work credits and participate in undergrounding.

Addition to the official service list is governed by Rule 1.9(f). Any person will be added to the “Information Only” category of the official service list upon request, for electronic service of all documents in the proceeding, and should do so promptly in order to ensure timely service of comments and other documents and correspondence in the proceeding. (*See* Rule 1.9(f).) The request must be sent to the Process Office by e-mail ([process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov)) or letter (Process Office, California Public Utilities Commission, 505 Van Ness Avenue,



San Francisco, California 94102). Please include the Docket Number of this Rulemaking in the request.

Persons who file responsive comments pursuant to the preliminary schedule of this proceeding thereby become parties to the proceeding (see Rule 1.4(a)(2)) and will be added to the “Parties” category of the official service list upon such filing. Nevertheless, in order to assure service of comments and other documents and correspondence in advance of obtaining party status, persons should promptly request addition to the “Information Only” category as described above. Requests for party status made independent of the comment process shall be governed by Rule 1.4.

The Commission’s practice is to list only one representative per party in the “Party” category of the official service list. Other representatives for the same party may be placed on the service list in the “State Service” category or the “Information Only” category. The Commission’s Process Office will publish the official service list on the Commission’s website ([www.cpuc.ca.gov](http://www.cpuc.ca.gov)) and will update the list as necessary. Prior to serving any document, each party must ensure that it is using the most up-to-date service list. The list on the Commission's website meets this definition.

## **8. Subscription Service**

Persons may monitor this proceeding by subscribing to receive electronic copies of documents in this proceeding that are published on the Commission's website. There is no need to be on the service list in order to use the subscription service. Instructions for enrolling in the subscription service are available at <http://subscribecpuc.cpuc.ca.gov>.



## **9. Filing and Serving Documents**

This proceeding will utilize the electronic service protocols adopted by the Commission in Rule 1.10 for all documents, whether formally filed or only served. This Rule provides for electronic service of documents, in a searchable format, unless the appearance or state service list member did not provide an e-mail address. If no e-mail address was provided, service should be made by United States mail. In this proceeding, concurrent e-mail service to all persons on the service list for whom an e-mail address is available will be required, including those listed under “Information Only.” Parties are expected to provide paper copies of served documents upon request. E-mail communication about this OIR proceeding should include, at a minimum, the following information on the subject line of the e-mail: R.17-05-010 – Rule 20A Rulemaking. In addition, the party sending the e-mail should briefly describe the attached communication; for example, “Comments.” As required by Rule 1.10(e) paper format copies, in addition to electronic copies, shall be served on the assigned ALJ.

Rules 1.9 and 1.10 govern service of documents only and do not change the Rules regarding the tendering of documents for filing. Information about electronic filing of documents is available at [www.cpuc.ca.gov/PUC/efiling](http://www.cpuc.ca.gov/PUC/efiling). All documents formally filed with the Commission’s Docket Office must include the caption approved by the Docket Office.

## **10. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures may obtain more information by visiting the Commission’s website at <http://consumers.cpuc.ca.gov/pao>, by calling the Commission’s Public Advisor at 866-849-8390 or 415-703-2074 or

866-836-7825 (TTY)), or by e-mailing the Public Advisor at [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

### **11. Intervenor Compensation**

In accordance with Pub. Util. Code § 1804(a)(1) and Rule 17.1, a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation no later than 30 days after the date of the prehearing conference or as otherwise directed by the assigned Commissioner or ALJ.

### **12. *Ex Parte* Communications**

This proceeding is preliminarily categorized as quasi-legislative. In a quasi-legislative proceeding, *ex parte* communications with the assigned Commissioner, other Commissioners, their advisors, and the ALJ are permitted without restriction or reporting as described in Pub. Util. Code § 1701.4(b) and Article 8 of the Commission's Rules.

Any workshops in this proceeding shall be open to the public and noticed in the Commission's Daily Calendar. The notice in the Daily Calendar shall inform the public that a decision-maker or an advisor may be present at the workshop. Parties shall check the Daily Calendar regularly for such notices.

## **O R D E R**

Therefore, **IT IS ORDERED** that:

1. The Commission institutes this Rulemaking on its own motion to revise or otherwise modify Electric Tariff Rule 20, or take another course of action based on the Commission's assessment of which option is most likely to enhance the fair, efficient allocation of ratepayer funds to communities for the undergrounding of electric infrastructure in specified locations and circumstances.

2. The California investor owned electric utilities, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Bear Valley Electric Service Company, Liberty Utilities, and PacifiCorp, are named as respondents to this Rulemaking.

3. The California Facilities-Based Communication Providers, including the Incumbent Local Exchange Carriers, AT&T California, Cal-Ore Telephone Company, Calaveras Telephone Company, Citizens Telecommunications Company of California, Ducor Telephone Company, Foresthill Telephone Company, Happy Valley Telephone Company, Hornitos Telephone Company, Kerman Telephone Company, Pinnacles Telephone Company, Ponderosa Telephone Company, Sierra Telephone Company, Siskiyou Telephone Company, Frontier California, Volcano Telephone Company, Consolidated Communications of California, Winterhaven Telephone Company and other facilities based communication providers are named as respondents to this Rulemaking.

4. The electric utilities, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Liberty Utilities, Bear Valley Electric Service Company, and PacifiCorp, shall serve a copy of the proposed audit scope as outlined in Section 5.2.2 of this Order within 60 days of today's Order. The Energy Division director shall have 30 days to respond in writing to each utility's proposed scope. The electric utilities shall file and serve the results of the independent funded audit, as specified in Section 5.2.2 of this Order, within 180 days of the prehearing conference, unless otherwise specified by the Assigned Commissioner's Scoping Memo. The electric utilities shall also provide a copy of the audit to the Director of the

Commission's Energy Division and the manager of the Commission's Utility Audit Finance & Compliance Branch.

5. The preliminary category for this rulemaking proceeding is quasi-legislative as that term is defined in Rule 1.3(d) of the Commission's Rules of Practice and Procedure.

6. It is determined on a preliminary basis that there is no need for evidentiary hearings in this rulemaking proceeding.

7. Any persons objecting to the preliminary categorization or to the preliminary determination on the need for hearings, issues to be considered, or schedule shall state their objections in their opening comments on this Order Instituting Rulemaking.

8. The preliminary schedule for this rulemaking proceeding is set forth in Section 5.3 of this Order. The assigned Commissioner through his/her ruling on the scoping memo and subsequent rulings, and the assigned Administrative Law Judge by ruling with the assigned Commissioner's concurrence, may modify the schedule as necessary during the course of the proceeding to promote the efficient and fair resolution of the rulemaking.

9. Respondents and interested persons are asked to file comments evaluating the appropriateness of the wording of the questions and the validity of the data sources identified in Section 5.2 of this Order.

10. Commenters shall include in their opening comments any objections regarding the category, need for hearing, issues to be considered, or schedule. The deadline in this Rulemaking proceeding to file and serve notices of intent to claim intervenor compensation is 30 days after the date of the prehearing conference or as otherwise directed by the assigned Commissioner or the assigned Administrative Law Judge.

11. The Commission's Executive Director shall cause notice of this Rulemaking to the following service lists: Rulemaking 17-03-009, Investigation 15-11-007, and Application (A.) 16-09-001, A.15-09-001, A.17-04-010 and A.14-11-003 et al.

12. The Commission's Executive Director shall work with the Commission's News and Outreach Office to ensure that notice of this Order Instituting Rulemaking is provided to communities and counties in the service areas of the respondents, since they are likely to be directly impacted by this proceeding.

This order is effective today.

Dated May 11, 2017, at Merced, California.

MICHAEL PICKER

President

CARLA J. PETERMAN

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

Commissioners



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	12	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Resource Management
<b>File #:</b>	20-10	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	01/14/2020	<b>Final Action:</b>	
<b>Title:</b>	Receive the annual report and Capital Improvement Plan for the English Hills Transportation Impact Fee Program for FY2018/19; and Conduct a Public Hearing to consider adoption of a resolution which approves the updated English Hills Transportation Impact Fee Area Capital Improvement Plan and authorizing expenditures of \$174,573 from the English Hills Area Road Improvement Reserve Account toward the Timm Road Improvement Project		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - English Hills Boundary Map, B - Annual Report, C - Capital Improvement Plan, D - Fact Sheet, E - Public Notice, F - Resolution		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Public Hearing Required?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			

### DEPARTMENTAL RECOMMENDATION:

The Department of Resource Management recommends that the Board of Supervisors:

1. Receive the annual report and Capital Improvement Plan for the English Hills Transportation Impact Fee Program for FY2018/19; and
2. Conduct a Public Hearing to consider adoption of a resolution which approves the updated English Hills Transportation Impact Fee Area Capital Improvement Plan and authorizing expenditures of \$174,573 from the English Hills Area Road Improvement Reserve Account toward the Timm Road Improvement Project.

### SUMMARY:

Each year, the Board is required by State law to review the English Hills Transportation Impact Fee Program ("Program"), adopted by the Board of Supervisors in 2001 (see Attachment A - Boundary Map). The Board must conduct a public hearing and adopt a resolution which approves the Capital Improvement Plan. The resolution must also include findings relative to expended and unexpended funds generated by the fee program. In FY2018/19, the fee program did not fund improvements, and ended the fiscal year with a balance of \$174,573 (see Attachment B - Annual Report). In 2020, the Timm Road Improvement Project will include construction of shoulder, vertical curve, and intersection improvements, which are eligible expenses for Program funds. Staff's recommendation is to expend the fund balance of \$174,573 towards the improvement of Timm Road as planned in the English Hills Transportation Impact Fee Area Capital Improvement Plan (see Attachment C - Capital Improvement Plan).

State law also requires the Board of Supervisors to review the adequacy of the fee every 5 years. The last 5-year review was completed in 2017, with the County adjusting fees downward due to completion of improvements and to adjust the fee for secondary dwelling units.

### **FINANCIAL IMPACT:**

Funds collected from this program are placed in a separate fund for future improvements to specific roads as outlined in the English Hills Transportation Impact Fee Area Capital Improvement Plan. It is anticipated that at build-out of the fee area, the total fees collected for the updated capital improvement plan will generate \$6,476,717 in funding. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget. There is no fiscal impact to the General Fund.

### **DISCUSSION:**

In 2001, the Board established a Transportation Impact Fee program for the English Hills area. The intent of the program is to collect funding from the construction of new residences in the English Hills area in order to mitigate the expected significant impact of development on the County's road system (see Attachment D - Fact Sheet) in that area.

Section 66006 of the Government Code and section 11-470 of the Solano County Code require that a report be prepared each year containing specific information regarding the fees. The report was made available to the public, with advance posting along road corridors in English Hills area, the Department of Resource Management lobby, and the Board Chambers public noticing wall (see Attachment E - Public Notice). In addition, a public hearing must be held as part of the consideration of the updated Capital Improvement Plan. Notice of this hearing was published in the Vacaville Reporter and the Fairfield Daily Republic newspapers.

The Timm Road improvements, to be constructed in 2020, will provide improved sight distance, enhanced safety at intersections, shoulder widening for bicycle and vehicle safety, and upgraded signage and striping. Timm Road is in the English Hills Transportation Impact Fee Area Capital Improvement Plan, and the \$1.7 million in estimated improvement costs are an eligible expense for the Program.

The Board reduced the Program fee in 2017 during the 5-year review primarily due to expansion in the zoning ordinance for secondary dwellings, which allows the fee to be spread over a larger number of units. Secondary dwellings that are built less than 1,000 square feet in size have a reduced fee set to 75% of the primary dwelling fee. These smaller residences typically have fewer bedrooms, and thus generate less traffic than the primary dwellings. Per the ordinance, the fees are adjusted every 6 months utilizing the Engineering News Record Construction Cost Index, as has been done since the impact fee area was created.

The proposed Capital Improvement Plan was reviewed by the Department and remains largely unchanged. Based on this information, it is recommended that the fee continue to be adjusted by the Engineering News Construction Cost Index, in the years between the 5-year reviews.

With the Board adoption of the resolution (F - Resolution), the Department will continue to implement the English Hills Transportation Impact Fee Area Capital Improvement Plan as project funds become available.

### **ALTERNATIVES:**

The Board could choose to modify the proposed Capital Improvement Plan and/or not authorize expenditure of Program funds towards Timm Road. This is not recommended, since the proposed Capital Improvement Plan provides for the collection of fees and the improvement of roads within the fee area to bring the road system

up to County adopted standards.

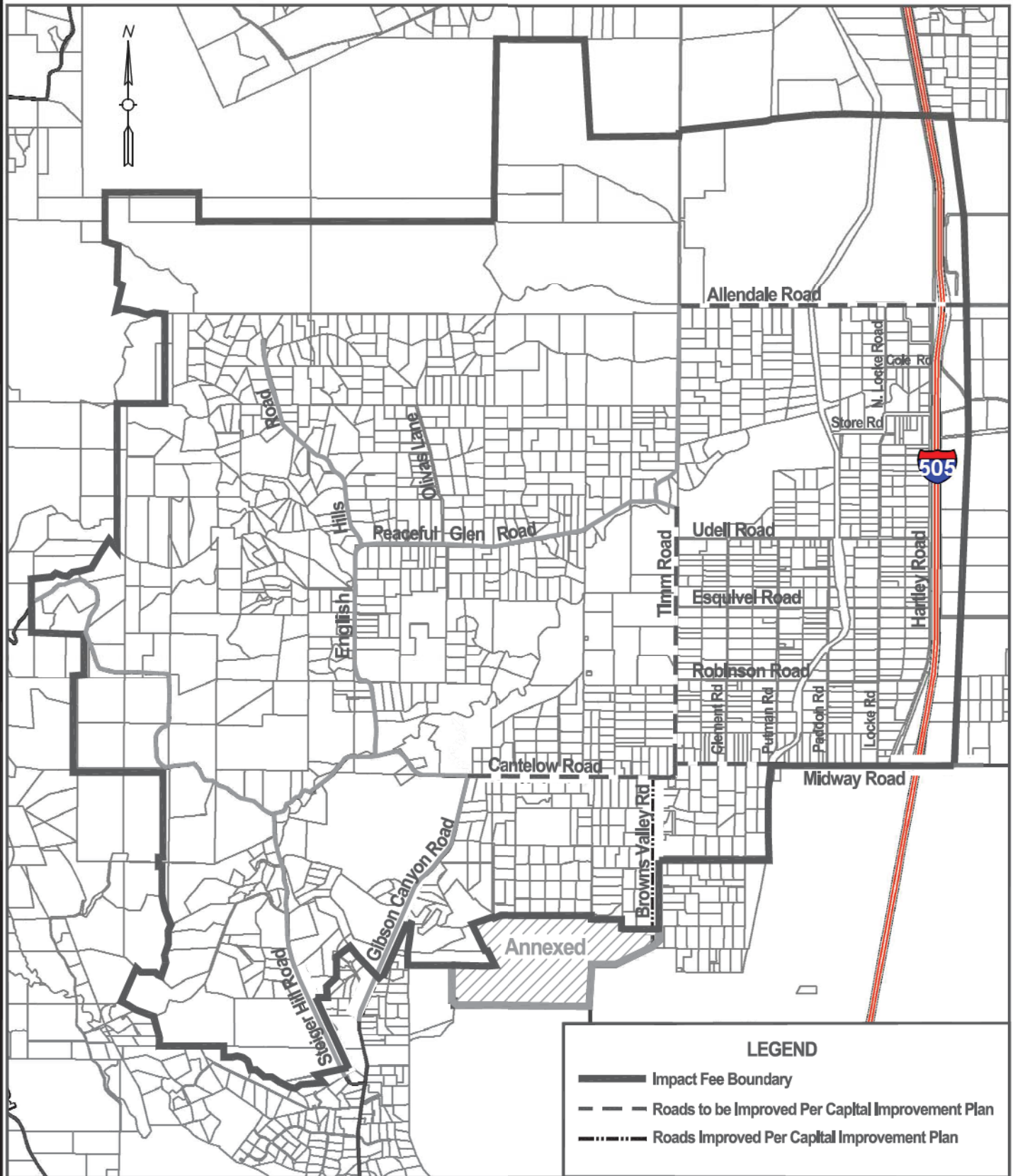
**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed this item and approved it as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION





## Solano County Transportation Impact Fee Program English Hills Area Boundary

# **Annual Report for Fiscal Year 2018/2019**

## **English Hills Transportation Impact Fee Program**

### **Summary**

State law (Government Code Section 66006) requires each local agency that imposes development fees to prepare an annual report providing specific information about those fees. This requirement is part of the law commonly referred to as AB 1600. It codifies the legal requirement that fees on new development have the proper nexus to any project on which they are imposed. In addition, AB 1600 imposes certain accounting and reporting requirements with respect to the fees collected. For accounting purposes, the fees must be segregated from the general funds of the County and from other funds or accounts containing fees collected for other improvements. Interest on each development fee fund or account must be credited to that fund or account and used only for the purposes for which the fees are collected.

Provisions of the law require that the agency that collected the fee make certain information available to the public annually. The following is the required information for the English Hills Transportation Impact Fee.

#### **a. A brief description of the type of fee in the fund.**

The English Hills Transportation Impact Fee is a traffic impact fee imposed on development that occurs within a specified area in and near English Hills, including Allendale and areas along Gibson Canyon Road, Steiger Hill Road and Cantelow Road. It was created by Solano County in 2001 as Chapter 11, Article XV of the Solano County Code, pursuant to Government Code Section 66000, et.seq.

#### **b. The amount of the fee.**

The fee for each new dwelling unit constructed in the fee area was as follows:

\$7,198	(for the period from 7/1/2018 to 12/31/2018)
\$5,398	(75% of fee for secondary home less than 1000 sq. ft.)
\$7,256	(for the period from 1/1/2019 to 6/30/2019)
\$5,442	(75% of fee for secondary home less than 1000 sq. ft.)

#### **c. The beginning and ending balance of the account or fund, the amount of fees collected, and the interest earned, for FY 2018/19.**

Beginning balance	\$126,172
Plus fees collected	\$45,102
Plus interest earned	\$3,299
<u>Less Expenses</u>	<u>(\$0)</u>
Ending balance	\$174,573

- d. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.**

No improvements were constructed in FY2018/19.

- e. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing of an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.**

Improvements to Timm Road are planned for construction in 2020.

- f. A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.**

No interfund transfers from the account have taken place during FY2018/19.

- g. The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.**

No refunds nor allocations were made pursuant to subdivision (e) or (f) of Section 66001.

- h. The Board of Supervisors reviewed the English Hills Road Impact Fee Program on January 10, 2017 and adjusted the fee based on updated improvements and numbers of potential secondary dwellings (Resolution No. 2017-10). Fees for a primary dwelling are adjusted every 6 months using the Engineering News Record Construction Cost Index. Fees for a secondary dwelling which is less than 1000 square feet are reduced to 75% of the amount collected for a primary dwelling. Fees are collected prior to a building permit for a new dwelling.**

# ENGLISH HILLS TRANSPORTATION IMPACT FEE AREA CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan for improvements to be financed all or in part by fees generated by the English Hills Transportation Impact Fee Area shall consist of constructing, reconstructing, widening and making associated improvements to the following roads located within the fee area:

ROAD NAME	LENGTH (MILES)	WIDTH (FEET)		ESTIMATED COST OF IMPROVEMENTS PAID BY FEE	
		ROW	Paved	ROW	Road
ALLENDALE ROAD	1.52	80	32	\$185,343	\$1,056,297
CANTELOW ROAD	1.14	80	32	\$69,504	\$1,375,966
DOVE CREEK TRAIL	0.2	80	32	\$78,520	\$447,494
ENGLISH HILLS ROAD	1.32	70	32	\$0	\$840,868
GIBSON CANYON ROAD	1.21	70	32	\$0	\$917,311
MIDWAY ROAD	0.58	80	32	\$35,362	\$0
STEIGER HILL ROAD	1.47	60	24	\$0	\$510,775
TIMM ROAD	1.50	80	32	\$91,452	\$1,042,399
SUBTOTALS	4.74			\$460,180	\$6,191,110
TOTAL					\$6,651,290
LESS EXISTING FUND BALANCE				incl.	(\$174,573)
REMAINING FEES TO BE COLLECTED				incl.	\$6,476,717

In some instances, the fees generated by the Transportation Impact Fee Area are not sufficient to construct the entire width of the road, and public funding will be required to complete the construction. In such cases, the fees collected may be used to construct improvements to the extent such funding is available, and public funding may be used to complete the road improvements when such public funding is available.

# **English Hills Transportation Impact Fee Fact Sheet**

Solano County Department of Resource Management - Public Works Engineering

## **What is the English Hills Transportation Impact Fee?**

The English Hills Transportation Impact Fee is a traffic impact fee imposed on development that occurs within a specified area in and near the English Hills, including Allendale and areas along Gibson Canyon Road, Steiger Hill Road and Cantelow Road (see map on back). It was created by Solano County in 2001 as Chapter 11, Article XV of the Solano County Code, pursuant to Government Code section 66000, et seq. It is the second of such fees established in unincorporated Solano County (the first one was established in 1980, and encompasses Green Valley and portions of Suisun Valley).

## **What is the purpose of the fee?**

The County road system was originally intended to serve a low volume of traffic, as would occur in sparsely populated rural areas. The County has limited funding to maintain its existing road system. When a large number of new homes are constructed in an area, like in English Hills, the traffic on the nearby County roads increases significantly, impacting the condition of the roads. This requires that structural and safety improvements be made to the roads. The only way to do that is to have development pay its fair share to mitigate the impacts that it causes to the roads.

## **How was the fee determined, and how much is it?**

In 2001, the County looked at the number of houses that were projected to be constructed in the English Hills area, and then calculated the traffic that these additional homes would generate. The cost of the road improvements required as a result of this traffic was then determined. The fee was based on the cost of the improvements divided by the projected number of new homes to be built. The fee is adjusted every six months (on July 1 and January 1) based on a national construction cost inflation index. Call Public Works – Engineering at (707) 784-6765 to find out the current amount of the fee.

## **What development must pay the fee?**

All new residential dwelling units constructed within the boundary of the fee area are required to pay the fee before a building permit will be issued. A residential unit includes a primary dwelling, a “granny flat”, a mobile home, and/or a secondary living unit. Mobile homes that are installed through the use permit process also need to pay the fee, but if the applicant requests a refund within ninety days of the removal of the mobile home, the fee will be returned. Projects that do not involve construction of a residential dwelling unit, such as barns and room additions, do not need to pay the fee.

## **What is done with the funds raised by the fee?**

The funds collected from the English Hills Transportation Impact Fee are deposited in a separate trust fund that can only be used for improvements to the roads within the boundary of the English Hills area. They are retained in that trust fund, collecting interest, until such time that enough funds have been collected to fund an improvement project on one of the selected roads. The collected fees will pay for future safety and shoulder improvements on Allendale Road, Cantelow Road, Midway Road and Timm Road and may include the addition of a multi-use path on various roads in the specified area.

## **Is there a process for applying for a reduction or waiver of the fee?**

Applications for a fee reduction or waiver must be made in writing to the Director of Resource Management / Transportation Director no later than the time of filing the request for a building permit. The County ordinance that established the fee describes the requirements of the application in more detail.

Note: This sheet is intended to give a general overview of the transportation impact fee; it does not provide all details of the program. For additional information, contact Public Works – Engineering at (707) 784-6765.



# NOTICE OF PUBLIC HEARING

The Solano County Board of Supervisors will be holding a public hearing during the course of its regular meeting on Tuesday, January 14, 2020, at the Board of Supervisors Chambers, Solano County Government Center, 675 Texas Street, First Floor, Fairfield, California, on the annual update of the English Hills Zone of Benefit Capital Improvement Plan. The area of the Plan consists generally of English Hills, Allendale, Steiger Hill Road, and Gibson Canyon Road, located north of Vacaville and west of Interstate 505. For more information, call Matt Tuggle at (707) 784-6072.

**RESOLUTION NO. 2020 - \_\_\_\_**

**RESOLUTION APPROVING THE UPDATED ENGLISH HILLS  
TRANSPORTATION IMPACT FEE AREA CAPITAL IMPROVEMENT PLAN  
AND MAKING FINDINGS REGARDING EXPENDITURE OF FUNDS FROM  
THE ENGLISH HILLS AREA ROAD IMPROVEMENT RESERVE ACCOUNT**

**Whereas**, pursuant to section 66000 et seq. of the California Government Code, known as the Mitigation Fee Act, on June 26, 2001 the Solano County Board of Supervisors adopted the Transportation Impact Fee Program, the English Hills Transportation Impact Fee Area (Fee Area), and the English Hills Transportation Impact Fee Area Capital Improvement Plan (Capital Improvement Plan); and

**Whereas**, the Fee Area collects transportation impact fees to complete road improvements on certain roads within the English Hills area of unincorporated Solano County; and

**Whereas**, section 66002(b) of the Mitigation Fee Act requires the local agency to update the Capital Improvement Plan annually, to show the improvements to be funded by the program; and

**Whereas**, the Capital Improvement Plan has been updated to reflect the improvements to be funded by the program; and

**Whereas**, a public hearing was held on January 14, 2020 on the Capital Improvement Plan, and all persons interested were heard; and

**Whereas**, the Fee Area Annual Report was made available to the public at least fifteen days prior to the public meeting, and a notice of the hearing was published at least ten days prior to the public hearing in a newspaper of general circulation; and

**Whereas**, the updated Capital Improvement Plan shows the roads in the English Hills area that will be improved with funds generated by the Fee Area, the ultimate right of way and paved widths of the roads, and the estimated funds that will be generated by the Fee Area; and

**Whereas**, section 66001(d) requires Solano County to make several findings regarding unexpended funds in the English Hills Area Road Improvement Reserve Account.

**Whereas**, the Timm Road improvements, estimated to cost \$1.7 million, are eligible expenses for the unexpended FY2018/19 fund balance from the English Hills Area Road Improvement Reserve Account.

**Resolved**, the Solano County Board of Supervisors approves the updated English Hills Transportation Impact Fee Area Capital Improvement Plan which is attached as attachment C.

**Resolved**, the Solano County Board of Supervisors authorizes expenditure of \$174,573 towards the Timm Road Improvement Project from the English Hills Area Road Improvement Reserve Account.

**Resolved**, the Solano County Board of Supervisors makes the following findings regarding the unexpended funds in the English Hills Area Road Improvement Reserve Account:

1. The purpose of the fee from which the funds have been collected is to pay the costs of roadway facilities and improvements in accordance with the provisions of the Solano County General Plan.
2. There is a reasonable relationship between the need for the roadway facilities and improvements identified in the Capital Improvement Plan and the development projects on which the fee is imposed, since new development will generate new demand for roadway facilities, which must be accommodated by construction of new or expanded facilities.
3. Funding for the projects included in the Capital Improvement Plan will come from the funds generated by the Fee Area, with the anticipated amounts of funding shown in the Capital Improvement Plan.
4. Funding is collected by the Fee Area and deposited into the English Hills Area Road Improvement Reserve Account as facilities are constructed within the boundary of the Fee Area. The date for collection of the fees is anticipated to extend for about twenty years, depending upon the rate of development in the Fee Area.

Passed and adopted by the Solano County Board of Supervisors on January 14, 2020 by the following vote:

AYES:                      SUPERVISORS: \_\_\_\_\_

\_\_\_\_\_

NOES:                      SUPERVISORS: \_\_\_\_\_

EXCUSED:                      SUPERVISORS: \_\_\_\_\_

\_\_\_\_\_

ERIN HANNIGAN, Chairwoman  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk