



CITY COUNCIL

STAFF REPORT

April 16, 2025

**ITEM TITLE: RESOLUTION 2025-019 SELECTING 1300 BLOCK ELM AVENUE AS THE CITY OF IMPERIAL BEACH'S 20A PROJECT AND ALLOCATING ALL 20A WORK CREDITS FROM SDGE IN THE AMOUNT OF \$2,197,966 TO THE PROJECT. (0810-20)**

**ORIGINATING DEPARTMENT:**

Public Works

**EXECUTIVE SUMMARY:**

Adoption of Resolution 2025-019 will approve the selection of 1300 Block Elm Avenue as the City's 20A project and allocate all 20A work credits from SDGE in the amount of \$2,197,966 to the Project. The Rule 20A is a program under the California Public Utilities Commission (CPUC) that facilitates the undergrounding of overhead utility lines, such as electric and telecommunication lines, in areas served by utilities like San Diego Gas & Electric (SDG&E). This initiative aims to enhance public safety, improve aesthetics, and bolster system reliability.

**RECOMMENDATION:**

Adopt Resolution 2025-019 approving the selection of 1300 Block Elm Avenue as the City of Imperial Beach's 20A project and allocate all 20A work credits from SDG&E in the amount of \$2,197,966 to the Project.

**OPTIONS:**

- Adopt Resolution No. 2025-019 selecting the 1300 Block of Elm Avenue as the City's 20A project and allocate all 20A work credits from SDG&E in the amount of \$2,197,966 to the Project.
- The City Council could select an alternate 20A project and provide funding necessary to cover any shortfall.
- The City Council could elect to not proceed with any projects or provide alternate direction.

**BACKGROUND/ANALYSIS:**

The Rule 20A is a program under the California Public Utilities Commission (CPUC) that facilitates the undergrounding of overhead utility lines, such as electric and telecommunication lines, in areas served by utilities like SDGE. This initiative aims to enhance public safety, improve aesthetics, and bolster system reliability.

In 2016, the City Council adopted Resolutions 2016-7669, 2016-7670, and 2016-7671 establishing underground utility districts in the 1300 block of Donax Avenue, the 1300 block of Elm Avenue, and the 900-1000 blocks of Fern Avenue respectively. At the time of the creation of the districts, the staff report noted that due to the limited 20A funding the City of Imperial Beach receives annually, it was unlikely that funding for all three Underground Utility Districts proposed

would be available for many years. SDG&E's Rule 20A Status and Summary letter (Attachment 2) states that the City's Rule 20A work credits in the amount of \$2,197,966 are set to expire if they are not designated to an "Active" project. In order to meet the requirements of an "Active" project, the City must designate a project and allocate sufficient funds necessary to complete the project through a resolution adopted by the City Council. Based on the City's current undergrounding districts and Rule 20A balance, the only viable project staff has identified is the 1300 Block of Elm Avenue Project, which SDG&E estimates has a cost of \$1,889,263. Both the 1300 Block of Donax Avenue Project (\$5,735,570) and 900-1000 Block of Fern Avenue Project (\$3,905,934) have cost estimates in excess of the City's Rule 20A fund balance. In order to select either the 1300 Block of Donax Avenue Project or 900-1000 Block of Fern Avenue Project, the City would be required to allocate additional non-20A funding necessary to meet any shortfall.

To secure Rule 20A work credits, staff has prepared a Resolution (Attachment 1) selecting the 1300 Block of Elm Avenue Project and allocating the balance of the City's 20A work credits. The Resolution includes a Boundary Map Exhibit detailing the boundary of the proposed Project.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

There are no near-term fiscal impacts of selecting the 1300 Block of Elm Avenue Project and allocating the City's 20A work credits towards the Project. SDG&E will prepare all the project drawings and perform construction using 20A funds.

**ATTACHMENTS:**

1. Resolution No. 2025-019
2. Rule 20A Status and Summary