



**Rancho Palos Verdes Council of Homeowners Associations
(CHOA)**

CHOA MEMBERS FEEDBACK ON THE GUIDELINES FOR UNDERGROUNDING UTILITIES IN RESIDENTIAL NEIGHBORHOODS

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GENERAL COMMENTS

- It is my understanding that the telephone poles that have the cell phone equipment on them will remain in place, although they may take the tops off but only from where the cell phone equipment is placed to the bottom of the pole will remain, in other words, most of the pole. The cell phone equipment is, at least in our area, pretty high up the pole.
Prim Hamilton, Seaview HOA
- The guide is informative and understandable... There are a few typos...It would be helpful if a "neighborhood" could be more specific but I understand the many considerations.
Shirley Borks, Coach Road HOA
- I'm totally against it. Period.
Elaine Panousis, Mira Vista HOA
- I absolutely support doing this. It will increase property values. I know of two other areas that have done this and it was very noticeable. Very, very nice!
Kristine Denton, Mira Vista HOA
- Why are they all of sudden looking to underground when their approach in the past has been that each community fly on their own????? They've NEVER been behind a concerted effort to underground. I totally support this, think it's long in coming and whatever can be done to get the city behind it is wonderful. 66% in favor of undergrounding vs. 100% is HUGE. It'd be great to see if the city will put forth money since they've never tried to implement and not even the back door approach PVE has used to ready the residents. But, even if they don't--this would be wonderful. I'm totally for this...I like the idea of 66% in favor it passes.

There's one thing I think may be important and that is I think you have to change your electrical panel to accommodate the undergrounding, cause everything's coming from under the ground versus overhead and there's a big feed hole in the panel: one or the other or both. PVE has said they're going to underground for 20 yrs now and requires any electrical panel mod to encompass both feeds, but I just changed mine and RPV didn't require that which if they were thinking ahead they should have considered and maybe take some of the cost hit for that. I'd certainly bring that up as perhaps an added cost of about \$1000 per home and then the older homes have really old small boxes and they'll have to be upgraded and on and on.

Lynne Testa, Mira Vista HOA

- I am for it. As a homeowner with a view this is an equity investment in the property.
Jeff Headon, Mira Vista HOA
- This issue does not directly affect the Crestmount Community Association as all utilities were place underground when it was originally subdivided in the early 60's....
Will Gassett, Crestmont Community HOA

- I am sure that folks who have wires and poles in their sight lines, hindering their views would probably like the idea of moving the wires. Our neighborhood's wires go in the back of yards and don't appear to hinder view this low on the hill. It would be extremely expensive for me to dig up two levels of back yard, break up concrete, trench under two retaining walls, just so wires that already pass through Oleanders along the back of my property would be buried. And that is just the cost for my address that would be all my own to incur.

If everyone's back yards were on level ground or even on a slight slope, it might be affordable. But if you travel all the different terrains that are found in RPV, then you would see how expensive it really would be to place the utilities underground. For the last 19 years with the telephone company, I have been a technician that works on underground phone wires. Even with underground wires, access to many back yards would still be required by telephone and cable TV technicians.

My bottom line is that the cost is too high this low on the hill to justify any benefits of burying cables and wires.
Mark Wells, Mira Vista HOA

- I am very excited about the prospect of undergrounding these lines. I have telephone lines to my neighbor's home traversing my property...they aren't even my lines. My lot is inundated with other people service lines...I am so ready for this...let me know how big to write the check for....
Claudia McCulloch, Mira Vista HOA
- The main thing to emphasize about the guidelines is that they make it much easier to defeat an attempt to underground utilities than to get one approved. First, you have to get people to sign a petition without knowing how much the project will cost, just a rough estimate. That has been an item of contention in my neighborhood. Then, you have to convince the signer to part with \$100 to study the idea.

I have no objection to a democratic process, but it is cumbersome. This procedure makes sure that the project is completely supported by the neighborhood. First, you need 66.6% support or more on the first petition. Then, you need 66.6% or more support on the second petition. This means that anyone who opposes the district has a vote that is twice as strong as someone who supports it. Then, ballots are mailed out as one of the last steps in the process, and if 50% or more of the assessed value opposed the district, it cannot go forward. In other words, it takes a great deal of effort to do something good for the neighborhood.

Tim Burrell, Seaview Residents, HOA

- I spent some time reading the Underground Utilities Guidelines and feel that you all have done a good job and do not have anything to add but do have a couple of questions. *(see affordability issues)* ... I don't think something like this could ever affect us here in our building but would sure be nice to get rid of some of the poles around us.
Jeannine Etcheverry, Eastview HOA

- I think I understand the general idea of the proposal, and I certainly like the idea of hiding the poles and overhead wires from view. What I don't understand is why the city is agreeing to allow the majority of the expense to be placed on the homeowner -- especially in light of the fact that the utility's transmission equipment is long overdue for replacement. Edison International has been taking depreciation allowances on its equipment for the last 40 years. These depreciation allowances have almost certainly affected Edison's taxes and been factored into the rates it is allowed to charge. Now, however, it appears to have found a way to have each customer pay for replacing that equipment. I am sure Edison favors this idea. I cannot comprehend why our city council seems to be giving the idea its endorsement. Please let me know if I am missing something. *Glenn Cornell, Rolling Hills Riviera HOA*
- If we can't even get legislation to ban RV's parked on the street, do you really think we can pass undergrounding wires?

My boss lives near Hesse Park, and his block just went thru this, and the price would have been about \$30K each resident. It did not get the 2/3 necessary vote from his block (or from him).....I actually don't think this is much of a problem in general in our area. I would not pay the price, because I don't think it would increase our property values by much if at all. *Keven, Mira Vista HOA*

COMMENTS ON SPECIFIC ISSUES IN GUIDELINES

- The word "Procedures" in Table of Contents and heading on page 4 should be changed to "Process," which better defines the undergrounding 'process.' *Frank Lyon, Seagate Villa HOA*

INTRODUCTION:

- Are public funds ever available? *Sam VanWagner, San Ramon HOA*
- Rewrote "Intro" and edited doc quite a bit to make its meaning clearer to the public. *Jon Cartwright, Panorama Estates. HOA*

STEP 1:

- **Paragraph 1.2:** Who is responsible for arranging neighborhood meeting(s) And states purpose for each of the meetings (see paragraph 2.2 and 3.2). *Renee Cartwright, Panorama Estates. HOA*

- **Paragraph 1.3:** Should homeowners who already have underground utilities be a part of the decision making process?
Don Shults, Rolling Hills Riviera HOA
- **Paragraph 1.4:** The petition should be clear that it is only for obtaining an engineering report of the estimated cost of the total project. The \$100 fee is to cover the work of the utilities to prepare this report. This petition is not the same as the one in step 2.
Warren Sweetnam, Rockinghorse Road (Upper) HOA
- **Paragraph 1.5:** Explain plan to address concerns of those who face a financial hardship—what are some of the issues the City wants addressed in the plan?
Don Shults, Rolling Hills Riviera HOA
- **Paragraph 1.6** Might be best to delete step 1.6, and keep step 2.5, 1.6 does not fall under step 1.)
Frank Lyon, Seagate Villa HOA

STEP 2:

- **Paragraph 2.1:** Are Engineering Plans and Cost Estimate prepared by SCE put out for bids?
Don Shults, Rolling Hills Riviera HOA
- May need to add something in this section about hookups to individual properties.
- *Sam VanWagner, San Ramon HOA*
- **Paragraph 2.5:** The first 5 words are a typo and should be removed.
Warren Sweetnam, Rockinghorse Road (Upper) HOA
- **Paragraph 2.5:** How will notice determined if the project presents a financial hardship?
Sam VanWagner, San Ramon

STEP 3:

- **Paragraph 3.1:** In the last line, "project" should be replaced with "property" or "parcel".
Warren Sweetnam, Rockinghorse Road (Upper) HOA
- **Paragraph 3.4:** ...At this time, I disagree with the weighted assessment approach. This gives more power to fewer residents. I favor equal weight for all residents. Also, it would be beneficial to encourage as many neighborhoods to underground at the same time to reduce costs. Pricing on the entire City may be favorable compared to individual neighborhoods. The contractor will also provide favorable pricing on a high volume job. In fact, several contractors may even court the City for this business given the current condition of the economy.
Steven LaPine, President, Mira Vista HOA

- **Paragraph 3.5:** Who pays for costs incurred if the assessment district is not approved?
Frank Lyon, Seagate Villa HOA

COMMENTS ON COMPETITIVE BIDDING

- I do believe that all major contracts should be on a competitive bid basis.

Will Gassett, Crestmount Community HOA

- Does competitive bidding mean that the lowest bid always wins? I'm not in favor of that...I think that there should be competitive bidding.

Shirley Borks, Coach Road HOA

- ...I also object to Edison's policy concerning competitive bidding. If you want to go out to competitive bids, they will not bid. If you want them to do the construction, they will bid it, and that is what has happened in Manhattan Beach. Edison is probably the best company to do the construction, as they will ultimately have to take over the system and maintain it, and they have the most experience. However, when they will not bid against other companies, even though I think their bid would win, it does not give us the best material to convince the people in the neighborhood that they will get the best possible prices.

There should be something in the policy to encourage Edison to contribute more. I realize that this may be impossible, as the amount they contribute is set by the P.U.C., but in my neighborhood they will be getting a completely new system to replace one with leaning poles, transformers that fail and wires that come down in a manner that causes hazards. We had to have a hazardous material company clean up their last mess. To Edison's credit, they cleaned it up right away, and worked into the night to get the problem fixed. If Edison had to contribute something to reflect the maintenance they will not have to do, it would help the process...

Tim Burrell, Seaview HOA

- I truly think there should be competitive bids. But the city makes the assessment before the bids are reviewed on the basis of the city's estimates? If the city's assessment is low and bids come in higher than what if they're substantially higher at what criteria or cost can I change my vote. If the assessment ends up high and bids come in lower do the residents get the benefit?

Lynne Testa, Mira Vista HOA

COMMENTS ON AFFORDABILITY

- When voting is done—value of view—do you get any vote or say, if your payment is being absorbed by others?
Sam VanWagner, San Ramon HOA
- The City tried to help the less fortunate members of the neighborhoods finance the cost of the improvements. It is too bad that there was no result from years of effort, as the City does not have any way to help the people on fixed incomes, other than the State of California system for which you have to be in serious financial trouble (i.e. very few people would qualify for it in our neighborhood).

My main comment is I wish it was easier to get something like this accomplished, as following the guidelines takes a great deal of work. Then, because Edison does not contribute much, and the City only has a limited fund from utility bills, it is an expensive endeavor that can create some financial hardships. The proponents of the project have to solve those financial hardships, as the City is not in a position to provide any financing or deferral of payments. I do not object to having to come up with a solution to the financial hardships, as I think it is the right thing to do, but it takes a lot of creativity, time and resources.

Tim Burrell, Seaview Residents, HOA

- ...the "neighborhood" would have to help out those that need financial help. I would be willing to do so.
Shirley Borks, Coach Road HOA
- Who would decide whether a homeowner could afford the cost and how would this be determined?
Jeannine Etcheverry
- Who determines when someone can't pay, if someone says they can't pay?
Frank Lyon, Seagate Villas HOA
- Who determine if the project presents a financial hardship to any property owners?
Don Shults, Rolling Hills Riviera HOA
- Usually if a neighborhood wants undergrounding everyone has to agree or pay for those that don't want it. As for helping those not able--a difficult thing cause they benefit no matter whether they can afford it or not. Those against are usually those that have been there forever, and are usually on a fixed income and/or have no view. Their estate still benefits from the undergrounding--it's an eyesore and when the poles aren't there everything looks cleaner and better. And most everyone has those awful poles in their yard. Besides, how do you test that someone can't afford something???? Should the few who are obviously benefiting pay for those that are only secondarily benefiting?

I think there should be a long term bond put on all those who say they can't afford it. Something where they're paying 5-6-7% on the total and maybe interest only rather

than paying off the principal? They or their heirs will sell eventually (and get the added benefits of it being under grounded) and it'll be paid off at that point. But there again how do you determine need?

I forgot to mention that hardship is hardly a cop-out of this. The value is in the property, maybe the resident doesn't have the income to support this bond, but they're probably sitting on their total equity--no loans. So they have a minimum of \$650,000 in equity, maybe not the income to pay big payments or support the property as they should. That's why I suggested an interest only type bond. There will be people that truly are extended, but they're extended and (I'm sorry I'm not more supportive of this) that's their choice to live where they are.

Therefore I don't support the neighbors with the view properties paying for the rest of the street. I don't think that's fair. The view guys aren't the only ones gaining. Granted they're gaining a lot, but they shouldn't have to pay for everyone else just because the rest are cheap. If the commission, or whatever they set up does a reasonable job of allocating view or benefit value (that's a big if) then everyone will be taxed appropriately --which is the first hurdle. Having the money is last but I don't think that should preclude the decision. There should be a bond that will put those "indigent people" into a special loan program. I'm sorry, we're talking about people with probably a worth of over 1 million saying that they can't pay a bond that adds to the value of their property? I've said enough on that. You obviously know my sympathies on this issue, but you do on all issues.

Lynne Testa, Mira Vista HOA

COMMENTS ON FAQ's

Question 1—What are the typical costs?

- How many years is the assessment pay back, 10yrs, 20 yrs, 30 yrs, etc?

Question 5—Why can't Edison pay for utility undergrounding?

- How about us replacing 25-30 year old equipment that Edison needs to do anyway—shouldn't they share the cost?

Question 6—What equipment will still be visible....

- What will the equipment look like? *Don Shults, Rolling Hills Riviera HOA*

Question 6—What equipment will still be visible....

- Did not answer second part of question. *Renee Cartwright, Panorama Estates. HOA*

COMMENTS ON THE PROPERTY OWNER PETITION

- **Page 13: Paragraph E:** Interest? Based on what? Current prime rate?