

Honorable Mayor and Members of the City Council
City of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802

Petition Regarding Special Assessment Proceedings Proposed Utility Undergrounding for the Peninsula

Mayor and Members of the City Council:

We, the undersigned, the owners of the property located in the City of Long Beach, California (“City”) and identified adjacent to our signatures below, respectfully petition the City Council of the City (“City Council”) to initiate and conduct proceedings pursuant to Chapter 28 of the Municipal Improvement Act of 1911 (California Streets and Highways Code Section 5896.1 and following) for the formation of an assessment district for the purpose of financing the costs of the undergrounding electric power, telephone and other communications facilities as generally described in Exhibit A hereto (the “Work”).

We understand (i) that if an assessment district is formed the costs of the Work will be assessed against those properties that will receive special benefits from the Work, which parcels are identified on the Map of Proposed Boundaries of the assessment district included as Exhibit B hereto, (ii) that the current estimate of the total cost for the Work, including costs of design, engineering, bond financing and other incidental costs is **\$11,663,628.00**, and (iii) that the current estimate for the average per-parcel assessment is as described in Exhibit C. We further understand that the final construction costs may be more or less than these amounts, as the City obtains more information regarding certain costs and bids are taken on the works of improvement. However, the assessments shall not be higher than proposed in Exhibit C, and will be less if costs are found to be lower than estimated.

In addition, we understand that, if the assessment district is formed by the City, the annual costs of administering the assessment district and of the debt service on the bonds to be issued by the City for the assessment district to finance the Work will be separately assessed against those properties that will receive a special benefit from the Work.

By submitting this petition, we hereby waive investigation proceedings and all other provisions of Division 4 of the California Streets and Highways Code, including certain rights to protest and stop the formation of the proposed assessment district, as provided in Sections 2804 and 2804.5 of that Code; however, we understand that, despite such waiver, in connection with the proceedings of the City Council to form the assessment district:

1. The owners of the properties proposed to be assessed (based on Los Angeles County Assessor's ownership records or as otherwise known to the City) will receive notice of a public hearing to be held by the City Council. At such public hearing any interested person may present written or oral testimony and the City Council will consider all objections or protests to the proposed assessments and the assessment district.
2. The owners of the properties proposed to be assessed will also receive an assessment ballot by which such owners may express their support for or opposition to the proposed assessment.
3. All assessment ballots received by the City prior to the conclusion of the public hearing will be tabulated following the conclusion of the public hearing. The City Council will have the authority to form the assessment district and levy the proposed assessments only if the assessment ballots submitted in favor of the levy of the proposed assessments exceed the assessment ballots submitted in opposition to such levy. In tabulating the assessment ballots, the assessment ballot for each parcel will be weighted by the amount of the assessment proposed to be levied on the respective parcel.

Signatures for each assessed parcel are provided in the attached signature tables. In submitting this petition we understand that we are not waiving our right: (a) to testify orally or in writing at the public hearing described above, (b) to object to or protest the levy of the assessments at the public hearing if we do not agree with the amount of the assessment proposed to be levied on our property, or (c) to submit an assessment ballot in opposition to the levy of the proposed assessment on our property if we do not agree with the amount of the proposed assessments or the assessment district generally.

This petition is respectfully submitted by the undersigned (see attached table).

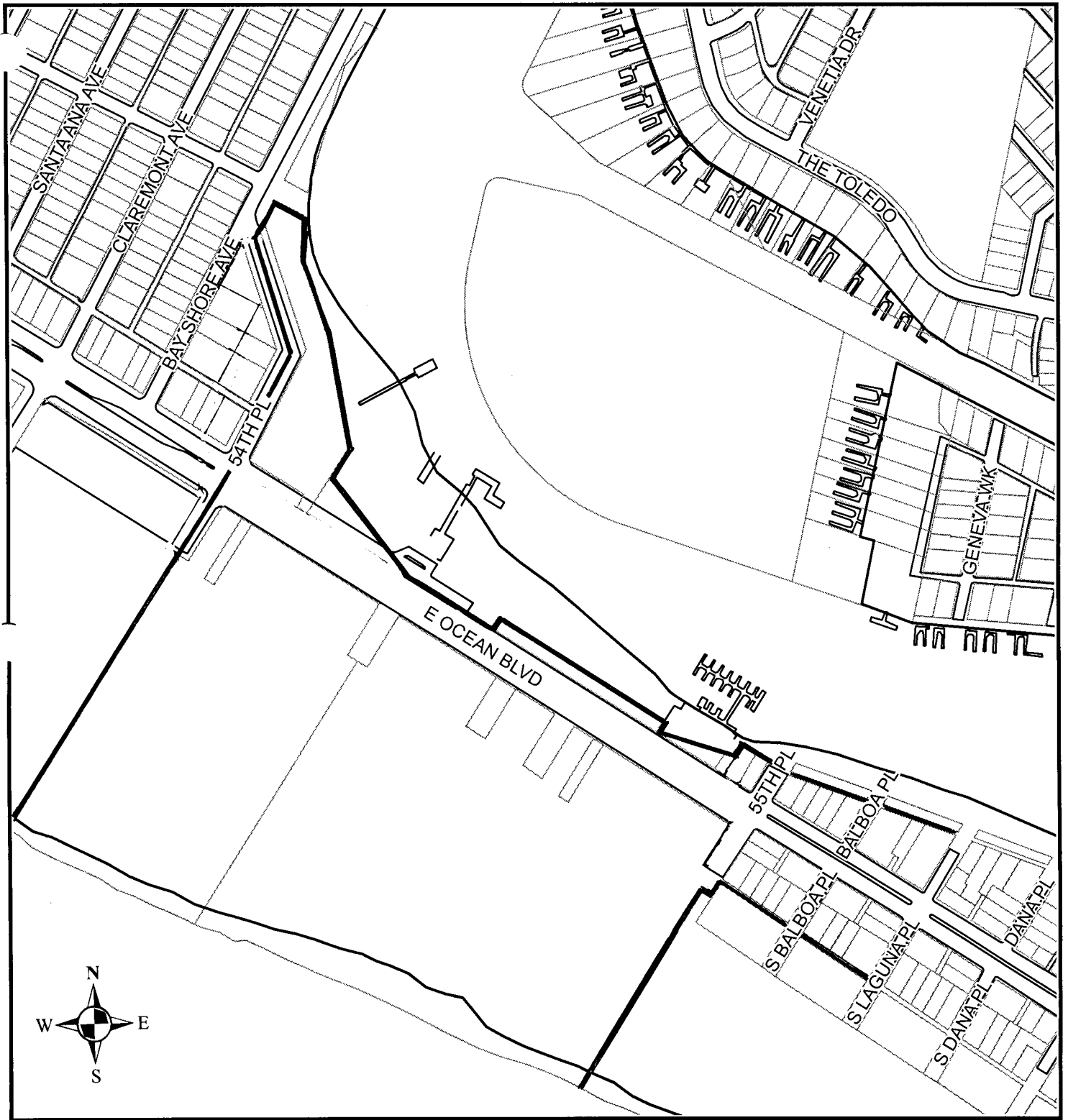
File name: Peninsula 20B petition and waiver

Petition Regarding Special Assessment Proceedings
for the proposed
Peninsula Utility Undergrounding

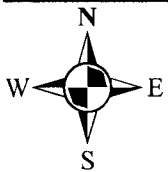
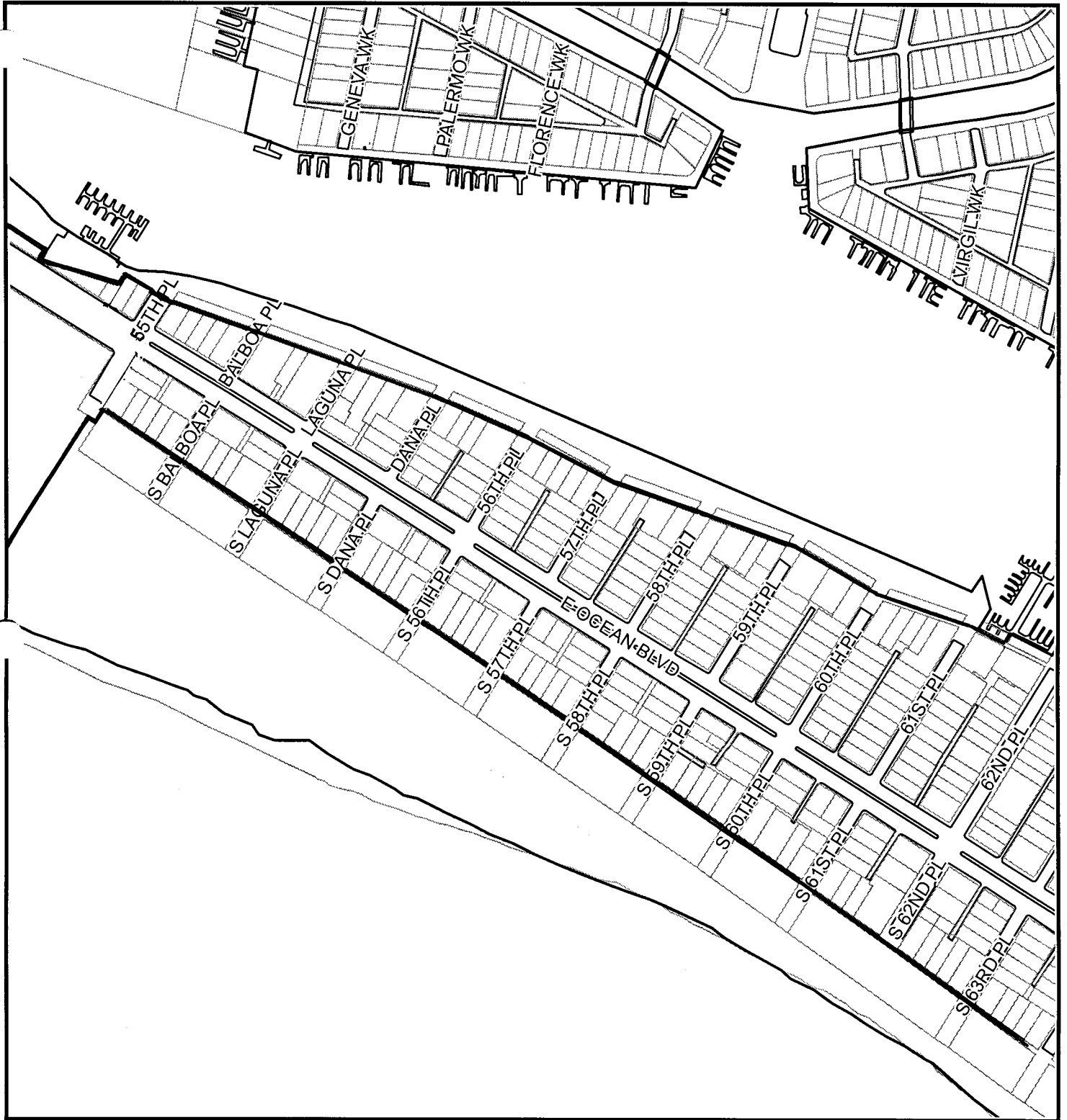
Description of the Work

Within the project area, which is shown on a preliminary basis in Exhibit B, the undergrounding of electric service lines, telephone and all other aerial communication lines is proposed to be carried out. Included within the project description are:

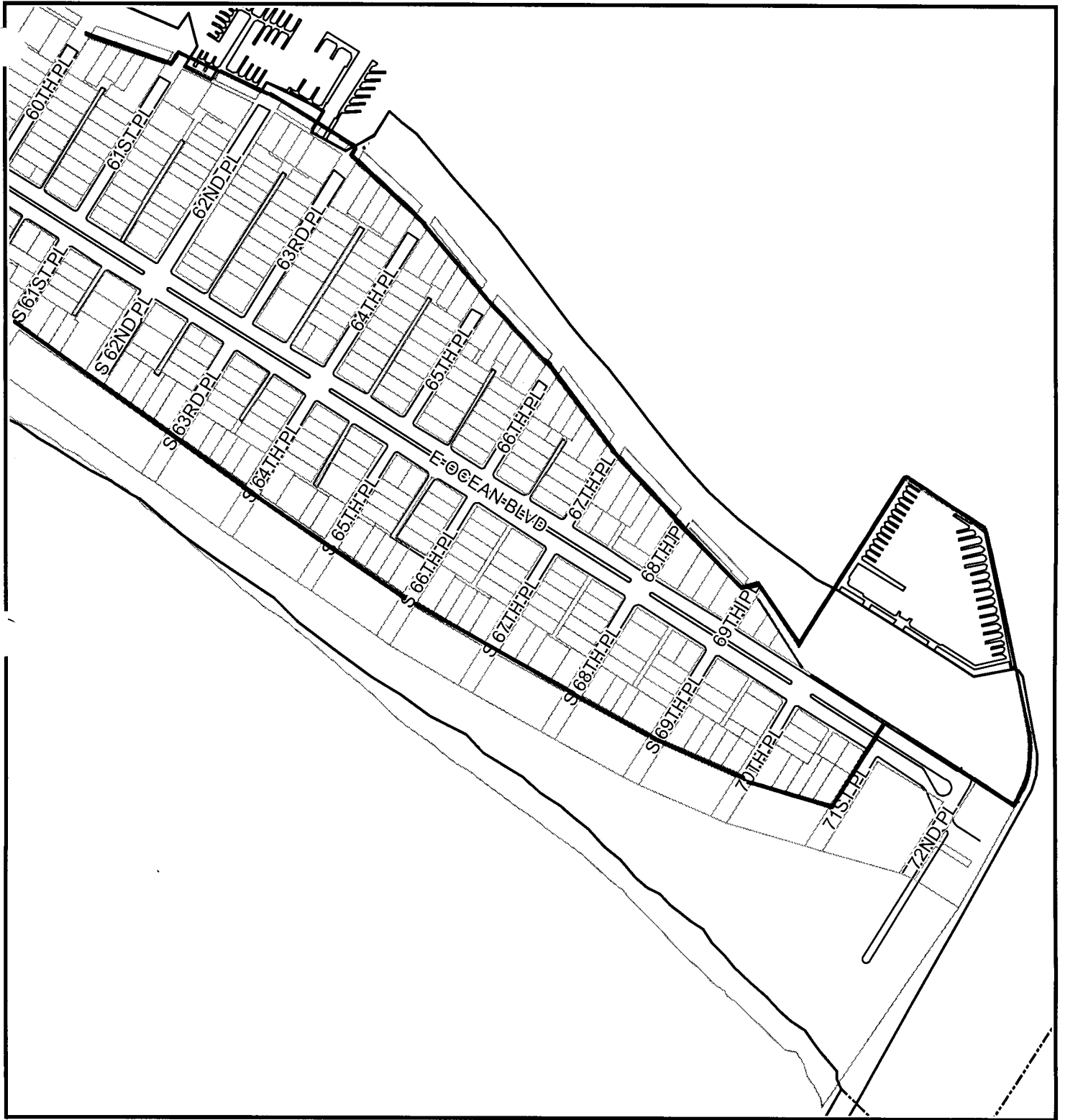
- Utility Owner (Edison, Verizon, Charter) design of the necessary infrastructure (conduits and junctions) to accommodate their line facilities (cables).
- Construction of infrastructure as designed by the Utility Owners by private contractor to the satisfaction of the Utility Owners..
- All civil engineering and road repair work including survey, trenching, backfill and re-surfacing.
- Utility Owner installation of their line facilities within the new underground infrastructure, up to the point of customer connection. Individual customer connections are specifically not a part of this Work.



**PENINSULA
RULE 20B UNDERGROUND UTILITY DISTRICT**



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Excerpted from the DMC Design Group study titled: Overhead to Underground Conversion Cost Study

After reviews of previously completed utility overhead to underground conversion construction costs and numerous phone conversations with the cost review team to review the various impacts, the team determined, based upon 10,000 feet of trench, the most appropriate unit cost for joint trenching/structures within the Naples Island/Alamitos Bay Beach areas is \$300/foot. Because of the lack of information from SCE and the other utilities to install the cabling, units costs obtained from the Toledo Project for cabling were used in this cost analysis. A 10% contingency was added for unforeseen expenses. Similar to the Toledo Project, 25% was added for district formation costs. The estimated unit cost to construct overhead to underground conversion improvements within the NIIA and ABBPG is \$758.61/linear foot.

Item Description	Unit Cost/LF
Joint Trenching/Structures	\$300.00
Edison Electrical Cabling	\$172.41
Verizon Telephone Cabling	\$58.62
Charter CATV Cabling	\$20.69
Other (10% Contingency)	\$55.17
Construction Costs	\$606.89
District Formation Cost (25% of Construction Costs)	\$151.72
Estimated Total Cost⁵	\$758.61

***Projected Utility Overhead to Underground Conversion Cost
Naples Island/Alamitos Bay Beach Area***

Cost Per Service

Lots within the NIIA and the ABBPG range in width from 30 feet to 45 feet. ~~Assuming the conduit length per lot is approximately the same as the lot width for each service, the cost per service for utility overhead to underground conversion is expected to range between \$22,750 (30 foot lot) to \$34,150 (45 foot lot).~~^{*} There will be an additional cost of \$3,000 to \$5,000 to replace existing overhead service panels at each house with a new panel compatible with underground services and to hook the underground service to the new panel.

^{*} *City is using a different cost calculation formula based on the total length of conduit to be installed times the dollars per linear foot divided by the total number of parcels to be served (see sheet 2).*

⁴ Based upon 10,000 feet of conduit installed.

⁵ Does not include converting the existing panel from overhead to underground and connection of underground service. Estimated cost is between \$3,000 and \$5,000 per services, depending upon the service length and degree of difficulty accessing and replacing the existing services panel.

**Peninsula Utility Undergrounding Project
Estimated Cost to Property Owners**

This petition is based upon the \$758.61 cost per linear foot of undergrounding electrical, telephone and cable lines determined by the DMC Design Group in their January 2008 Overhead to Underground Conversion Cost Study commissioned by the Naples Island Improvement Association, the Alamitos Bay Beach Preservation Group, and the City of Long Beach (see Page 1 of this Exhibit C). Because of the configuration of lots and blocks on the Peninsula and the fact that not all of the properties lie adjacent to the alleys, we cannot assume that the new underground system could be constructed entirely along the existing aerial route. The total length of conduit needed is therefore estimated as 15,375 linear feet, including the full length of Ocean Blvd, all of the alleys, and 50% of the side streets. This leads to a project cost estimate of (15,375 ft) (\$758.61) =

\$11,663,628

As there are 518 properties of varying sizes to be served, the average per parcel cost is calculated as \$11,663,628 divided by 518 =

\$22,516

This is only an average estimated cost, as multiple factors such as lot size and proximity to utility poles to be removed determine the individual assessments (the per parcel assessments must be calculated by an independent professional assessment engineer in accordance with state law). Costs of the individual private service lines connecting to the new underground system and long term financing costs are not included in this estimate.