
**City of Newport Beach Public Works
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Undergrounding Overhead Utilities 101

There is some renewed interest in many Newport Beach neighborhoods about resident funded undergrounding existing overhead utility lines. Following are a few of the frequently asked questions regarding undergrounding utilities and forming underground utility assessment districts, the most common method to fund this type of work. Property owners interested in forming a utility underground assessment district can request assistance from the City of Newport Beach to administer the formation process.

What is an underground utility assessment district?

An underground utility assessment district is a special district formed by a local government agency, such as the City of Newport Beach at the request of local property owners for the purpose of undergrounding utilities in the public right-of-way. The district includes all property owners that will directly benefit from the undergrounding improvements and these property owners jointly fund the cost to underground existing overhead utilities.

How is an underground utility assessment district formed?

The process begins when property owners submit a letter of interest to the City. After City staff and the utility companies perform some preliminary work, a bond counsel is retained and a petition, which includes a cost estimate, is circulated among the local property owners. If at least 60 percent of the property owners express interest, the process continues and an Engineer's Report is created. This report is important because it includes the assessment amount – the share of the improvement costs that each property owner would pay. A ballot is prepared and mailed to each property owner who then votes for or against forming the district. Under Proposition 218 guidelines, if a majority of voting property owners opposes the project, the assessment district cannot be formed.

What is involved in utility undergrounding?

All existing overhead utilities such as electric, cable television and telephone poles and wires are removed and the wires are placed in underground conduit. In the public right-of-way, this involves trenching, laying conduit lines in the trenches, installing new utility vaults, backfilling, repaving the street and removing the overhead poles and wires. Property owners are responsible for the "private conversion" portion of the project.

What are the advantages and disadvantages of undergrounding?

The main advantages to utility undergrounding include improved aesthetics, system reliability and safety. Some proponents believe that undergrounding increases property values. The disadvantages include the cost and inconvenience caused by construction.

What if I need more information?

Go to www.newportbeachca.gov/publicworks and look for the pull down list entitled Underground Assessment District in the directory on the left side of the page. Additional resources are available on the subject including more FAQs, Myths and Facts, Private Conversion Guidelines, sample letters and petitions, and more. For telephone assistance, call 949-644-3330.