

Steel Utility Poles

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City Requirements

- **The City's UDC, Section 21.15.4 Utilities, generally requires utilities to be underground.**
- **Waivers can be granted in certain circumstances, generally based on adjacent land use, to allow them overhead.**
- **Overhead utilities granted a waiver must be placed on steel poles, not wood.**
- **Utility companies, generally charge the developer to extend utilities to and through a project as part of providing service and pass the cost along to the developer – this includes the cost of steel poles.**
- **Where the extension is not driven by a particular development, but is a general extension or upgrade in service, paid for the by the utility company, they push back on the steel pole requirement.**

Other Standards

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- In addition to the requirements of the UDC, the franchise agreement and the Public Utility Commission (PUC) regulations come into play.
- There was discussion with City Council in 2021 and 2022 as to how to handle these situations.

FM 1518 Project

- In January 2022 Council directed staff to put out to bid to purchase approximately 370 steel poles as part of the FM 1518 Utility Relocation.
- CPS was required to relocated existing power along FM 1518 as part of the FM 1518 expansion project.
- CPS indicated the cost difference to upgrade from wood to steel was \$1,247,733. (Wood poles \$748,070 versus steel at \$1,995,803)
- The City choose to try to purchase the metal poles ourselves to lower the cost. Bids came back at between \$1,253,511 and \$1,856,090. This reduced the cost to upgrade from wood to steel poles to \$505,411.
- The City bidding out for steel poles is probably not very viable on a small project by small project basis.

Ray Corbett Drive Upgrade

- **CPS has submitted a permit to upgrade power on Ray Corbett Drive, behind Ray Corbett Middle School and near Rhine Valley.**
- **The project involves replacing 20 existing wooden poles with different wooden poles.**
- **CPS has provided a cost to upgrade these poles from wood to steel at \$63,902.19 (\$42,921.50 for wood and \$106,833.69 for steel).**
- **Staff is seeking direction on whether Council wishes to pay the cost difference - \$63,902.19 to upgrade from wood to steel.**

Larger Issue

- **The Ray Corbett Drive upgrade is not the only one staff has received this year and not the only one from CPS.**
- **Staff deals with the same issue with GVEC.**
- **Given that the changes to the Utility Ordinance were fairly recently adopted, less than two years ago, difficulty getting steel poles, and a variety of other issues, staff has been flexible in working with utility companies – allowing wooden poles in some circumstances, generally all have involved areas where wooden poles currently exist.**
- **Outside of a large project like FM 1518, staff estimates, they review utility company driven projects involving 100 to 200 poles per year.**
- **Assuming a cost to upgrade to steel at approximately \$3,200 per pole, the cost to upgrade all of these would be between \$320,000 and \$640,000 per year.**

Going Forward

- **This estimate is only for projects that are not driven by a particular development – in those cases the developer would still be responsible for paying for steel poles.**
- **Staff is seeking initial guidance from City Council.**
- **If Council strongly desires to try to fund the difference to have steel poles, staff will submit a resolution for the Ray Corbett Drive project and explore ways to reduce the cost to the City if that is possible.**
- **One option might be to identify the more scenic corridors in Schertz and pay to upgrade to steel as projects come in only on those corridors.**

COMMENTS & QUESTIONS