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Los Angeles City Council
200 North Spring Street
Los Angeles, CA 90012

RE: Street Damage Restoration Fee Increase (Council Files 15-0600-S22, 14-1571)

Dear Honorable Council Members,

We are writing this letter in response to the recent proposals to increase the Street Damage Restoration Fee (SDRF) Fees. Specifically, the proposed changes to SDRF and the SDRF Fee Study (Study) by Shahin & Associates that Bureau of Street Services (BSS) and the Controller's Office commissioned to support the proposed changes were both publicly released on Monday, April 16, 2018. The Board Report and attachments included more than 10 documents totaling 567 pages of technical information. Board of Public Works (BPW) and Public Works Gang Reduction (PWGR) Committee approved BSS' approved changes two days later, on Wednesday, April 18, 2018 with no public review and input into the study.

AT&T has concerns regarding the changes and would like to request that you reconsider the proposed increase and invite a more collaborative process such as the Bureau of Engineering (BOE)/ Utility consortium used in other decisions such as the 2017 Standard Plan for Asphalt Concrete Street Restoration (S-477-1). If the proposed fees are implemented AT&T will see a 1000% increase in the millions (over \$4M a year).

AT&T would appreciate a more collaborative approach to meet the city's goals of updating their SDRF ordinance. More time is necessary to fully understand the impact of increased fees on businesses, residents, and customers. We would appreciate an opportunity to further discuss this issue with BSS and LA City Council before it instructs the City Attorney to begin drafting an ordinance.

Some of the potential opportunities for compromise benefitting the City of Los Angeles and all utilities include:

- **Concrete Streets:** Remove full concrete slab replacement requirement. Re-instate the BOE/Utility consortium so we can collaboratively create a Standard Plan for concrete streets.
- **Width of Influence:** Remove the width of influence because the existing Standard Plan for asphalt streets and the proposed Standard Plan for concrete streets should adequately address this concern.
- **Age Restriction:** Leave in place age restriction as it stands today. We believe the city's existing SDFR program to repair and maintain older streets should address this.

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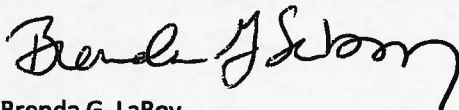


It is unclear to AT&T whether the increased fees actually reflect the City's increased costs relating to street cuts. This is required by Government Code Section 50030. Under Section 50030, any permit fee imposed by a city for the "placement, installation, repair, or upgrading of telecommunications facilities" by a telephone corporation "shall not exceed the reasonable costs of providing the service and shall not be levied for general revenue purposes."

We respectfully request that the Council not to act until the utilities have had an opportunity to review the Study's findings and provide input and engage in the collaborative process of the successful BOE / Utility consortium referenced above.

Sincerely,


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