



DATE: May 25, 2021

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute a Lease Agreement with the Pacific Gas & Electric Company for Property at the Water Pollution Control Facility

RECOMMENDATION

That Council adopts a resolution (Attachment II) approving and authorizing the City Manager to execute a lease agreement with Pacific Gas & Electric (PG&E) Company for approximately 2.9 acres of vacant land at the Water Pollution Control Facility (WPCF).

SUMMARY

PG&E has offered to lease approximately 2.9 acres of vacant property at the eastern edge of the WPCF (Attachment III), on the north side of Enterprise Avenue for \$217,500 for the first year. Thereafter, if requested by PG&E and approved by the City in writing, PG&E would lease the property on a month-to-month basis for \$20,000 per month.

BACKGROUND AND DISCUSSION

PG&E contacted City staff to discuss lease options for property that could be used as a staging area for its Grant-Eastshore 115kV Electric Transmission Reconductoring Project in Alameda County. PG&E will be replacing the electric conductors (wires) and performing modifications on tower structures and existing substations throughout Alameda County. PG&E has agreed to lease approximately 2.9 acres of vacant land at the WPCF for \$217,500 for a one-year period. If PG&E requests an extension and the City agrees in writing, PG&E will lease the property for \$20,000 per month on a month-to-month basis. This property is planned for future WPCF expansion. This short-term lease will not affect WPCF operations.

ECONOMIC IMPACT

Safer and more reliable electrical transmission lines and distribution service to Alameda County and Hayward is beneficial for the community's economy.

FISCAL IMPACT

The City’s Wastewater Enterprise Fund will receive \$217,500 from PG&E for the first year of this lease and may receive an additional \$20,000 per month for an unknown period, if the lease is extended. There will be no impact on the General Fund.

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not specifically relate to any of the six priorities outlined in the Council’s Strategic Roadmap. However, this lease will support PG&E’s efforts to improve the electrical system infrastructure that serves Hayward and will better prepare their electrical system for potential natural disasters.

PUBLIC CONTACT

There is no public contact required for this lease agreement.

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager