



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

**SUBJECT: WENLOCK COMMONS
PROPERTY EASEMENT
AGREEMENT**

DATE: 06-07-04

Approved

Date

Council District: 5
SNI: East Valley/680

RECOMMENDATION

Approval of an agreement with Pacific Gas and Electric Company for the purchase of a trail easement over a 1000 feet portion of the transmission line corridor property extending approximately from Story Road to Ocala Avenue. The easement is located within the corridor, and approximately 300' west of Capitol Expressway. The easement is valued in the amount of \$6,250 and authorization for the Director of Public Works to execute any additional documents necessary to complete the transaction.

CEQA: Exempt, PP04-03-065.

BACKGROUND

The City has identified a need to create a trail with benches and limited landscaping on Pacific Gas and Electric Company ("PG&E") property specifically, between Wenlock Drive and Dumont Circle. The park will enhance the appearance and safety of the neighborhood and provide a recreation destination. The new trail will be consistent with the long-term plan for a park/trail chain linking PG&E easements in the area.

ANALYSIS

On November 20, 2003, the City presented a purchase offer to PG&E. In developing the offer, the City considered an appraisal report in which the easement was valued at \$26,000. The appraised amount was discounted for the cost of future maintenance that would be assumed by the City, including grass and weed cutting, maintaining landscaping and removing illegally dumped trash. Those costs over a 30-year period came to \$19,870. As a result, the City offered compensation for the easement in the amount of \$6,250.

Subsequent discussions were held with PG&E and an agreement was submitted to them on March 15, 2004. Further negotiations were held and parties agreed to all the terms and conditions including the purchase price of \$6,250.

Upon approval and execution of the agreement by the City Council, the document will be submitted for approval and execution to PG&E. PG&E will in turn submit the agreement to the California Public Utility Commission for approval.

The easement that the City will acquire over the subject property is a 50' x 1,000' vacant lot over underground gas transmission lines and beneath high-voltage transmission lines encompasses approximately 50,730 square feet or 1.16 acre. The easement is required for placement of a public-use recreational park pathway and associated landscaping improvements. Under this easement the City shall be responsible for damage to the underlying and adjacent PG&E property caused by public use of the trail as well as any damage done by City employees in installing or maintaining the trail. PG&E has also refused to accept liability for any personal injuries caused by the condition of the trail, including any preexisting hazardous substances that may be on the property or exposure to electromagnetic fields from the overhead power lines. As a result, under this agreement, the City shall also be responsible for any injuries incurred by City employees, contractors or trail users due to the known existing condition on the property.

PUBLIC OUTREACH

Community support for the Wenlock trail connection has been extremely strong throughout the Neighborhood Revitalization Strategy (NRS) and Strong Neighborhoods Initiative (SNI) processes. The project is included as a community priority within the Greenprint for Parks and Community Facilities and Programs. The status of this project is a routine agenda item during the ongoing Dobern-Capitol/Goss NRS and the East Valley/680 Communities Neighborhood Advisory Council (NAC) meetings.

COORDINATION

This memorandum and agreement have been coordinated with the Departments of Planning, Building and Code Enforcement, Parks, Recreation and Neighborhood Services, the City Manager's Budget Office and the City Attorney's Office.

COST IMPLICATIONS

The amount of \$6,250 is specified in the purchase agreement. In addition, there will be an additional cost of \$500 for the purchase of title insurance. The total cost is anticipated to be approximately \$6,750.

Cost implications associated with the park pathway and landscaping project will be discussed in a future Council memorandum concerning those improvements.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2003-2004 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
001	6991	PG&É Easement at Wenlock Drive	117653	\$231,000		Page 489	10/14/03, Ord. No. 26997
382	6991	PG&É Easement at Wenlock Drive	117650	\$250,000		Page 489	
		Total		\$481,000			

CEQA

Exempt, PP04-03-065.

KATY ALLEN
Director, Public Works Department