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**Title:** Approve the First Amendment to Utility Agreement No. PW00763-2 with Pacific Gas & Electric Company, increasing the original agreement amount from \$93,542 to a total of \$195,758, for the design and adjustment of Pacific Gas & Electric Company electrical facilities needed to complete construction of the proposed Midtown Fresno Trail: McKinley Avenue Gap Closure Project, Millbrook Avenue to Clovis Avenue. (Council Districts 4 and 7)

**Sponsors:** Capital Projects Department, Public Works Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 25-433 First Amendment to Utility Agreement.pdf, 2. 25-433 PG&E Utility Agreement.pdf, 3. 25-433 Vicinity Map.pdf

| Date      | Ver. | Action By    | Action                       | Result |
|-----------|------|--------------|------------------------------|--------|
| 4/10/2025 | 1    | City Council | APPROVED ON CONSENT CALENDAR | Pass   |

**REPORT TO THE CITY COUNCIL**

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**SUBJECT**

Approve the First Amendment to Utility Agreement No. PW00763-2 with Pacific Gas & Electric Company, increasing the original agreement amount from \$93,542 to a total of \$195,758, for the design and adjustment of Pacific Gas & Electric Company electrical facilities needed to complete construction of the proposed Midtown Fresno Trail: McKinley Avenue Gap Closure Project, Millbrook Avenue to Clovis Avenue. (Council Districts 4 and 7)

**RECOMMENDATION**

Staff recommends the City Council approve the First Amendment to the Utility Agreement between the City of Fresno and Pacific Gas & Electric Company (PG&E), increasing the original agreement

amount from \$93,542 to a total of \$195,758 to cover the design and grade-level adjustments for sixteen (16) PG&E electrical facilities required for the Midtown Fresno Trail: McKinley Avenue Gap Closure Project from Millbrook Avenue to Clovis Avenue and authorize the Capital Projects Director or designee to sign and execute the First Amendment on behalf of the City of Fresno.

## **EXECUTIVE SUMMARY**

The City of Fresno (City) seeks to amend a Utility Agreement with Pacific Gas & Electric Company. The original agreement, dated October 11, 2021, facilitated PG&E's adjustment of their infrastructure to accommodate the City's Midtown Trail Segment 4 Project, which aims to construct a multipurpose pedestrian and bicycle trail along the south side of McKinley Avenue, between Millbrook Avenue and Clovis Avenue. As the project has advanced into the construction phase, escalating labor and material costs since the agreement's execution necessitate a reassessment of the original terms, resulting in an updated total cost of \$195,758. Approval of the First Amendment to the Utility Agreement will enable the City and PG&E to effectively coordinate the construction efforts required for the successful completion of Segment 4 of the Midtown Trail Program. The increased total contract amount of \$195,758 is funded by the federal Active Transportation Program (ATP) grant and Local Measure C Trail funds.

## **BACKGROUND**

The McKinley Avenue Gap Closure Project, part of the Midtown Fresno Trail, spans along the north side of the Mill Ditch and the south side of McKinley Avenue, linking Millbrook Avenue to Clovis Avenue. This segment, known as Segment 4 in the larger 7-mile Midtown Trail initiative, is designed as a pedestrian and cycle multipurpose trail. Once completed, it will establish a vital connectivity between the Fresno Area Express hub at Manchester Center and the Clovis Old Town Trail. The project scope includes construction of a pedestrian and cycle multipurpose trail, pedestrian amenities, signage and striping, minor road work, driveways, concrete curb and gutter, street and trail lighting, landscaping and irrigation.

Through design development and utility coordination, the City identified the need to adjust sixteen (16) PG&E electrical facilities along the north bank of the Mill Ditch along McKinley Avenue, between Chestnut Avenue and Clovis Avenue. The sixteen (16) PG&E electrical facilities to be adjusted are within Fresno Irrigation District's (FID) right-of-way and within the proposed trail footprint. These electrical facilities require minor adjustments to the grade, to provide a smooth, unobstructed trail surface. The adjusted facilities will remain within both the FID existing right-of-way and within the Common Use Agreement.

PG&E completed a Liability Determination on January 8, 2021, finding their electrical facilities are located outside of the City's existing right-of-way, under a permit issued by FID, on August 3, 1994, and ineligible for the proposed PG&E electrical facility adjustments in their entirety. PG&E completed a cost estimate and electrical utility conflict plan on June 17, 2021. As the project has advanced into the construction phase, escalating labor and material costs since the agreement's execution necessitate revisiting the original terms with the new adjusted cost calculated to be \$195,758. The cost of the amended PG&E utility agreement will be funded by the federal Active Transportation Program (ATP) grant and Local Measure C Trail funds, with no impact to the General Fund.

Staff is recommending the approval of the First Amendment of the Utility Agreement with PG&E, increasing the original agreement amount from \$93,542 to a total of \$195,758, and authorization of

the Capital Projects Department Director or designee to sign the Amendment on behalf of the City, which will allow the construction phase of the project to move forward.

## **ENVIRONMENTAL FINDINGS**

The Midtown Trail Project was previously determined to be consistent with the densities established by existing zoning, community plan or general plan policies, for which an Environmental Impact Report (EIR) was certified, and therefore was eligible for streamlined environmental review as set forth in California Environmental Quality Act (CEQA) Guideline Section 15183. The City's determination, pursuant to CEQA Guidelines Section 15183 and findings in support of that determination, is reflected in the "Amended and Restated Environmental Assessment No. P20-01778", which was adopted by Council on December 10, 2020. A Notice of Exemption for Environmental Assessment (EA) No. P20-01778 was filed with the Fresno County Clerk on December 16, 2020.

Approval of the First Amendment to Utility Agreement PW00763-2 between the City of Fresno and PG&E is to implement a portion of the overall Mid-Town Trail Project, which was previously assessed. As described in the Environmental Assessment, the Mid-Town Trail is consistent with the land use designations and development intensities assigned to the project site by the City of Fresno General Plan. As described in the project description of EA No. P20-01778, the Midtown Trail project includes general utility work for all segments. This approval, to amend the contract amount to allow for the adjustment of PG&E utility access vaults to the proposed grade level of the trail, is within the scope of the utility work contemplated for each segment. In this way, this approval is contemplated by the previously adopted 15183 determination with no further assessment pursuant to CEQA is required at this time.

## **LOCAL PREFERENCE**

Local preference was not implemented as this is an amendment to an existing agreement.

## **FISCAL IMPACT**

Segment 4 of the Midtown Trail program is located in Council Districts 4 and 7. The overall cost of the project is \$8,255,253 and is funded by the federal Active Transportation Program (ATP) grant and Local Measure C Trail funds. Of the total project cost, \$195,758 will be used for the PG&E Utility Agreement and the First Amendment to the Utility Agreement. All funds necessary for the execution of the amendment are included in the current fiscal year budget, as previously adopted by the Council and the project will have no impact to the General Fund.

### **Attachments:**

First Amendment to Utility Agreement

PG&E Utility Agreement

Vicinity Map