

AGENDA REPORT

Ordinance: Approve a Grant of Easement to Pacific Gas and Electric Company for the Construction, Access, Repair, and Maintenance of Natural Gas Facilities Located in the Berth 24 Through Berth 26 Backlands, to Continue Natural Gas Service to Port Tenants, for No Monetary Consideration. **(Maritime)**

MEETING DATE: 4/8/2021

AMOUNT: None

PARTIES INVOLVED: Pacific Gas & Electric, San Francisco, CA
Matt Block, Land Department

SUBMITTED BY: Bryan Brandes, Director of Maritime

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Ordinance

EXECUTIVE SUMMARY

As part of utility relocation work required to prepare for construction of the 7th Street Grade Separation East project, Pacific Gas & Electric Company (PG&E) must relocate a cathodic protection device onto Port of Oakland (Port) property. The proposed action would authorize the Executive Director to execute a Grant of Easement Agreement (Easement) that will (i) memorialize access and maintenance rights with PG&E for an existing natural gas line traversing through the backlands of Berths 24 through Berth 26; and (ii) provide PG&E with access rights needed to access, construct and maintain cathodic protection equipment for the gas line.

BACKGROUND

In preparation for construction of the 7th Street Grade Separation East project, a natural gas line currently located in existing 7th Street right of way will be capped, rendering an existing cathodic protection device (also located within existing 7th Street) useless and requiring a replacement device to ensure that the remainder of PG&E's natural gas lines in the immediate vicinity are served by appropriate cathodic protection measures. A cathodic protection device protects against corrosion of metal, and the proposed device on Port property is necessary to maintain the integrity of the existing metal gas pipelines that serve several Port tenants.

In consultation with PG&E, Port staff determined the most suitable location for the cathodic protection equipment is on the backlands of Berth 24 adjacent to existing electrical substation equipment. This location is proximate to an existing natural gas line, allows an electrical

connection to cathodic protection device (for operation), and allows access for inspection/maintenance. Attachment 1 provides a depiction of the existing gas line and proposed location of the cathodic protection equipment.

Independent of the 7th Street Grade Separation East project, the proposed relocation of the cathodic protection equipment is desirable because the proposed location will not result in any meaningful restrictions or limitations on typical, routine use of Port property. Further, during Staff's work with PG&E on the subject proposal, Port staff determined there is no written documentation regarding PG&E's access rights to the existing gas line. In fact, the location of the line is largely undocumented. PG&E has agreed to memorialize the location and access rights necessary to maintain the existing gas pipeline in addition to the access rights necessary to construct and maintain the proposed cathodic protection equipment.

ANALYSIS

The cathodic protection equipment consists of a metal anode driven beneath the ground surface, a small cabinet housing electronics, and subterranean cabling connecting the components to an existing natural gas line.

The terms of the proposed Easement include:

- Premises:** The survey and legal description for the easement area has been prepared and the map depicting the easement is provided in Attachment 2.
- Use:** Access rights for PG&E to construct a cathodic protection device in addition to access necessary to maintain, repair and replace the existing gas line and proposed cathodic protection equipment.
- Term:** The easement would remain in place for sixty-six (66) years, with the option to extend for another sixty-six if the property is not required for other trust uses, unless terminated due to abandonment, non-use, or violation of tidelands trust as outlined in the Easement.
- Payment:** No monetary consideration. The easement will not result in any significant impacts to the utility of the land impacted.

The Easement does not allow PG&E to utilize the easement to expand or enlarge existing facilities, add additional conduits, install lateral connections, or perform any work that would disturb the soil without first obtaining the Port's prior written permission, which the Port may grant, deny, or condition in its sole and absolute discretion. Further, PG&E may need to obtain a Temporary License Agreement from the Port for any construction staging and/or storage of equipment.

BUDGET & STAFFING

The proposed action does not have any budget or staffing impact

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Improve Customer Service
- Goal: Modernize and Maintain Infrastructure

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

SUSTAINABILITY

Port staff have reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities.

ENVIRONMENTAL

CEQA Determination: This action was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA) and applicable existing CEQA documentation. The 2002 Oakland Army Base Area (OAB) Redevelopment Plan Environmental Impact Report (2002 Redevelopment EIR) evaluated the potential impacts of redevelopment of the 1,800-acre redevelopment area, including the former OAB and the Maritime sub-district. The EIR was certified by the lead agency, the City of Oakland, in July 2002. On September 17, 2002, the Board of Port Commissioners, acting on behalf of the Port of Oakland as a responsible agency under CEQA, adopted findings and the mitigation program in the City's EIR (Resolution No. 02317). In 2012, the City of Oakland, in consultation with the Port, issued an Initial Study/Addendum to the Redevelopment EIR to evaluate proposed changes to the redevelopment plan. The resulting updated Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCA/MMRP) was adopted by the Board of Port Commissioners on June 21, 2012 (Resolution No. 12-76). The OAB Redevelopment EIR, as addended, includes necessary installation, repair, and improvement of infrastructure as part of

the redevelopment program. This action does not trigger any of the conditions set forth in Section 15162 of the CEQA Guidelines, and no further CEQA review is thus required.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

This action is not subject to the Port's Owner Controlled Insurance Program (OCIP) as it is not a capital improvement construction project.

OPTIONS

Staff has identified the following options for the Board's consideration:

1. Approve the terms and conditions of the proposed Easement with PG&E. This is the recommended action.
2. Do not approve the terms and conditions of the proposed Easement with PG&E. Under this option, the existing gas line would remain undocumented, and PG&E would not be able to relocate the cathodic protection device as necessary to advance the 7th Street Grade Separation East project.
3. Approve the proposed Easement with PG&E, but with different terms and conditions, as may be directed by the Board.

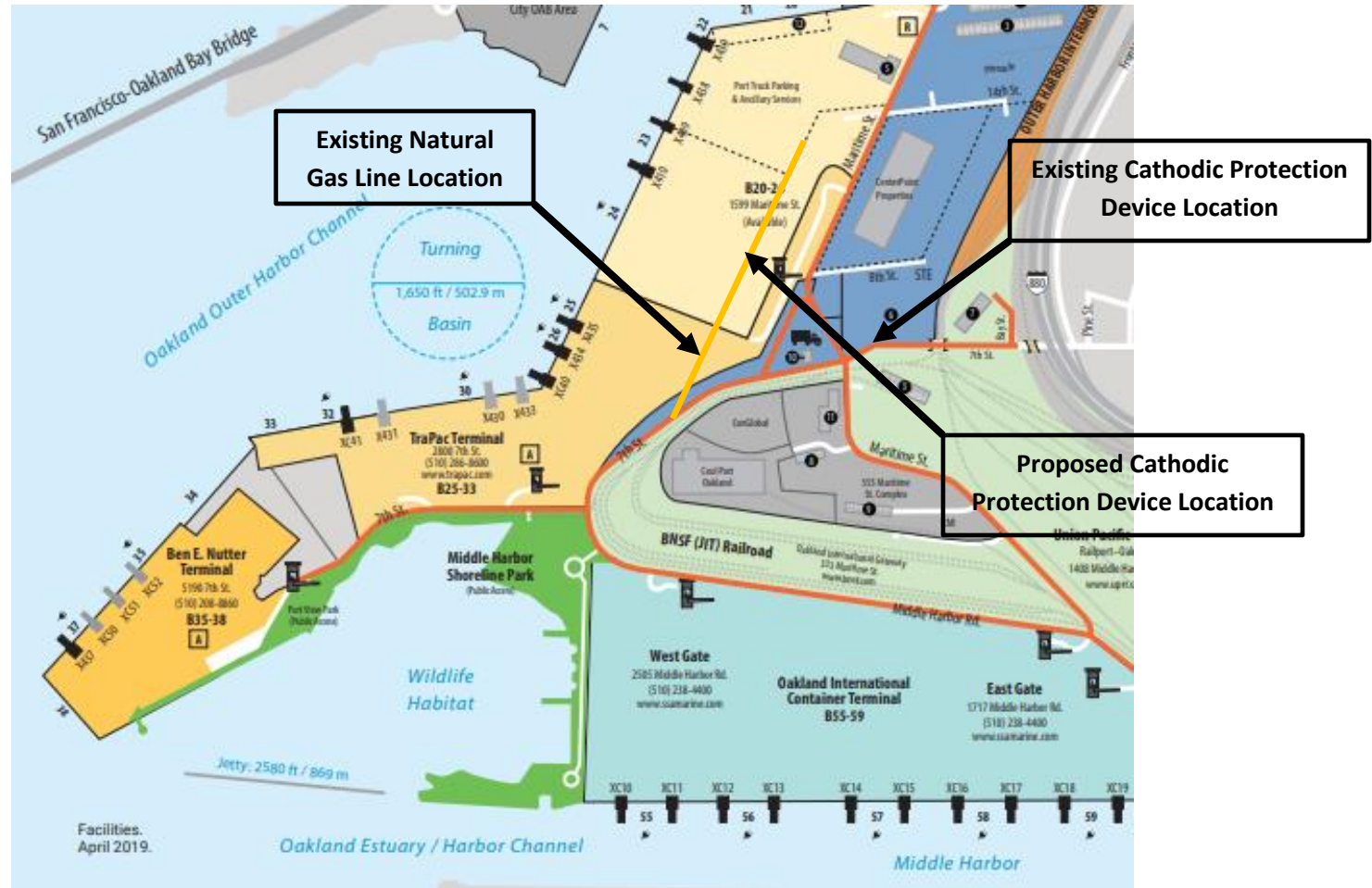
RECOMMENDATION

It is recommended that the Board adopt an Ordinance to:

- Approve the proposed Grant of Easement Agreement, as described herein, with Pacific Gas & Electric Company (PG&E) for no monetary consideration; and
- Authorize the Executive Director to execute the Grant of Easement Agreement and any other documents necessary to complete the proposed transaction, subject to the Port Attorney's review and approval as to form and legality.

ATTACHMENT 1

Location Map



Easement Depiction

