## Capitola City Council Agenda Report

Meeting: May 25, 2023

From: Public Works Department

**Subject:** PG&E Proposed Monterey Park Gas Facility



<u>Recommended Action</u>: Authorize staff to develop an easement agreement with Pacific Gas and Electric for the installation of a district regulator station in Monterey Park.

<u>Background</u>: Pacific Gas and Electric (PG&E) has an existing underground district regulator station (DRS) located below the City sidewalk immediately adjacent to a private residence at the corner of Monterey Ave and Junipero Court. Natural gas is supplied to distribution pipeline mains from a high-pressure source that connects to, and flows through, a DRS. The DRS functions to reduce the pressure to a level that allows the gas to flow continuously at a low pressure to customers. PG&E intends to rebuild this aging DRS to bring it up to current code and safety standards. The scope of the upgrade will also improve gas visibility within PG&E's system by incorporating real-time gas pressure monitoring equipment (SCADA).

The new DRS requires a larger footprint than the current facility. Upon evaluation of the site, it was discovered that the existing fence and backyard hardscape (koi pond) on the adjacent property are encroaching into the City right of way. Rebuilding the DRS in the same location as the current facility would require removal of the exiting encroachments (Attachment 1, Page 1).

<u>Discussion</u>: Staff coordinated with PG&E to identify alternative locations for the new DRS that do not require removal of existing private encroachments ("Green" layout, Attachment 1, Page 2). Staff recommends that the new DRS be constructed immediately adjacent to Monterey Park. Siting the DRS system in Monterey Park would require the City to grant a 65 foot by 8 foot easement for the facility to PG&E. Staff will return to the City Council for approval of the easement agreement.

Public impacts for the proposed design include 150 feet of sidewalk replacement, installation of a new maintenance ramp and repositioning of the decomposed granite path for Monterey Park, three tree removals (and required replanting) and loss of approximately 360 square feet of grass area (Attachment 1, Page 3). The existing facility would be removed, and the sidewalk restored in that location. The new DRS would consist of two underground vaults, a SCADA cabinet with bollards, and two 6-foot vent stacks. All new equipment, less one vent stack, would be in the far corner of the park site (Figure 1). The new DRS would have a similar noise impact as the existing system, generally a light "hissing" noise in the morning hours.



Figure 1. Rendering of DRS Equipment in Monterey Park

<u>Fiscal Impact</u>: There is no fiscal impact associated with this report. Staff intends to return to the City Council for approval of the easement agreement. PG&E would bear all costs for the installation of the DRS, tree removal and replacement, and sidewalk, driveway, and DG path restoration. The City would not receive any compensation for the easement. Staff intends to recommend a no-fee easement to PG&E, as the City does not wish to pursue abatement of the encroachments in the right of way where the current facility would have been rebuilt in place if not for the encroachments.

## Attachments:

1. DRS Layout Options

Report Prepared By: Kailash Mozumder, Public Works Project Manager

Reviewed By: Jessica Kahn, Public Works Director; Julia Moss, City Clerk; Tamar Burke, Assistant City Attorney

Approved By: Jamie Goldstein, City Manager