



Legislation Text

File #: 23-251, **Version:** 1

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SUBJECT: First Amendment to Settlement Agreement with Pacific Gas and Electric Company to Reimburse the City of Merced for Design and Construction of a 16-inch Water Main and Reconstruction of a Portion of Roadway, Curb, Gutter, Sidewalk and ADA Access Ramps on Canal Street Between 14th Street and 15th Street

REPORT IN BRIEF

Considers approving the First Amendment to Settlement Agreement between the City of Merced and Pacific Gas and Electric Company (PG&E) for a minor change to the Scope of Work in the Settlement Agreement.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the First Amendment to the Settlement Agreement between the City of Merced and Pacific Gas and Electric Company; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the necessary documents.

ALTERNATIVES

- 1. Approve, as recommended by staff;
- 2. Approve, subject to conditions outlined by Council;
- 3. Refer to staff for reconsideration of specific items;
- 4. Continue to a future meeting;
- 5. Deny.

AUTHORITY

Charter of the City of Merced, Section 200 and 1105.

CITY COUNCIL PRIORITIES

As provided for in the 2022-23 Adopted Budget.

DISCUSSION

On December 19, 2022, City Council entered into a settlement agreement with PG&E to reimburse the City of Merced for design and construction of a 16-inch water main and reconstruction of a portion of roadway, curb, gutter, sidewalk, and ADA access ramps on Canal Street, between 14th Street and 15th Street, and approved the use pooled cash in the amount up to \$1,000,000 for design and construction until reimbursement is received from PG&E.

After the design kick-off meeting with PG&E and North Star Engineering Group, it was suggested by PG&E to make a minor modification to the tasks of the original agreement which would include the following in brief:

- The City to include in its construction contract the excavation of all soils from the removal and installation of the new watermain and place on PG&E site for PG&E to properly discard at PG&E's expense.
- PG&E shall sample the soils in the new and existing watermain location at its own expense within 90 days of receiving North Star's 100% plans and provide copies of the analytical results to the City.
- Delete Paragraph 5 (PG&E Work) of the original agreement. This work will be included in the City's construction contract and paid for by PG&E.

Staff recommends Council approve the First Amendment to the Settlement Agreement between the City of Merced and Pacific Gas and Electric Company as it will streamline the design and construction process.

IMPACT ON CITY RESOURCES

No additional appropriation of funds is needed.

ATTACHMENTS

1. First Amendment and Original Settlement Agreement