

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25, 2012

Reference No.: 2.1c.(7a)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Chief
Division of Rail

Subject: **HIGHWAY-RAILROAD CROSSING SAFETY ACCOUNT (HRCSA) PROJECT
BASELINE AMENDMENT
RESOLUTION GS1B-P-1112-06, AMENDING RESOLUTION GS1B-P-0809-03B**

RECOMMENDATION:

The California Department of Transportation recommends the California Transportation Commission (Commission) approve a baseline agreement amendment for the Proposition 1B Highway-Railroad Crossing Safety Account (HRCSA) Nogales Street Grade Separation project, to update the project costs, funding and schedule

ISSUE:

The Alameda Corridor-East Construction Authority (ACE) was awarded \$25,600,000 in HRCSA funds by the Commission in June 2010. While ACE was in the process of negotiating the acquisition of right of way (R/W) for the project, several property owners sold their parcels. Additional time will be required to conclude negotiations with the new owners. Other owners were non-responsive despite efforts to negotiate. ACE has now exhausted its negotiation options with the non-responsive owners and initiated eminent domain proceedings on those properties. The eminent domain process will result in additional time and budget required to complete the R/W acquisition phase. The delays have increased the cost of R/W by \$2,185,000, from \$25,624,000 to \$27, 809,000.

The delays in completing R/W also have delayed construction on the project. The construction start date, which was originally scheduled for February 2012, now will be June 2012. Estimated construction costs have also been revised. An additional review determined that the cost of project construction is estimated to be \$54,726,000 instead of \$56,633,000, a decrease of \$1,907,000.

Overall, the cost of the project has increased from \$85,430,000 to \$85,708,000. The cost increases to R/W are almost completely offset by the cost savings for construction. Union Pacific Railroad has increased its contribution to the project by \$278,000 in order to maintain full funding.

ACE requests approval of an amendment to the baseline agreement to account for revisions in the project schedule and cost.

RESOLUTION:

Be it Resolved, that the California Transportation Commission does hereby amend the Proposition 1B Highway-Railroad Crossing Safety Account Program baseline agreement for the Nogales Street Grade Separation project, in accordance with the changes described above and illustrated below.

BASELINE (numbers in thousands)						
Dst	Cnty	Nominator	Project Title	Const Start	Total Proj Cost	HRCSA Aprovd
07	LA	ACE	Nogales Street Grade Separation	Feb-12	85,430	25,600
07	LA	ACE	Nogales Street Grade Separation	June-12	85,708	25,600