

# Memorandum

**TAB 60**

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 28-29, 2012

Reference No.: 2.1c.(7c) - **REVISED**  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

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Division of Rail

Subject: **HIGHWAY-RAILROAD CROSSING SAFETY ACCOUNT PROJECT BASELINE  
AMENDMENT**  
**RESOLUTION GS1B-P-1112-12, AMENDING RESOLUTION GS1B-P-1011-07B**

## **RECOMMENDATION:**

The California Department of Transportation recommends the California Transportation Commission (Commission) approve a baseline agreement amendment for cost and schedule changes to the Proposition 1B Highway-Railroad Crossing Safety Account (HRCSA) Warren Avenue Grade Separation project in Alameda County.

## **ISSUE:**

The Warren Avenue Grade Separation project was programmed into the Proposition 1B HRCSA 2010 program by the Commission at its September 2010 meeting. The original baseline agreement was approved by the Commission at its January 2011 meeting. The City of Fremont (City), the nominating agency for the Warren Avenue Grade Separation project, now is requesting a HRCSA baseline agreement amendment for schedule and funding changes. A concurrent Consideration of Funding and an allocation of HRCSA funds for construction is **are** also being presented at this month's Commission meeting.

The Warren Avenue Grade Separation project is sponsored by the City as a portion of a larger overall project encompassing improvements sponsored by the Santa Clara Valley Transportation Authority in the vicinity of Mission Avenue and Warren Avenue, including freight rail relocation. Although the HRCSA cost remains \$9,600,000, the overall project cost for the Warren Avenue Grade Separation has increased by \$11,614,000. The cost increase is attributable to a combination of factors. Those factors include: (1) Revisions in the distribution of costs between various parts of the overall project; (2) Revisions in contributions from the various funding partners; (3) Protracted negotiations for acquisition of Right of Way (R/W); (4) Resultant delays in the finalization of a Construction and Maintenance (C&M) agreement for the completed project; and (5) Supply cost increases that occurred during the negotiation delays.

Design costs for the project will be \$5,852,000, which is \$2,857,000 less than the \$8,709,000 originally forecast in the baseline agreement. The costs for utility relocations and the acquisition of R/W will be \$20,051,000, which is \$10,613,000 higher than the \$9,438,000 that was estimated originally. Both the Design and R/W phases are fully funded with local funds.

Initial cost estimates for the construction phase were developed prior to the completion of Design and included both capital and support costs. Construction support costs have since been identified and are budgeted for \$8,217,000. Construction capital has decreased by \$4,359,000, from \$39,021,000 to \$34,662,000. Despite the shifting of appropriate costs to support, there were supply cost increases during the lengthy R/W acquisition and C&M agreement negotiations. Local funds have been added to the project funding plan to cover these increased costs.

Revised funding for the project is shown in the following table.

<b>Funding Source</b>	<b>Original Amt</b>	<b>Revised Amt</b>
HRCSA	\$9,600,000	\$9,600,000
Local Redevelopment	\$21,364,000	\$21,364,000
County Measure A	\$4,626,000	\$12,756,000
Railroad	\$5,717,000	\$6,878,000
AB 1462	\$15,861,000	\$18,184,000
<b>Total Project Cost</b>	<b>\$57,168,000</b>	<b>\$68,782,000</b>

Because of the delays due to the lengthy negotiations regarding the C&M agreement and the acquisition of R/W, the dates for the Ready-to-List project milestone, R/W certification, and Construction start have been delayed. New schedule dates are shown in the following table.

<b>Project Milestone</b>	<b>Original Date</b>	<b>Revised Date</b>
End Design	February 2011	February 2012
End R/W	May 2011	February 2012
Begin CON	November 2011	June 2012
End CON	November 2014	June 2015

**RESOLUTION GS1B-P-1112-12:**

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

<b>BASELINE</b> (dollars in thousands)						
<b>Dst</b>	<b>Cnty</b>	<b>Nominator</b>	<b>Project Title</b>	<b>Const Start</b>	<b>Total Proj Cost</b>	<b>HRCSA Aprovd</b>
04	ALA	City of Fremont	Warren Avenue	Nov 11	\$ 57,168	\$ 9,600
04	ALA	City of Fremont	Warren Avenue	Jun 12	\$ 68,782	\$ 9,600