# Administration and Projects Committee STAFF REPORT

**Meeting Date:** June 4, 2015

<table>
<thead>
<tr>
<th>Subject</th>
<th>State Route 4 (SR4)/SR160 Connector Ramps (Project 5001) – Authorization to Execute Letter Agreement (Amendment No. 1 to Agreement No. 397) with Union Pacific Railroad (UPRR)</th>
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</thead>
<tbody>
<tr>
<td><strong>Summary of Issues</strong></td>
<td>The construction contract for the SR4/SR160 Connector Ramps Project is being administered by the Authority. In February 2014, the Authority entered into Agreement No. 397 with UPRR and the California Department of Transportation (Caltrans) to provide, among other things, flagging services by UPRR. Flagging services are required in order to perform work within UPRR right-of-way (ROW). Changes in the project schedule have increased the need for flagging and have nearly exhausted the authorized budget provided in Agreement No. 397. Staff recommends executing Letter Agreement (Amendment No. 1 to Agreement No. 397) to specifically address flagging needs for the project and provide additional budget for UPRR reimbursements.</td>
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<td><strong>Recommendations</strong></td>
<td>Staff seeks authorization for the Executive Director to execute the Letter Agreement (Amendment No. 1 to Agreement No. 397) with UPRR in the amount of $250,000 for a new total agreement value of $483,493.25 to provide flagging services.</td>
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<td><strong>Financial Implications</strong></td>
<td>The project is adequately funded by Bridge Toll Funds.</td>
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<td><strong>Options</strong></td>
<td>The Authority could elect not to approve this Agreement; however, this may delay the project delivery schedule if construction work is near UPRR ROW.</td>
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<td><strong>Attachments</strong></td>
<td>A. Proposed Letter Agreement</td>
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<td></td>
<td>B. Historical Summary</td>
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17.2-1
Background

The construction contract for the SR4/SR160 Connector Ramps Project is being administered by the Authority. In February 2014, the Authority entered into Agreement No. 397 with UPRR and Caltrans which outlines the requirements and responsibilities for the construction within the railroad area, completes the purchase of aerial easements for the two new overhead connector ramps, provides temporary construction easements across the railroad in the area of the overhead connector and allows for reimbursement for UPRR flagging services. Flagging services are a requirement for the contractor to work within UPRR ROW. Agreement No. 397 provided for total easement costs are $34,493.25 and flagging cost not-to-exceed $199,000, for a total agreement value of $233,493.25.

Subsequent to the start of the project, changes in the schedule and the need for continuous flagger presence on-site have increased flagging needs beyond the initial estimates of Agreement No. 397.

The original budget and agreement with UPRR provided 120 days of flagging based upon intermittent flagging needs and a project completion date of September 2015. Currently, the estimated completion date is January 2016. The need for a UPRR flagger has extended well past the 120 days as originally estimated. As a result, the flagging budget authorized by Agreement No. 397 is nearly exhausted.

Since the last invoice from UPRR, we estimate that there will be approximately 208 working days between April 1, 2015 and January 31, 2016. At an estimated flagging cost of $1200/day, approximately $249,600 will be needed to provide UPRR flagging through the end of the project.

Agreement No. 397 is current a three-party agreement between the Authority, UPRR and Caltrans. Since the increase in budget for the flagging services can be addressed solely between the Authority and UPRR, a Letter Agreement between the Authority and UPRR is acceptable to both parties to allow reimbursement of UPRR flagging services. Staff recommends authorizing the Executive Director to execute the Letter Agreement (Amendment No. 1 to Agreement No. 397) to provide additional budget for reimbursements of UPRR flagging services.
June 17, 2015

Kevin Yoder
Manager Industry and Public Projects
Union Pacific Railroad Company
9451 Atkinson Street
Roseville, California 95747

Subject: Authority Construction and Maintenance Agreement No. 397
UPRR Folder No. 2807-34
04-CC-160-PM 0.0/1.0
EA 04-2GS101
PUC No. A.13-05-003
DOT No. 440790W and 440791D

Dear Mr. Yoder,

Per the above referenced Construction and Maintenance Agreement (CMA) between Contra Costa Transportation Authority (Authority), Caltrans and Union Pacific Railroad (UPRR), we would like to notify you that the flagging costs outlined in the CMA are near to being fully expended. We understand that the original estimate has been exceeded and that UPRR has been billing the Authority the actual flagging costs, as they occur.

The original budget and agreement with UPRR provided 120 days of flagging based upon intermittent flagging needs and a project completion date of September 2015. Currently, the estimated completion date is January 2016, and the need for a UPRR flagger has extended well past the 120 days originally estimated.

Since the last invoice from UPRR, we estimate that there will be approximately 208 working days between April 1, 2015 and January 31, 2016. At an estimated flagging cost of $1200/day, approximately $249,600 will be needed to provide UPRR flagging through the end of the project.

To that extent, the Authority Board has approved an additional allocation of $250,000 to the flagging costs at the June 17, 2015 meeting.
Please consider this authorization to continue billing the actual flagging costs to the project.

Sincerely,

Randell H. Iwasaki
Executive Director

cc: David La Plante, UPRR
    Ivan Ramirez, CCTA
### Historical Summary of Agreement Amendments
**Agreement No. 397 - UPRR**

<table>
<thead>
<tr>
<th>Date</th>
<th>Contract Amendment</th>
<th>Amount of Amendment</th>
<th>Total Contract Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb 19, 2014</td>
<td>Original Agreement</td>
<td>$ -</td>
<td>$ 233,493</td>
<td>Outlines the responsibilities for construction within the railroad area, completes the purchase of aerial and temporary easements, and allows for reimbursement of UPRR flagging activities. Board approval on February 19, 2014 and Agreement effective on February 25, 2014.</td>
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<tr>
<td>Jun 17, 2015</td>
<td>Poposed Amendment No. 1</td>
<td>$ 250,000</td>
<td>$ 483,493</td>
<td>Provide additional budget for reimbursement of UPRR services.</td>
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