



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 19, 2018**

FROM: PUBLIC WORKS DEPARTMENT **WARDS: 1 AND 2**

SUBJECT: STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION CONTRACT NO. 75LX248 AMENDMENT 1, BNSF AT SPRUCE STREET AND CONTRACT NO. 75LX250 AMENDMENT 1, BNSF AT THIRD STREET, TO EXTEND THE CONTRACTS TO JUNE 4, 2019; CHANGE ORDER AUTHORITY OF 22.14% FOR CONSTRUCTION CONTRACT FOR BID NO. 7369 WITH HILLCREST CONTRACTING, INC. FOR INSTALLATION OF STREET IMPROVEMENTS AT BURLINGTON NORTHERN SANTA FE RAILROAD CROSSINGS AT THIRD STREET AND SPRUCE STREET TO ADD \$82,000 FOR A TOTAL CONTRACT OF \$452,344.75

ISSUES:

Approve the State of California Department of Transportation Contract No. 75LX248 Amendment 1, Burlington Northern Santa Fe Railway (BNSF) at Spruce Street, and the State of California Department of Transportation Contract No. 75LS250 Amendment 1, BNSF at Third Street, to extend the terms to June 4, 2019; and authorization for 22.14% change order authority for the Construction Contract for Bid No. 7369 with Hillcrest Contracting, Inc. for the installation of the street improvements, to add \$82,000 for a total contract of \$452,344.75.

RECOMMENDATIONS:

That the City Council:

1. Approve the State of California Department of Transportation Contract No. 75LX248 Amendment 1, BNSF at Spruce Street, to extend the term to June 4, 2019;
2. Approve the State of California Department of Transportation Contract No. 75LX250 Amendment 1, BNSF at Third Street, to extend the term to June 4, 2019;
3. Authorize an increase in the change order authority for the agreement with Hillcrest Contracting, Inc. for the construction of the street improvements at BNSF at Third Street and Spruce Street from \$36,600.00 to \$118,600.00 for a final agreement amount of \$452,344.75;
4. Authorize the City Manager or his designee to execute the State of California Department of Transportation Contract No. 75LX248 Amendment 1, BNSF at Spruce Street, and the State of California Department of Transportation Contract No. 75LX250 Amendment 1, BNSF at Third Street; and

5. Authorize execution of any subsequent contract amendments involving extensions to the contract term and/or non-substantive changes to the project.

BACKGROUND:

The California Public Utilities Commission (CPUC) has recommended improvements to the Third Street and Spruce Street BNSF at grade railroad crossings. Both the Third Street and Spruce Street improvements are fully funded with federal funds provided to State of California Department of Transportation (Caltrans) under Section 130, Title 23 of the United States Code.

On October 6, 2015, the City Council authorized execution of both the Third Street and Spruce Street contracts with the State and approved supplemental appropriations of \$691,875 for the Third Street improvements and \$720,900 for the Spruce Street improvements. On October 27, 2015, the City received fully executed agreements with Caltrans. Under the terms of the agreements Caltrans will reimburse the City for all project costs, up to \$691,875 for Third Street and \$720,900 for Spruce Street covering costs related to design, contract administration, and construction of improvements. BNSF will design and construct their improvements under a separate contract with the State.

On January 10, 2017, the City Council awarded a construction contract for Bid No. 7369 for construction of street improvements at BNSF Rail Crossings at Third Street and Spruce Street to Hillcrest Contracting, Inc., of Corona, California in the amount of \$370,344.75.

DISCUSSION:

Subsequent to contract award, the City met with BNSF to discuss scope of work and schedule. During the field meeting it was determined that BNSF is required to install additional railroad concrete panels at both the Third Street and Spruce Street Railroad Crossings in order to provide ADA pedestrian paths. Due to the changes of the pedestrian paths, the Public Works Department recommended that the proposed sidewalks on both the north and south sides at Third Street at BNSF crossing be realigned. The sidewalk realignment requires installation of a handrail on the northerly side of the street, a segment of retention wall, additional roadway improvements, and requires additional sidewalk on the southerly side to go behind the large electrical transmission pole.

BNSF informed the Public Works Department that it would require additional railroad flagging operations due to the proximity to the traffic signal at Vine Street, the three tracks at the crossings, and the skew of the railroad crossing at Spruce Street. The Public Works Department shared these changes with Hillcrest Contracting, Inc. and determined that the increased costs totaled approximately \$82,000 (\$75,000 at Third Street and \$7,000 at Spruce Street) which exceeds the Project's 10% change order authority of \$36,600. The additional project components identified for both projects would result in construction schedule delays and require extension of the existing Service Contracts with Caltrans to provide a supplementary 12 months for the completion of construction on both projects by June 4, 2019.

During the original project assessment, the CPUC recommended installation of curb, gutter, and sidewalk along with new concrete crossing panels and warning gates at the Third Street/BNSF crossing. The City is responsible for work outside of the BNSF right-of-way including construction of the concrete curb, gutter, and sidewalk. BNSF Railroad is responsible for the concrete crossing panels and new railroad crossing devices under a separate agreement with the State.

Further, the CPUC recommended installation of curb, gutter, and sidewalk on the north side of Spruce Street from E. La Cadena Drive/Kansas Avenue to east of the BNSF rail crossing, extension of the easterly raised median, new concrete panels, advanced railroad preemption to the traffic signal at E. La Cadena Drive/Kansas Avenue, and new railroad warning devices. The City is responsible for construction of the curb, gutter, sidewalk, railroad preemption, and median extension while BNSF will be responsible for the concrete crossing panels and warning devices. The railroad preemption portion of the project will be designed and implemented by BNSF and upon completion, the City will reimburse BNSF for related costs. The street and railroad improvements associated with the Third Street and Spruce Street locations will also facilitate implementation of future Quiet Zone improvements at these railroad crossings.

Authorization to execute future amendments involving extensions to the contract term and/or non-substantive changes to the project will allow the City to extend the contract duration or make minor modifications to the project as necessary to meet Caltrans and BNSF time lines and requirements.

FISCAL IMPACT:

Total project costs including design, construction, construction engineering, and increased contingencies are estimated to be \$707,244.75 (Tables 1 and 2). Sufficient Section 130 Grant funds are available in the accounts referenced in Table 3 to complete the project.

Table 1 – Project Costs (Bid No. 7369 to Hillcrest Contracting, Inc.)

Task	Amount
Third Street Improvements	\$215,835.88
Spruce Street Improvements	\$154,508.87
Subtotal	\$370,344.75
Change Order (\$75,000 at Third St and \$7,000 at Spruce St Crossings)	\$82,000.00
Total Contract Amount to Hillcrest Contracting, Inc.	\$452,344.75

Table 2 – Additional Project Costs

Task	Amount
Third Street Construction Contingencies	\$21,600
Third Street Construction Engineering (Inspection, Survey, Materials Testing)	\$21,600
Third Street Design Engineering	\$32,500
Subtotal	\$75,700
Spruce Street Construction Contingencies	\$15,500
Spruce Street Const. Engineering (Inspection, Survey, Materials Testing)	\$15,500
Spruce Street Design Engineering	\$23,200
Spruce Street Advance Railroad Preemption	\$125,000 ⁽¹⁾
Subtotal	\$179,200
Total (Includes Total from Table 1)	\$707,244.75

⁽¹⁾ Designed and Implemented by BNSF, City to reimburse costs

Table 3 – Project Funding

Account No.	Amount ⁽²⁾
9891428-440125 (Third/BNSF Railroad Crossing Improvements)	\$691,875
9891528-440125 (Spruce/BNSF Railroad Crossing Improvements)	\$720,900
Total Section 130 Grant Funds	\$1,412,775

(2) Denotes amount Appropriated

Prepared by: Kris Martinez, Public Works Director
 Certified as to
 availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Third Street at BNSF Railroad Crossing Project Location Map
2. Spruce Street at BNSF Railroad Crossing Project Location Map
3. Bid Award Recommendation
4. Caltrans BNSF at Third Street Section 130 – Transmittal & Amendment 1 to Service Contract
5. Caltrans BNSF at Spruce Street Section 130 – Transmittal & Amendment 1 to Service Contract