



Agenda Item A.4
CONSENT CALENDAR
Meeting Date: December 2, 2008

TO: Mayor and Councilmembers

FROM: Dan Singer, City Manager

CONTACT: Steve Wagner, Community Services Director
Rosemarie Gaglione, CIP Manager

SUBJECT: Amendment to Cooperative Agreement with Caltrans for the Design and Construction of the Hollister/Cathedral Oaks Interchange Project

RECOMMENDATION:

Authorize the City Manager to execute an Amendment to the Cooperative Agreement with Caltrans for the Design and Construction of the Hollister/Cathedral Oaks Interchange Project.

BACKGROUND:

The Cathedral Oaks Interchange Project will replace the existing bridges over Highway 101 and Union Pacific Rail Road at Winchester Canyon Road at a new alignment 600 feet to the east at Cathedral Oaks Road. Replacing the structurally deficient overcrossing and overhead bridges on this new alignment will improve circulation and safety. The new bridges are designed to accommodate bicycles and pedestrians. This project has been before the City Council for approval as well as the Planning Commission and the Design Review Board. The project is currently at the 95% design phase and will be ready to go out to bid for construction by March of 2009.

In November of 2005, the City of Goleta entered into a Cooperative Agreement with Caltrans. This Agreement outlined which agency would be responsible for the various portions of the work, which funding sources apply to those portions and how the payments would be made. The estimates for environmental, design, right of way acquisition and construction were based on the best information available in 2005.

Since most of the design, environmental and right of way work is complete Caltrans has a better estimate of the final costs and has asked the City to amend the existing Cooperative Agreement to reflect the current estimate.

DISCUSSION:

The Cooperative Agreement must be amended for a number of reasons as described below:

Increased Cost Estimate

The total estimated cost of the City's portion of the project has increased from \$8,611,500 to \$10,235,000 since approval of the 2005 Cooperative Agreement. At the time the Cooperative Agreement was executed, the design was 25% complete; it is now 95% complete. At this stage, the actual design costs are clear. The Agreement details not just the City's costs, but Caltrans' costs as well. At this time the Agreement must be amended to make sure that all the information contained in the agreement is as accurate as possible. A breakdown of the revised project cost is included.

Local Match

Although the overall cost estimate for this project has increased from \$8,611,500 to \$10,235,000 (19%), the City's Local Match requirement has decreased from \$850,000 to \$289,800 (66%) for a savings to the City of \$560,200.

Funding Source Name Change

The Highway Bridge Replacement and Rehabilitation Program (HBRR) is now the Highway Bridge Program (HBP). The Cooperative Agreement has to be changed to reflect the current title of the funding program.

Additional Grant Funding Secured

The amount of funding provided by the Highway Bridge Program (HPB) and the State Transportation Improvement Program (STIP) has increased significantly. Those additional funds must be listed in the Agreement.

Federal Project Numbers Have Been Consolidated

There are technically two projects; each bridge is a separate project and each has a different federal indentifying number. This would be difficult to deal with going into the construction phase. To eliminate any potential confusion, Caltrans has consolidated the projects into one tracking number and has segregated the costs by percentage of the overall estimates. City Staff is in agreement with this approach as it will make cost tracking simpler.

ALTERNATIVES:

The Council may elect not to execute the Amendment to the Cooperative Agreement with Caltrans for the realignment of the interchange. If the Amendment is not executed the City could be in default of the existing Cooperative Agreement. This would not only damage our relationship with Caltrans, but would put our ability to secure future grant funding for other projects in jeopardy.

GOLETA STRATEGIC PLAN:

The replacement and realignment of the Cathedral Oaks Interchange is the number one transportation project in the Goleta Transportation Improvement program, and is consistent with the goal in the Goleta Strategic Plan entitled "IMPROVE AND MAINTAIN CITY INFRASTRUCTURE". The replacement of a deteriorating bridge on a poor alignment with a new bridge built to current standards on an optimal alignment will improve traffic flow and safety for motorists, bicyclists and pedestrians. The existing bridge does not have any sidewalks or bike lanes, while the new structure will.

FISCAL IMPACTS:

The table below breaks the project estimate into phases, and compares the 2005 estimates to the revised 2008 estimates.

Project Phase	2005 Estimate	2008 Estimate	Change
Preliminary Engineering/Design/Management:	\$ 933,200	\$ 1,071,100	+\$ 137,900
Construction Management/Engineering	\$ 928,900	\$ 1,133,200	+\$ 204,300
Right of Way Support	\$ 46,400	\$ 337,000	+\$ 290,600
Right of Way Capital	\$ 350,000	\$ 399,000	+\$ 49,000
Construction Capital	\$6,353,000	\$ 7,294,700	+\$ 941,700
Total	\$8,611,500	\$10,235,000	+\$1,623,500

Proposed funding sources for the City's share of the project are STIP, HBP and local funds as shown in the following table.

	Programmed STIP	HBP – Federal Funds	HBP – Local City Match	Total
2005 Funding Plan (current)	\$1,201,000	\$6,560,500	\$ 850,000	\$8,611,500
2008 Funding Plan	\$2,301,900	\$7,643,300	\$ 289,800	\$10,235,000
Change	+\$1,100,900	+\$1,082,800	- \$ 560,200	+\$ 1,623,500

HBP = Highway Bridge Program (formerly HBRR)
 STIP = State Transportation Improvement Program
 Local Match is GTIP

As illustrated above, the City's share of the project has decreased significantly. The impact to the City's local match has been greatly mitigated by recent Federal Legislation which has reduced the local funding match requirement for HBP funding from 20% to 11.57%. Through the HBP Federal funding and programmed STIP funding, the City is leveraging a \$10,200,000 project with less than 3% in local funding.

The fiscal impact of approving the Amendment to the Cooperative Agreement is a net savings of \$560,200 to the GTIP. If the Amendment is not approved, the City of Goleta would not be meeting its obligations under the existing Cooperative Agreement.

LEGAL REVIEW:

The City Attorney's office has reviewed the Amendment No. 1 to Agreement No. 05-CA-0178 and exhibits and approved of the content and format.

Submitted By:

Reviewed By:

Approved By:

Steve Wagner
Community Services
Director

Michelle Greene
Administrative Services
Director

Daniel Singer
City Manager

ATTACHMENTS:

1. Cooperative Agreement with Amendment and Recitals

ATTACHMENT 1

Cooperative Agreement with Amendment and Recitals

05-SB-101-PM 26.9

05-37150_

05-0M140_

Replace Hollister Overcrossing
and Ellwood Overhead

AMENDMENT No. 1 TO AGREEMENT NO. 05-CA-0178

THIS AMENDMENT NO. 1 TO AGREEMENT No. 05-CA-0178, ENTERED INTO EFFECTIVE ON _____ is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as STATE, and

CITY OF GOLETA,
a body politic and a municipal
corporation of the State of
California referred to herein
as "CITY"

RECITALS

1. The parties hereto entered into an Agreement on November 21, 2005 defining the terms and conditions of a project to replace the Hollister Avenue Overcrossing (Bridge No. 51-123), including the construction of sidewalks and Class II bicycle lanes to accommodate pedestrian and bicycle access, on State Route 101 (SR-101) at Post Mile 26.9, referred to herein as "PROJECT" (E.A. 371501).
2. That same Agreement defined the terms and conditions of relocating the Hollister Avenue Overcrossing and replacing and relocating the adjacent railroad overhead (Bridge No. 51C-130, known as the Ellwood Overhead) for improved alignment with CITY's Cathedral Oaks Road, including modified and relocated ramps, an extension of Cathedral Oaks Road, and connections at Calle Real and Hollister Avenue, referred to herein as "IMPROVEMENTS" (E.A. 0M1401).
3. The Highway Bridge Replacement and Rehabilitation program (HBRR) became known as the Highway Bridge Program (HBP) with the advent of the Safe, Accountable, Flexible Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2006
4. States share of funding will now be from the State Highway Operation and Protection Program (SHOPP).
5. The termination date of the original Agreement will be extended to cover the additional time needed for the plant establishment of PROJECT and IMPROVEMENTS.

IT IS THEREFORE MUTUALLY AGREED:

1. Article 6 of Recitals is amended to read as follows:

"6. For the purpose of this Agreement, STATE's share of funding is from the SHOPP and CITY's share of funding is from the Highway Bridge Program (HBP), formerly the Highway Bridge Replacement and Rehabilitation (HBRR) Program, State Transportation Improvement Program [(Regional Improvement Program STIP-RIP)], and local funds including matching funds for the HBP Program as shown on Revised Exhibit A, attached hereto and made a part of this Agreement.

2. Article 12 of Section I is amended to read as follows:

"12. To use funding from the SHOPP to cover all costs for PA&ED of PROJECT and PS&E and construction of PROJECT including:

- a. work required to replace the Hollister Avenue Overcrossing structure;
- b. work necessary to conform to Calle Real and the new Ellwood Overhead up to the connection with that CITY overhead structure;
- c. demolition of the existing Hollister Avenue Overcrossing structure;
- d. work required to construct sidewalks between Calle Real and Ellwood Overhead.

3. Article 20 of Section I is amended to read as follows:

"20. Within one year of acceptance of construction contract for PROJECT and IMPROVEMENTS and work incidental thereto, to furnish CITY with a detailed statement of the portion of preliminary engineering, right of way, construction and construction engineering costs to be borne by CITY for IMPROVEMENTS, including resolution of any construction-related claims which have been allowed to the construction contractor. After completion of STATE's final accounting for IMPROVEMENTS, any unexpended RIP will revert to RIP of the STIP, and any unexpended Federal HBP authorized for IMPROVEMENTS will be disencumbered. Should any local match for HBP funds remain, those funds will be refunded to CITY. If STATE's cost for IMPROVEMENTS and higher than the STIP(RIP), HBP and/or local match for HBP funding authorized for IMPROVEMENTS, STATE will invoice CITY for any additional amount required to complete CITY's financial obligations pursuant to this Agreement.

4. Article 1 of Section II is amended to read as follows:

"1. STATE is authorized to obligate \$2,800,000 of Federal HBP funds as programmed in the 2004 Federal Transportation Improvement Program (FTIP) for State administered CITY's IMPROVEMENTS covered under Federal Project number BRLS-5481(003), EA 927410L

5. Article 2 of Section II is amended to read as follows:

"2. To allow STATE to obligate future additional Federal HBP funds that may be programmed for IMPROVEMENTS."

6. Article 5 of Section II is amended to read as follows:

"5. To pay an amount equal to one hundred percent (100%) of the total actual right of way costs for PROJECT and IMPROVEMENTS, estimated to be \$399,000, from the HBP, STIP(RIP) and local funding.

7. Article 6 of Section II is amended to read as follows:

"6. To deposit within twenty-five (25) days of receipt of invoice therefor (which invoice will be forwarded upon completion of appraisal of property needed for PROJECT and/or IMPROVEMENTS) moneys needed for right of way capital activities including match for Federal HBP funding."

8. Article 9 of Section II is amended to read as follows:

"9 To pay one hundred percent (100%) of the actual construction cost (estimated to be \$7,294,700^[RF1]), and construction engineering costs (estimated to be \$1,133,000) using HBP, STIP(RIP) and local funding for IMPROVEMENTS, including the cost of IMPROVEMENTS construction-related claims, and the cost of STATE defense of any of those claims, as determined after completion of work and upon final accounting of costs."

9. Article 15 of Section II is added to read as follows:

"15. To pay an amount equal to 100% of the actual total PS&E costs of IMPROVEMENTS, estimated to be \$1,071,100 from HBP, STIP(RIP) and local funding.

10. Article 3 of Section III is amended to read as follows:

" 3. CITY has budgeted \$100,000 in local HBP match funds for preliminary engineering, and an additional \$1,868,600 from the HBP and \$572,700 from STIP(RIP) are accessible to STATE for support costs for PS&E, right of way and construction engineering work for IMPROVEMENTS. (See Revised Exhibit A for detailed information pertaining to support costs.) If these support costs are exceeded, STATE will invoice CITY for those additional costs."

11. Article 3A of Section III is added to read as follows:

"3A CITY has budgeted \$33,000 in local HBP match funds for right of way capital and \$156,800 in local HBP match funds for construction capital for IMPROVEMENTS (see revised Exhibit A for detailed information pertaining to capital costs). Capital funds of \$111,000 from STIP and \$255,000 from HBP are accessible to STATE for right of way capital and \$1,618,200 from the STIP and \$5,519,700 from the HBP are accessible to STATE for construction capital for IMPROVEMENTS. If these capital cost are exceeded STATE will invoice CITY for the additional costs."

12. Article 13 of Section III is amended to read as follows:

" 13. STATE'S goal for utilization of Disabled Veterans Business Enterprise (DVBE) will be included in the construction contract. The contract goal will be based on a technical analysis of contract items and certified DVBE subcontractors in the area. STATE will award the construction contract to the lowest responsible bidder who meets the goal or who made, in the sole judgment of the STATE, a good faith effort to do so.

13. Article 26 of Section III is amended to read as follows:

"26. The costs referred to herein cover only "matching funds" based on the assumption Federal-aid funds will be allocated for HBP funding and RIP funding of the costs as shown on Exhibit A. In the event that Federal-aid participation is not secured, either party may terminate this Agreement at any time prior to award of the construction contract for PROJECT and IMPROVEMENTS.

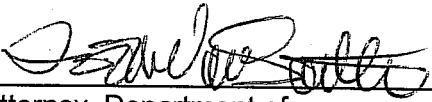
14. The termination date specified in Section III, Article 32 shall now be June 30, 2015 instead of June 30, 2011.
15. Revised Exhibit A and B dated 06/19/08, attached to and made a part of this Amendment, supersedes Exhibit A and B shown in the original Agreement.
16. The other terms and conditions of said District Agreement No. 05-CA-0178 shall remain in full force and effect.
17. This Amendment No. 1 to Agreement is hereby deemed to be part of District Agreement No. 05-CA-0178.

STATE OF CALIFORNIA
Department of Transportation


WILL KEMPTON
Director

By _____
RICHARD KRUMHOLZ
District 5 Director

Approved as to form & procedure:

By  _____
Attorney, Department of
Transportation

Certified as to funds & procedure:

By  _____
Accounting Administrator

Certified as to funds:

By _____
District 5 Budget Manager

CITY OF GOLETA
130 Cremona Drive, Suite B
Goleta, CA 93117

By _____
Mayor

Approved as to form and procedure:

By  _____
City Attorney

Certified as to financial terms:

By _____
Fiscal Officer

Approved as to content:

By _____
Community Services Director

**Exhibit A – Proposed Cooperative Agreement Amendment 05-CA-0178/A-1
Revised 06/19/08
Estimate of Costs
Hollister OC (Cathedral Oaks)**

EA 05-37150 - Project	
	SHOPP
Preliminary Engineering Support	\$2,308,000
Construction Engineering Support	\$1,017,000
Right-of-Way Support	\$ 222,000
Total Support	\$3,547,000
Right-of-Way Capital	\$ 15,000
Construction Capital	\$4,500,000
Total	\$8,062,000

EA 05-0M140 – Improvements				
Phase	STIP (RIP)	HBP Program	HBP Match Local Fund	Total
Preliminary Engineering Support	\$ 250,900 23.42%	\$ 720,200 67.24%	\$ 100,000 9.34%	\$ 1,071,100 100%
Construction Engineering Support	\$ 230,000 20.30%	\$ 903,200 79.70%	\$ 0 0.00%	\$ 1,133,200 100%
R/W Support	\$ 91,800 27.24%	\$ 245,200 72.76%	\$ 0 0.00%	\$ 337,000 100%
Total Support	\$ 572,700 22.54%	\$1,868,600 73.53%	\$ 100,000 3.93%	\$ 2,541,300 100%
Right-of-Way Capital	\$ 111,000 27.82%	\$ 255,000 63.91%	\$ 33,000 8.27%	\$ 399,000 100%
Construction Capital	\$1,618,200 22.18%	\$5,519,700 75.67%	\$ 156,800 2.15%	\$ 7,294,700 100%
Total Improvements	\$2,301,900 22.49%	\$7,643,300 74.68%	\$289,800 2.83%	\$10,235,000 100%

* Local match for construction phase is included in STIP (RIP) funds since they are state only

The status of programming of the funding is as follows:

- City has applied for HBRR Program funds for the replacement of the Ellwood Overhead. These funds were originally in the name of the County of Santa Barbara for this project. The funds are now in the City of Goleta's name. Authorization to proceed with preliminary engineering was granted on September 2, 2004. Funds in the amount of \$366,000 (\$268,800 Federal) are currently under Local Assistance EA 05-92741L but will be combined with EA 05-0M140.
- SBCAG approved moving STIP (RIP) funds (\$1,201,000) from EA 05-4611U, Ekwill-Fowler Extension project, to EA 05-0M140 by STIP amendment on August 19, 2004. The STIP amendment was approved by the CTC at the January CTC meeting (STIP Amendment 045-009). Funds for right-of-way and support cost in FY06 and construction capital in FY08.
- Local funds will be committed by City Council Resolution prior to execution of Cooperative Agreement.
- 2006 STIP and 2006 STIP Augmentation added \$500,000 for construction capital and \$60,000 for right of way support.
- 2008 STIP added \$409,000 for construction capital and \$113,000 for construction support.
- HBP amounts do not include City of Goleta oversight funding which are provided by a separate Local Assistance Expenditure Authorization (EA).

EXHIBIT B
Revised 06/19/08
ESTIMATED SCHEDULE
 Hollister OC (Cathedral Oaks)

M221 – Bridge Site Data	02/28/2006	Achieved
M225 – Reg Right-of-Way	06/22/2006	Achieved
M275 – Structure General Plans	11/30/2006	Achieved
M380 – PS&E to Headquarters	09/18/2008	
M410 – Right-of-Way Certification	01/22/2009	
M460 – Ready to List	02/24/2009	
M500 – Approve Construction Contract	07/21/2009	
M600 – Contract Acceptance	06/01/2014	
M800 – End Project	06/01/2015	