

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 11-12, 2011

Reference No.: 2.1c.(5f)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Sharon Scherzinger
Division Chief
Transportation Planning

Subject: **TRADE CORRIDORS IMPROVEMENT FUND-PROJECT BASELINE AMENDMENT
RESOLUTION TCIF-P-1011-26**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) amend the Trade Corridors Improvement Fund (TCIF) Project Baseline Agreement for the following three TCIF projects in Orange County: Project 37, Orangethorpe Avenue Grade Separation Project (PPNO TC37), Project 40, Lakeview Avenue Overcrossing Project (PPNO TC40) and Project 41, Tustin Avenue/Rose Drive Overcrossing Project (PPNO TC41). The Southern California Consensus Group concurs with this amendment and the requested changes.

ISSUE:

The Orange County Transportation Authority (OCTA) proposes to amend the TCIF Project Baseline Agreements for Project 37, Orangethorpe Avenue Grade Separation (Orangethorpe) project, Project 40, Lakeview Avenue Overcrossing (Lakeview) project and Project 41, Tustin Avenue/Rose Drive Overcrossing (Tustin/Rose) project to update the cost, funding plan, and delivery of each project.

BACKGROUND:

The Orangethorpe, Lakeview and Tustin/Rose projects are part of the Orange County's Bridges Program (OCBP) which will build underpasses and overpasses at local rail crossings to improve safety and reduce delays for this area. These three projects were adopted in the TCIF Program by the Commission on April 10, 2008. Project Baseline Agreements were executed for each project between OCTA, the Department, and the Commission, and approved by the Commission on October 29, 2008, under Resolution TCIF-P-0809-04B.

Due to design modifications to the Lakeview project requested by the City of Anaheim, the consequent additional right of way work and the delay in the acquisition of a residential property, the Lakeview project is experiencing delays in various phases of the project's delivery. To efficiently deliver the OCBP and offset the delay, OCTA has re-sequenced the program delivery to advance the Orangethorpe and Tustin/Rose projects. Details of the project information and changes proposed by OCTA are elaborated below.

Lakeview Avenue Overcrossing Project

The Lakeview project is programmed with \$28,685,000 of TCIF funds, under the TCIF Program of Projects, adopted by the Commission on April 10, 2008. The Lakeview project will build a bridge along Lakeview Avenue to allow vehicles to pass over the Burlington Northern Santa Fe Railway (BNSF) tracks. Lakeview Avenue will be elevated and realigned to pass over the railroad tracks. A ramp connecting Lakeview Avenue to Orangethorpe Avenue will be constructed, and North Bubach Street in the northeast corner of the project area will be rerouted to connect the ramp to a new signalized intersection. The project will also construct a new frontage road in the southeast corner of the project for local business access. In addition, a new road will also be built in the southwest corner to connect the new frontage road to Lakeview Avenue.

During the project development, the City of Anaheim requested OCTA to consider design and schedule changes to the Lakeview project. The design change involved the modification of access to the industrial properties along the south end of the project. This change required a re-design of street configurations in the area and a re-evaluation in the project’s right of way requirements causing delays in the project’s right of way acquisition. Therefore, the completion schedule for the Lakeview project is proposed to be extended. The following table provides a list of the project’s milestones with current approved and proposed delivery schedules:

Project Milestone	Current Approved	Proposed	Change
Lakeview Avenue Overcrossing			
Begin Environmental Phase	Jan-01	Jan-01	Complete
End Environmental Phase	Dec-08	Sep-09	Complete
Begin Design Phase	Jan-09	Feb-09	Complete
End Design Phase	Jun-11	Oct-11	4 Months
Begin Right of Way Phase	Oct-09	Apr-11	6 Months
End Right of Way Phase	Dec-10	Jan-13	2 Years, 1 Month
Begin Construction Phase	Jul-11	Jul-13	2 Years
End Construction Phase	Jan-14	Oct-15	1 Year, 9 Months

The increase in project costs is primarily due to the low cost estimate which was based on preliminary design concepts that did not accurately reflect the true complexity of the project. When the project was programmed and adopted in the TCIF Program, the estimate did not adequately reflect the quantities, material costs and full requirements for the project. The added design change also contributed to cost increases. The cumulative effect of these factors has significantly increased the estimated project cost.

OCTA proposes to update the project’s cost and funding plan as follows:

- The total project cost increased by \$11,648,000, from \$58,525,000 to \$70,173,000. The increase will not affect the amount of the programmed \$28,685,000 TCIF funds. However, due to the

schedule change, OCTA proposed to postpone the TCIF funds to Fiscal Year (FY) 2012-13 from FY 2010-11. The increase of the project cost will be fully funded by Congestion Mitigation and Air Quality (CMAQ) funds, Regional Surface Transportation Program (RSTP) funds and Federal Demonstration (DEMO) funds as illustrated in the table below.

- Design costs increased by \$1,137,000, from \$2,868,000 to \$4,005,000. Right of way costs reduced by \$4,075,000, from \$24,478,000 to \$20,403,000. Construction costs increased by \$16,449,000, from \$28,685,000 to \$45,134,000. Environmental costs decreased by \$1,863,000, from \$2,494,000 to \$631,000.

(DOLLARS IN THOUSANDS) Lakeview Avenue Overcrossing project										
FUND SOURCE	TOTAL	Totals by Fiscal Year					Totals by Project Phase			
		Prior	10/11	11/12	12/13	13/14	PA&ED	PS&E	R/W	CONST
State Funds (TCIF)										
Current Approved	28,685		28,685		0					28,685
Change	0		-28,685		28,685					0
Proposed	28,685		0		28,685					28,685
CMAQ										
Current Approved	0		0						0	
Change			2,749						2,749	
Proposed	2,749		2,749						2,749	
Measure M 2/CITY										
Current Approved	15,742	15,742			0		2,494	2,868	10,380	0
Change	-6,861	-9,241			2,380		-2,494	1,137	-7,884	2,380
Proposed	8,881	6,501			2,380		0	4,005	2,496	2,380
STP –Local (RSTP)										
Current Approved	0	0			0		0			0
Change	14,700	631			14,069		631			14,069
Proposed	14,700	631			14,069		631			14,069
DEMO										
Current Approved	14,098	14,098	0						14,098	
Change	1,060	-14,098	15,158						1,060	
Proposed	15,158	0	15,158						15,158	
TOTAL										
Current Approved	58,525	29,840	28,685		0		2,494	2,868	24,478	28,685
Change	11,648	-22,708	-10,778		45,134		-1,863	1,137	-4,075	16,449
Proposed	70,173	7,132	17,907		45,134		631	4,005	20,403	45,134

Orangethorpe Avenue Grade Separation Project

The Orangethorpe project is programmed with \$41,666,000 of TCIF funds, under the TCIF Program of Projects, adopted by the Commission on April 10, 2008. The Orangethorpe project will construct a bridge to allow vehicles to pass over the BNSF tracks to separate rail and roadway traffic. The railroad mainline tracks will remain at grade. Two additional structures will be constructed at Miller Street and Chapman Avenue to connect to Orangethorpe Avenue. The completed project will allow cars to cross over the railroad tracks, improving safety and reducing delays.

The increase in project costs is primarily due to the low cost estimate which was based on preliminary design concepts that did not accurately reflect the true complexity of the project. As the project was programmed and adopted in the TCIF Program, the estimate did not adequately reflect the quantities, material costs and full requirements for the project. In addition, BNSF has since requested a number of rail improvements to the project to reduce impacts to railroad operations during construction. The cumulative effect of these factors has significantly increased the estimated project cost.

OCTA proposes to update the project's cost and funding plan as follows:

- The total project cost increased by \$33,426,000, from \$83,957,000 to \$117,383,000. The increase will not affect the amount of the programmed \$41,666,000 TCIF funds. However, due to the schedule change, OCTA proposed to advance the TCIF funds to FY 2011-12 from FY 2012-13. The increase of the project cost will be fully funded by CMAQ funds, RSTP funds and DEMO funds as illustrated in the table below.
- Design costs increased by \$3,316,000, from \$5,241,000 to \$8,557,000. Right of way costs increased by \$6,254,000, from \$21,749,000 to \$28,003,000. Construction costs increased by \$27,782,000, from \$52,410,000 to \$80,192,000. Environmental costs decreased by \$3,926,000, from \$4,557,000 to \$631,000.

(DOLLARS IN THOUSANDS) Orangethorpe Avenue GS project										
FUND SOURCE	TOTAL	Totals by Fiscal Year					Totals by Project Phase			
		Prior	10/11	11/12	12/13	13/14	PA&ED	PS&E	R/W	CONST
State Funds (TCIF)										
Current Approved	41,666				41,666					41,666
Change	0			41,666	-41,666					0
Proposed	41,666			41,666	0					41,666
CMAQ										
Current Approved	21,749		21,749	0					21,794	0
Change	25,570		5,097	20,473					5,097	20,473
Proposed	47,319		26,846	20,473					26,846	20,473
Measure M										
Current Approved	20,542	9,798	0	0	10,744		4,557	5,241	0	10,744
Change	-8,275	-1,241	1,157	2,553	-10,744		-4,557	3,316	1,157	-8,191
Proposed	12,267	8,557	1,157	2,553	0		0	8,557	1,157	2,553
STP –Local (RSTP)										
Current Approved	0	0					0			
Change	631	631					631			
Proposed	631	631					631			
DEMO										
Current Approved	0			0						0
Change	15,500			15,500						15,500
Proposed	15,500			15,500						15,500
TOTAL										
Current Approved	83,957	9,798	21,749	0	52,410		4,557	5,241	21,749	52,410
Change	33,426	-610	6,254	80,192	-52,410		-3,926	3,316	6,254	27,782
Proposed	117,383	9,188	28003	80192	0		631	8,557	28,003	80,192

The amendment will also update the project’s delivery schedule. As previously discussed, the project delivery is being advanced as a result of re-sequencing the OCBP. The following table provides a list of the project’s milestones with current approved and proposed delivery schedule:

Project Milestone	Current Approved	Proposed	Change
Orangethorpe Avenue GS project			
Begin Environmental Phase	Jan-01	Jan-01	Complete
End Environmental Phase	Dec-08	Sep-09	Complete
Begin Design Phase	Jan-09	Feb-09	Complete
End Design Phase	Jun-13	Jan-12	1 Year, 4 Months
Begin Right of Way Phase	Oct-10	-	No change
End Right of Way Phase	Oct-12	Jan-12	9 Months
Begin Construction Phase	Jul-13	Jul-12	1 Year
End Construction Phase	Jul-16	Apr-15	1 Year, 3 Months

Tustin Avenue/Rose Drive Overcrossing Project

The Tustin/Rose project is programmed with \$31,700,000 of TCIF funds, under the TCIF Program of Projects, adopted by the Commission on April 10, 2008. The Tustin/Rose project will construct a vehicle overpass at the intersection of Tustin Avenue/Rose Drive and Orangethorpe Avenue, along the BNSF railroad track. Approximately 2,100 feet of Tustin/Rose will be elevated and realigned to pass over Orangethorpe Avenue and the railroad tracks. The completed project will allow cars to safely cross over the railroad tracks and eliminate use of train horns at this rail crossing.

The increase in project costs primarily is due to the low cost estimate which was based on preliminary design concepts that did not accurately reflect the project's true complexity. Also, as the project was programmed and adopted in the TCIF Program, the estimate did not adequately reflect the quantities, material costs and full requirements for the project. In addition, the BNSF has since requested a number of rail improvements to the project to reduce impacts to railroad operations during construction. The cumulative effect of these factors has significantly increased the estimated project cost.

OCTA proposes to update the project's cost and funding plan as follows:

- The total project cost increased by \$39,906,000, from \$63,087,000 to \$102,993,000. However, OCTA requests the programmed year for the \$31,387,000 TCIF funds be advanced to FY 2011-12 from FY 2012-13 due to change of schedule within the OCBP. The increase of the project cost will be fully funded by the RSTP funds.
- Design costs increased by \$3,104,000, from \$3,328,000 to \$6,432,000. Right of way costs increased by \$12,622,000, from \$23,893,000 to \$36,515,000. Construction costs increased by \$26,473,000, from \$32,972,000 to \$59,445,000. Environmental costs decreased by \$2,293,000, from \$2,894,000 to \$601,000.

(DOLLARS IN THOUSANDS) Tustin Avenue/Rose Drive Overcrossing Project										
FUND SOURCE	TOTAL	Totals by Fiscal Year					Totals by Project Phase			
		Prior	10/11	11/12	12/13	13/14	PA&ED	PS&E	R/W	CONST
State Funds (TCIF)										
Current Approved	31,387			0	31,387					31,387
Change	0			31,387	-31,387					0
Proposed	31,387			31,387	0					31,387
Measure M										
Current Approved	31,700	6,222	23,893	0	1,585		2,894	3,328	23,893	1,585
Change	-18,941	4,011	-23,893	2,526	-1,585		-2,894	3,104	-20,092	941
Proposed	12,759	10,233	0	2,526	0		0	6,432	3,801	2,526
STP –Local (RSTP)										
Current Approved	0	0	0	0			0		0	0
Change	58,847	601	32,714	25,532			601		32,714	25,532
Proposed	58,847	601	32,714	25,532			601		32,714	25,532
TOTAL										
Current Approved	63,087	6,222	23,893	0	32,972		2,894	3,328	23,893	32,972
Change	39,906	4,612	8,821	59,445	-32,972		-2,293	3,104	12,622	26,473
Proposed	102,993	10,834	32,714	59,445	0		601	6,432	36,515	59,445

The amendment will also update the project’s delivery schedule. As previously discussed, the project delivery is being advanced as a result of re-sequencing the OCBP. The following table lists project milestones with current approved and proposed delivery schedule:

Project Milestone	Current Approved	Proposed	Change
Tustin Avenue/Rose Drive			
Begin Environmental Phase	Jan-01	Jan-01	Complete
End Environmental Phase	Dec-08	Sep-09	Complete
Begin Design Phase	Jan-09	Feb-09	Complete
End Design Phase	Jun-13	Jan-12	1 Year, 6 Months
Begin Right of Way Phase	Sep-10	Oct-10	No change
End Right of Way Phase	Oct-12	Apr-12	6 Months
Begin Construction Phase	Jul-13	Oct-12	9 Months
End Construction Phase	Jan-16	Apr-15	9 Months

RESOLUTION TCIF-P-1011-26

Be it Resolved, that the California Transportation Commission does hereby amend the Trade Corridors Improvement Fund Baseline Agreements for Project 37, Orangethorpe Avenue Grade Separation project (PPNO TC37), Project 40, Lakeview Avenue Overcrossing project (PPNO TC40) and Project 41, Tustin Avenue/Rose Drive Overcrossing project (PPNO TC41), in accordance with the changes described and illustrated above.

Attachment

May 11-12, 2011

Attachment

One Gateway Plaza
Los Angeles, CA 90012-2952 213.922.2000 Tel
metro.net**Metro**Los Angeles County
Metropolitan Transportation Authority

April 18, 2011

Ms. Bimla G. Rhinehart
Executive Director
California Transportation Commission
1120 "N" Street, Mail Stop: 52
Sacramento, CA 94273-0001

Dear Ms. Rhinehart:

The Southern California Consensus Group has discussed and approved the changes requested by our partner agency. It is our understanding that the Orange County Transportation Authority is requesting approval to amend the schedule of seven TCIF grade separation projects:

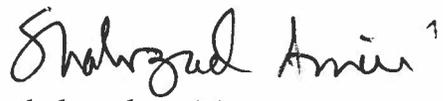
- Raymond Avenue
- State College Boulevard
- Placentia Avenue
- Kraemer Boulevard
- Orangethorpe Avenue
- Tustin Avenue/Rose Drive
- Lakeview Avenue

Second, they are also requesting to increase the total project cost for five grade separation projects. This request will in no way increase the TCIF project funding programmed to each of the projects.

- Raymond Avenue
- State College Boulevard
- Orangethorpe Avenue
- Tustin Avenue/Rose Drive
- Lakeview Avenue

Please see the attached letter from OCTA detailing the requested changes. Please direct any questions or comments regarding this issue to me at (213) 922-3061. We appreciate the ongoing support and guidance provided by you and your staff.

Sincerely,

A handwritten signature in black ink that reads "Shahrzad Amiri" with a small superscript "1" at the end.

Shahrzad Amiri
Deputy Executive Director

cc: Southern California Consensus Group
Andre Boutros
Maura Twomey