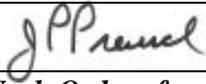


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## Alameda Corridor Transportation Authority

June 8, 2017

<b>To:</b>	Governing Board
<b>From:</b>	James P. Preusch, Chief Financial Officer 
<b>Subject:</b>	<i>Approval of FY18 ACET Annual Contract Work Orders for Agreement No. C0027 (APPROVAL)</i>

### Recommendation:

Approve the following Contract Work Orders (CWOs) and Change Orders (COs) and Agreement extensions and authorize the Chief Executive Officer or Chief Financial Officer to execute said CWOs and reallocate funding amounts as discussed herein:

1. Annual Contract Work Orders (CWOs) and corresponding Change Orders (COs) to Amended Agreement No. C0027 with the Alameda Corridor Engineering Team (ACET) for FY18 in the aggregate amount of \$2,337,607 allocated as follows: \$1,845,989 for ACTA Support and \$491,619 for the SR-47 Project;
2. Extend the term of the Agreement through June 30, 2018; and
3. Reallocate the FY18 CWO amounts amongst the CWO's during the fiscal year provided the aggregate total amount is not exceeded.

### Discussion:

In February 2014, the Board expressed its preference to extend the ACET contract on a year-by-year basis until ACTA's unfinished capital support obligations are complete. For each subsequent fiscal year the Board reaffirmed its preference for one year extensions. In February 2017, the Board reaffirmed its support for continuing this approach and the Board approved the inclusion of ACET in the FY18 Budget.

The Amended Agreement with ACET, effective January 1, 1996, requires that an annual CWO be submitted to the Governing Board for approval prior to the beginning of each fiscal year (July 1). For budget purposes, separate CWOs and corresponding Change Orders are required for ACTA Support and the SR-47 Project. In prior years there was also a CWO for the PCH Project, which is no longer required.



In FY 18, the ACTA Support CWO will be funded by the Administrative Operating Budget that is paid from ACTA revenue, and the M&O Budget that is paid directly by the railroads or through the Reserve Account. The SR-47 Project CWO is funded mostly from Caltrans sources.

The aggregate original FY17 CWO amount approved by the Board in June 2016 was \$2,260,658. It included \$1,772,844 for ACTA Support and \$487,814 for the SR-47 Project. A final FY17 closeout CO for both CWOs will be brought to the Board in September or October 2017.

**The proposed FY18 aggregate CWO is \$2,337,607 (exclusive of amounts related to the Dominguez Channel Oil Release EPA Matter (EPA)), which is 3% more than the FY17 budget of \$2,260,658.**

ACET staff peaked at about 170 full time equivalent (FTE) positions in FY00 at the height of corridor construction. ACET staff size was gradually reduced to 16 by FY07 and remained relatively constant through FY10. ACET staffing was then gradually reduced to 5 FTEs by FY16. **The number of FY18 FTE positions remains at 5, excluding subconsultants.**

The ACET budget also includes specialized technical services provided by subconsultants through the ACET contract. The proposed number of ACET positions may increase, if additional ACTA project development tasks are identified during the fiscal year. Governing Board approval for such Change Orders would be sought at the appropriate time.

## **1. ACTA SUPPORT CWO (Operating)**

The ACTA Support CWO includes the following three areas:

### **A. Base Program Closeout (Operating, previously Capital)**

This effort includes:

- Transferring ACTA-acquired property to the ports, municipalities and others;
- Concluding utility replacement rights agreements, licenses, franchises, and easements.

**The proposed FY18 budget for this item is \$357,738**, which is 0.4% more than the FY17 budget of \$356,270. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

### **B. Maintenance and Operations (Direct Railroad Cost)**

This item supports rail maintenance and is directly reimbursed by the Railroads. **The FY18 budgeted amount is \$473,271**, which is 0.5% more than the FY17 budget of \$470,920.

### **C. ACTA General Administrative Support (Operating)**

This effort includes general ACTA technical and administrative support and staff augmentation for other ongoing ACTA activities including:

- Computer and network systems support;
- Grant reimbursement, contract administration, planning, environmental coordination, document control, graphics, accounts payable, and other general support.

**The proposed FY18 allocation for this item is \$972,346**, which is 3% more than the FY17 budget of \$945,654. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

The aggregate total for the three parts of the ACTA Support CWO is \$1,845,989.

### **2. SR-47 PROJECT CWO (Public Benefit Project only)**

**The proposed FY18 budget for the SR-47 Project CWO is \$491,619 (Segment 1 only, as Segment 2 is on indefinite hold)**, which is 0.8% more than the FY17 budget of \$487,814. It includes final design support, design support during construction, and ROW/utility support during construction.

#### *SR-47 Project Background:*

Through four separate agreements with Caltrans, the SR-47 Project has progressed in four phases: the Feasibility Phase, the Environmental Document Phase, the Final Design and ROW Phase, and the Construction Phase. The cost for Phase 1 was \$1,502,221, of which ACTA funded \$1,013,416 (67%). The Phase 2 cost was approximately \$14.4 million, of which ACTA funded \$9.55 million (66%).

The draft EIS/EIR documents were publicly reviewed in the fall of 2007. ACTA also completed a Health Risk Assessment, which was publicly reviewed in January 2009. Litigation regarding the validity of the EIR/EIS for the project was first filed in late 2009. A court approved stipulation agreed to by all parties allowed Segment 1 (the Heim Bridge Replacement) to proceed, but postponed Segment 2 (the Expressway extension) until the litigation was resolved. Favorable rulings on the EIR were received in state court and the final federal ruling confirming the adequacy of the EIS was issued by the court in November 2014, exactly five years after the litigation was filed.

The design for Segment 1 was completed, and the construction was bid in FY11. In FY12, design work for two drainage pump stations (also part of Segment 1) was performed. In June 2011, the Board gave approval to enter into a fifth cooperative agreement for ACTA's administration of the pump station construction contract. However, at this time it is unlikely that ACTA will execute the fifth agreement and perform those services on behalf of Caltrans due to cost exposure risk to ACTA.

If the FY18 ACET CWO is approved, the not-to-exceed total contract value will be increased by \$2,337,607 from \$240,399,759 to \$242,737,366, exclusive of oil release matter amounts.

**Budget Impact:**

The \$2,337,607 aggregate CWO amount is included in the FY18 Program Budget. Sources include \$491,619 in federal SAFETEA-LU funds, Caltrans funds, and ACTA federal matching funds (20% match to design-related costs) for SR-47 in the Operating Budget as an Expense for Public Benefit; \$473,271 in Railroad M&O funds paid directly by the Railroads or from the Reserve Account; and \$1,372,718 from ACTA revenue sources in the Operating Budget.