

**Board Report**

File #: 2017-0390, **File Type:** Budget**Agenda Number:** 18.

**PLANNING AND PROGRAMMING COMMITTEE
JUNE 14, 2017****SUBJECT: ROSECRANS/MARQUARDT GRADE SEPARATION
PROJECT****ACTION: AMENDMENT TO INCREASE FY17 BUDGET****RECOMMENDATION**

APPROVE an amendment to increase the Fiscal Year (FY) 2017 budget in the amount of \$4,300,000 out of Measure R 20% funds for the Rosecrans/Marquardt Grade Separation Project.

ISSUE

Metro Board approved the acquisition of three real properties located at 13900 Rosecrans Avenue, 13720 Rosecrans Avenue, and 13750 Rosecrans Avenue in a May 2017 for the construction of the Rosecrans/ Marquardt Grade Separation Project. One of the three properties at 13720 Rosecrans Ave requested a closing date by the end of June 2017. If Metro does not close by June 30, 2017, an additional closing cost fee of \$75,000 is being requested by the seller since an initial offer by Metro was made last year on that property. The recommended action will enable the acquisition and closing sale of the property to occur by June 2017.

DISCUSSION

The Rosecrans/Marquardt Grade Separation Project (Project), located at milepost 157.8 on the BNSF San Bernardino Subdivision, was environmentally cleared in 2003 with the Third Track and Grade Separation Project on the BNSF Railway Company East-West Main Line Railroad Track EIR SCH #200204111. The Metro Board approved the professional services design contract in March 2015 in the amount of \$6,273,305.

The Project consists of a vehicular and pedestrians overpass that will be separate from the rail corridor located on the BNSF right-of-way on the San Bernardino Subdivision on which Metrolink, Amtrak, and BNSF trains operate. Since the rail corridor lies diagonally at the intersection of Rosecrans Avenue and Marquardt Avenue, it lengthens the vehicular and pedestrian crossing, ranking it as the number one ranked crossing in the state by the California Public Utilities Commission (CPUC).

Last month, the Metro Board approved the acquisition of three real properties located at 13900 Rosecrans Avenue, 13720 Rosecrans Avenue, and 13750 Rosecrans Avenue in a May 2017 for the construction of the Rosecrans/ Marquardt Grade Separation Project. One of the three properties at 13720 Rosecrans Ave requested a closing date by the end of June 2017. If Metro does not close by June 30, 2017, an additional closing cost fee of \$75,000 is being requested by the seller since an initial offer by Metro was made last year on that property. The recommended action will enable the acquisition and closing sale of the property to occur by June 2017.

DETERMINATION OF SAFETY IMPACT

This amendment to budget will have no impact on safety. This is a grade separation of the roadway from active railroad right-of-way. The Rosecrans/Marquardt intersection with the BNSF railroad has been rated by the CPUC as the most hazardous grade crossing in California. With the construction of this project, the at-grade crossing will be closed, eliminating the possibility of train to vehicle collisions. All aspects of the project will be designed to be in accordance with BNSF's current design standards and will be in accordance with the General Orders of the California Public Utilities Commission.

FINANCIAL IMPACT

In July 2016, the U.S. Department of Transportation (USDOT) selected the Project as one of the recipients of the Transportation Investment Generating Economic Recovery (TIGER) grant in the amount of \$15 million. The California High Speed Rail Authority (CHSRA and BNSF Railway have committed to providing \$76.665 million and \$7 million, respectively, to the Project. City of Santa Fe Springs will be securing \$15 million from the CPUC Section 190 Grade separation Program funds for the Project. Metro has committed to \$26.5 million of Measure R 20% funds. The total project cost has risen from the 10 percent preliminary engineering phase at \$132.7 million to the proposed LOP of \$155.3 million. Metro is working to reprogram \$7 million of State Transportation Improvement Program fund from the Bob Hope Pedestrian Bridge project and working with the California Freight Investment Program for opportunities to fund the \$8.135 million budget shortfall. With Board approval, the FY17 budget will be amended to include \$4,300,000 in Measure R 20% funds in department 2415, Regional Rail, Project No. 460066.

Impact to Budget

Programmed Measure R 20% FY18 budget will be transferred to FY17 budget. This change does not require an increase in Metro's \$26.5 million already programmed to this Project.

ALTERNATIVES CONSIDERED

The Board could choose not to amend the FY17 budget and decide to program \$75,000 in additional funds for FY18 budget. This alternative is not recommended due to the avoidable additional project cost increase.

NEXT STEPS

Upon Board approval and concurrence of amended budget, staff will close on the property prior to June 30th.

ATTACHMENTS

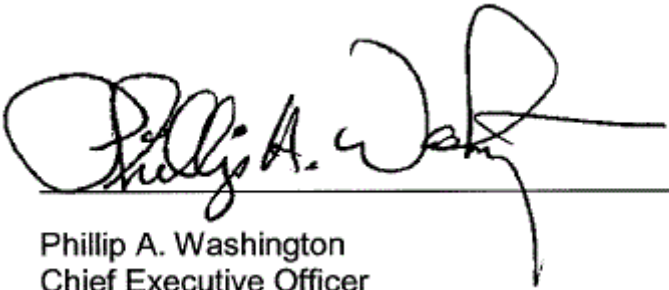
None.

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