

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	05/23/11	Open	Action	05/13/11

Subject: Approving the Third Amendment to the Agreement for Preliminary Engineering Reimbursement (Gas Line) with Pacific Gas and Electric Company (PG&E) for the South Sacramento Corridor Phase 2 Project.

ISSUE

Whether or not to approve the Third Amendment to the Agreement for Preliminary Engineering Reimbursement (Gas Line) with Pacific Gas and Electric Company (PG&E) for the South Sacramento Corridor Phase 2 Project.

RECOMMENDED ACTION

Adopt Resolution No. 11-05-_____, Approving the Third Amendment to the Agreement for Preliminary Engineering Reimbursement (Gas Line) with Pacific Gas and Electric Company (PG&E) for the South Sacramento Corridor Phase 2 Project.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	50,000
Budget Source:	Capital	Next FY:	\$	200,000
Funding Source:	New Starts/MSA/STA/Prop1B	Annualized:	\$	N/A
Cost Cntr/GL Acct(s) or	910800	Total Amount:	\$	250,000
Capital Project #:	410.06.05.01			
Total Budget:	\$ 632,937.65			

DISCUSSION

The South Sacramento Corridor Phase 2 Project (Project) will extend Sacramento Regional Transit District's (RT's) light rail service from its existing terminus at Meadowview Road south and east 4.3 miles to Cosumnes River College (CRC). The extension will link the fastest growing portion of Sacramento County, the South Corridor, with Downtown, the northeast Sacramento corridor and Rancho Cordova or Folsom in the east corridor. The project includes four stations located at Morrison Creek, Franklin Boulevard, Center Parkway, and Cosumnes River College. The current estimated project cost is \$270 million.

An existing Pacific Gas & Electric (PG&E) natural gas pipeline parallels the proposed RT tracks in the vicinity of the UPRR mainline tracks in the northern portion of the proposed alignment. PG&E has requested that this pipeline be relocated to allow for needed maintenance and inspection purposes. On April 13, 2009, the Board approved an Agreement for Preliminary Engineering Reimbursement to pay PG&E up to \$125,000 to carry out preliminary design work for the relocation of this gas line down Detroit Boulevard. Through two subsequent Board-approved

Approved:

Presented:

Final 5/16/11

General Manager/CEO

Director, Civil and Track Design

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amendments, the allowable reimbursement amount was increased to \$382,937.65. However, as a result of feedback received at the April 13, 2011 Detroit Boulevard Neighborhood Association meeting, staff has reassessed the alternative relocation routes originally studied. The primary goals are to minimize impacts to the residents, project delays, and project cost. Based upon the information collected to date, RT and PG&E staff are trying to determine whether it is feasible to keep the gas line within the UPRR corridor and the extent of design modifications. This alternative will require additional PG&E analysis and preliminary engineering design work. Staff is requesting that the Board approve an amendment to the Agreement to reimburse PG&E for its costs to complete this analysis and preliminary engineering.

The estimated cost for PG&E’s additional analysis of its gas line for the Project and completion of preliminary engineering is an additional “not to exceed” reimbursable amount of \$250,000, for a total “not to exceed” amount of \$632,937.65 under the Agreement. Under the Agreement, PG&E would be required to provide notice to RT if it expects to exceed the total not to exceed amount and the parties would negotiate an additional amendment to the Agreement, if appropriate.

Staff recommends approval of the Third Amendment to the Agreement for Preliminary Engineering Reimbursement with Pacific Gas and Electric Company for the SSCP2 Project to add \$250,000 to the total reimbursement that may be paid to PG&E for preliminary engineering work.

RESOLUTION NO. 11-05-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

May 23, 2011

**APPROVING THE THIRD AMENDMENT TO THE AGREEMENT FOR PRELIMINARY
ENGINEERING REIMBURSEMENT (GAS LINE) WITH PACIFIC GAS AND ELECTRIC
COMPANY (PG&E) FOR THE SOUTH SACRAMENTO CORRIDOR PHASE 2
PROJECT**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Third Amendment to the Agreement for Preliminary Engineering Reimbursement (Gas Line) between Pacific Gas and Electric Company, therein referred to as "PG&E," and the Sacramento Regional Transit District, therein referred to as "RT," whereby PG&E agrees to continue preliminary engineering work and analysis to determine whether it is feasible to keep the gas line within the UPRR corridor and the extent of design modifications.

THAT, RT agrees to increase the amount it will reimburse PG&E for PG&E's actual costs for such work by \$250,000, from \$382,937.65 to \$632,937.65, as further set forth therein, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Amendment.

DON NOTTOLI, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary