

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	08/13/12	Open	Action	07/31/12

Subject: Approving Right of Way Agreement for Northeast Corridor Project

## ISSUE

Whether or not to Approve the Second Amendment to the Possession and Use Agreement with Welch & Ryce for Northeast Corridor Project.

## RECOMMENDED ACTION

Adopt Resolution No. 12-08\_\_\_\_\_, Approving the Second Amendment to the Possession and Use Agreement with Welch & Ryce for Northeast Corridor Project

## FISCAL IMPACT

The right of way acquisition will not result in any cash payments to or from RT and the property owner. The agreement is structured such that the compensation provided by RT to the property owner is another parcel of an equal or greater value. RT will be responsible for payment of any escrow and title fees to complete the transactions which are estimated not to exceed \$25,000.

## DISCUSSION

A study was completed to evaluate improvements needed to reduce travel times and increase passenger capacity along the Northeast Corridor (extending from downtown Sacramento to the terminus at Watt/I-80) and improve connections between bus and light rail service. The RT Board adopted a project scope that included Roseville Road to Watt/I-80 double tracking; double tracking and straightening of the Lumberjack curve; expansion of shop space for light rail vehicles, and expansion of Swanston Station for enhanced bus/light rail connections.

On May 12, 2008, the Board authorized the solicitation of bids for the Northeast Corridor Project: Lumberjack Realignment (Project). The Invitation to Bid was issued on May 19, 2008. On September 8, 2008, the Board awarded the contract to Granite Construction and the work was substantially complete in February 2010.

Right of way acquisitions from three property owners are necessary for the Project. Although only three property owners are involved in the acquisitions for the Project, the completion of the transactions is complicated by RT's desire to reduce the "out of pocket" costs for the project by exchanging property rights between the three owners and RT. Typically, right of way transactions are completed prior to the issuance of construction documents for bid. However, in this case, work proceeded with the consent of affected property owners given through possession and use agreements.

On January 24, 2011, the Board approved the exchange contract between the State of California and RT. The terms of the contract cannot be fully satisfied until RT completes the transactions

Approved:

Presented:

Final 8/2/12

General Manager/CEO

AGM, Engineering and Construction

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with the other two property owners, Welch and Ryce, and RJB Company, respectively. The RJB Company exchange will require Federal Transit Administration (FTA) concurrence, as it involves the exchange of right of way originally purchased for the Starter Line system that was funded, in part, by federal funds.

RT completed negotiations with RJB Company in July 2011. Staff concluded negotiations with Welch & Ryce and at the request of counsel for Welch & Ryce, the property exchange will be completed through an amendment to the existing Possession and Use Agreement, rather than through a standalone Exchange Agreement. The Board authorized the First Amendment to the Possession and Use Agreement with Welch & Ryce for Northeast Corridor Project on February 27, 2012 that extended the Possession and Use Agreement through June 30, 2012. As the FTA concurrence process is taking longer than anticipated, staff proposes to extend the date of the agreement through December 31, 2012.

Staff recommends the Board approve the Second Amendment to the Possession and Use Agreement with Welch & Ryce for the Northeast Corridor Project, and delegate authority to the General Manager/CEO to execute agreements and submit needed requests to the Federal Transit Administration for approval of the property exchange.

RESOLUTION NO. 12-08-\_\_\_\_\_

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

August 13, 2012

**APPROVING THE SECOND AMENDMENT TO THE POSSESSION AND USE AGREEMENT WITH WELCH & RYCE FOR NORTHEAST CORRIDOR PROJECT**

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

THAT, the Second Amendment to the Possession and Use Agreement for the Northeast Corridor Project between Sacramento Regional Transit District, therein referred to as "RT," and Welch and Ryce, therein referred to as "Owner," whereby the parties agree to extend the date for the property exchanges set out in the First Amendment to the Possession and Use Agreement, on the terms and conditions set forth therein, is hereby approved.

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

THAT, the General Manager/CEO is hereby authorized and directed to execute any documents or request any required approvals necessary to complete the property exchanges.

\_\_\_\_\_  
BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary