

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	7/22/13	Open	Action	07/17/13

Subject: Approving the First Amendment to the Lease and Joint Use Agreement for the South Sacramento Corridor Phase II Light Rail Project with the Los Rios Community College District

ISSUE

Whether or not to approve the First Amendment to the Lease and Joint Use Agreement (Cosumnes River College Campus) with the Los Rios Community College District.

RECOMMENDED ACTION

Adopt Resolution No. 13-07-____, Approving the First Amendment to the Lease and Joint Use Agreement (Cosumnes River College Campus) with the Los Rios Community College District.

FISCAL IMPACT

None

DISCUSSION

The South Sacramento Corridor Phase II Project (Project) will extend Sacramento Regional Transit District's (RT) 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 CRC. The current estimated project cost is \$270 million.

On November 4, 2011, the Los Rios Community College District ("District") and RT entered into a Lease and Joint Use Agreement (Lease Agreement). Under the Lease Agreement, RT and District entered into a capital lease for the 2,016-stall parking structure located at the CRC Station. The Lease Agreement also provided for the transfer of easements to RT for the light rail system, including both permanent light rail transit easements and temporary construction easements.

Since the Lease Agreement was approved, issues have arisen that necessitate amending the lease. The following issues will be addressed in the first amendment to the Lease Agreement.

1. Payment Terms – Under the current Lease Agreement, Section 4.02 says that Parking Structure progress payments shall be paid to the District within 20 days after District delivers notice to RT of the amount of the Progress Payment due.

Due to funding delays related to the U.S. Department of Labor certification process and the ATU's Section 13(c) objection to the release of RT federal grants, RT has requested, and

Approved:

Presented:

Final 7/17/2013

General Manager/CEO

Director, Project Management

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the District has agreed, to amend Section 4.02 of the Lease Agreement to extend the timeline in which RT must make Progress Payments from 20 days to 120 days. This extension allows RT to better manage Project cash flow.

2. District to grant SMUD Easements - Several Project-related facilities on CRC right of way will require new service connections for power. These facilities include a light rail station, 2 traction power substations, 2 instrument houses and a relocated Sacramento Area Sewer District (SASD) pump station. SMUD requires easements from the District to finalize its design and to schedule the work for the service connections. The location of the services is an approximate location and the final location for the easement will be determined after the installation of the RT facility and SMUD service connection.

3. SASD Easement for the Pump Station – The original Lease Agreement with the District provided an easement on the northwest corner of the CRC right of way for transit facilities. The relocated SASD pump station will be located on that property; no easement currently exists for those facilities. The amendment will include an easement to SASD, which will include SASD’s specific language allowing for the installation of its pipes, including the right to excavate, construct, reconstruct, repair, operate, upgrade and forever maintain said facilities, over, upon, under and across all that real property.

Staff recommends approval of the First Amendment to the Lease and Joint Use Agreement (Cosumnes River College Campus) with the Los Rios Community College District.

RESOLUTION NO. 13-07-_____

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

July 22, 2013

APPROVING THE FIRST AMENDMENT TO THE LEASE AND JOINT USE AGREEMENT (COSUMNES RIVER COLLEGE CAMPUS) WITH THE LOS RIOS COMMUNITY COLLEGE DISTRICT

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

THAT, the First Amendment to the Lease and Joint Use Agreement (Cosumnes River College Campus) between the Sacramento Regional Transit District, therein referred to as "RT," and the Los Rios Community College District, therein referred to as "District," whereby (1) the parties agree to revised payment terms; (2) District agrees to grant the Sacramento Municipal Utility District ("SMUD") easements for service connections; and (3) District agrees to grant the Sacramento Area Sewer District ("SASD") an easement for its relocated pump station, is hereby approved.

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

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary