

REGIONAL TRANSIT ISSUE PAPER

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 13 | 01/23/17 | Open | Action | 01/18/17 |

Subject: Downtown Riverfront Streetcar Design Services – Optional Tasks 2, 3 and 4

ISSUE

Whether or not to amend the Contract for Downtown Riverfront Streetcar Design Services with HDR, Inc. to add optional Tasks 2, 3 and 4 to HDR, Inc.

RECOMMENDED ACTION

- A. Adopt Resolution 17-01-____, Approving the First Amendment to the Contract for Downtown Riverfront Streetcar Design Services with HDR Inc. to Add Optional Tasks 2, 3 and 4; and
- B. Adopt Resolution 17-01-____, Delegating Authority to the General Manager/CEO to Sign an Interagency Agreement to Secure Funding for Optional Tasks 2, 3 and 4.

FISCAL IMPACT

| | | | |
|--|--|---------------|----------------|
| Budgeted: | Yes | This FY: | \$5,453,354.83 |
| Budget Source: | Capital | Next FY: | \$0 |
| Funding Source: | Cities of Sacramento & West Sacramento | Annualized: | \$N/A |
| Cost Cntr/GL Acct(s) or Capital Project #: | 910800 S030 | Total Amount: | \$5,453,354.83 |
| Total Budget: | \$ 5,453,354.83 | | |

DISCUSSION

The Downtown / Riverfront Streetcar project is a 5.2-mile initial line that will extend from the West Sacramento Civic Center to the Midtown entertainment and retail district in the City of Sacramento. The project is owned by the cities of West Sacramento and Sacramento. The Sacramento Area Council of Governments (SACOG) has been acting as the project lead through the environmental process. RT will be responsible for managing the design and construction of the streetcar project on behalf of the two cities. The line will operate with modern double-articulated streetcars, and must be built within a maximum Small Starts budget of \$200 million.

On January 12, 2014, the RT Board authorized staff to release a Request for Proposals (RFP) for Downtown Riverfront Streetcar Design Services. The RFP was separated into four separate Tasks.

1. Task 1 – Streetcar Design Services up to a 50% and 85% design submittal.
2. Task 2 – Streetcar Design Services with a 100% design submittal.

Approved:

Presented:

Final 01/18/17

General Manager/CEO

Director, Project Management

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3. Task 3 – Design Services for the relocation of RT’s Light Rail from K Street to H Street between 8th and 12th streets.
4. Task 4 – Streetcar Vehicle Maintenance and Service Facility Site Work.

On April 25, 2016, the RT Board delegated authority to the General Manager/CEO to award Task 1 to HDR, Inc. to advance the streetcar design services to an 85% level. The total amount of Task 1 is \$4,704,884.89. At the April 25, 2016 Board meeting, the Board declined to delegate authority to award Tasks 2, 3 and 4. Staff was instructed to return to the Board for the remaining tasks once funding for this work was secured, and also when further clarification was available on governance and operations.

Funding

The total combined cost of Tasks 2, 3 and 4 is \$5,453,354.83. The independent values of each task are as follows.

- Task 2 = \$1,963,900.67
- Task 3 = \$2,092,346.35
- Task 4 = \$1,397,107.81

Funding for the above tasks has been identified through a 50/50 split of costs between the cities of Sacramento and West Sacramento. On November 16, 2016, the West Sacramento City Council approved a Resolution authorizing its City Manager to execute an Interagency Agreement between RT, West Sacramento and Sacramento to reimburse RT up to \$3,000,000 from each city for streetcar design work. The West Sacramento staff report is attached as Exhibit A.

On January 5, 2017, The City of Sacramento approved a similar Resolution authorizing its City Manager to execute an Interagency Agreement between RT, West Sacramento and Sacramento to reimburse RT up to \$3,000,000 from each city for streetcar design work. The Sacramento staff report is attached as Exhibit B.

In addition to providing the necessary funds to support Tasks 2, 3 and 4, RT staff time totaling up to \$545,335.48 has been included in this agreement.

In order to secure the funding for Tasks 2, 3 and 4, RT Board approval to delegate authority to the General Manager/CEO to sign the attached Interagency Project Agreement (Exhibit C) is necessary.

Governance

The Project will be jointly owned by the City of Sacramento and the City of West Sacramento. The two cities will form a Joint Powers Authority (JPA) under which the Project will be conducted. The JPA Agreement will spell out the obligations of each city with respect to the financing, design, construction, operations and maintenance of the Project including which city (or other public agency or private entity) will have the lead responsibility for each of these Project categories. A

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key component of the governance of the Project will be the formation of Downtown Riverfront Streetcar, Inc. (“DRSI”). DRSI will be a California public benefit corporation that will have tax-exempt status as a 501(c)(3) public charity. The purpose of DRSI is to ensure that those whose investments fund the Project will then have control over the operations and maintenance of the Project.

The Project would use approximately 1 mile of RT’s existing light rail tracks for streetcar service. The streetcar and light rail will operate on the same tracks for a portion of that alignment. Because streetcar service has the potential to impact light rail service and a portion of the tracks will be owned by RT, RT should also be represented on the DRSI Board to ensure that streetcar operations decisions are coordinated with RT’s light rail service.

Staff and legal counsel for the Project Partners have been actively pursuing finalization of the streetcar governance structure, including charting out the responsibilities of each party and outlining the agreements that would provide the final structure for design, construction, operations, and maintenance of the streetcar project. This will include establishing the DRSI with the responsibility of operating, maintaining and managing the streetcar. Staff and legal counsel anticipate formulating a final proposal and briefing the streetcar Policy Steering Committee (PSC) members at their next meeting. Approval of the documents by each City’s individual City Councils is anticipated in March 2017. The governance structure must be in place prior to the FTA authorizing a Small Starts Grant Agreement (SSGA) and is subject to FTA approval.

Operations

Streetcar service will operate seven days per week from 7:00 a.m. to 11:00 p.m. On weekdays, streetcars would operate in the City of Sacramento 15-minute headways from 7:00 am to 6:00 pm and 20-minute headways from 6:00 pm to 11:00 pm. On Saturdays, Sundays, and Holidays, streetcars would operate from 7:00 am to 11:00 pm with 20-minute headways in the City of Sacramento. Streetcar service in West Sacramento would have 30-minute headways due to the fact that once the streetcar crosses the Tower Bridge into West Sacramento traveling toward City Hall, every other train will travel along Riverfront Street.

The cities will initially contract with RT to operate the streetcar. Streetcar operations and maintenance costs would be paid by the JPA. West Sacramento, without knowing the magnitude, has taken the initiative in securing funding for its portion of the costs. The City of Sacramento is taking the necessary steps to secure its portion of the costs through a special finance district. City staff continues to work with Sacramento businesses and property owners to develop the district boundary, assessment rate and apportionment to generate the necessary streetcar operations and maintenance costs. It is anticipated that the formation of the district will be brought up for vote in May 2017.

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Additional Project Information

On August 16, 2016, the California State Transportation Agency (CalSTA) announced the selection of the Downtown Riverfront Streetcar for \$30 million in funds from the Transit and Intercity Rail Capital Program (TIRCP) to advance the planning and construction of the streetcar. TIRCP is one of several state programs funded by auction proceeds from the Greenhouse Gas Reduction Fund of California’s Cap and Trade Program.

On August 31, 2016, RT submitted to the Federal Transit Administration (FTA) its FY18 Small Starts submittal, which proposes a \$200 million project and requests \$100 million in Small Starts funding. FTA recommended \$75 million in Federal funding in the President’s FY17 budget. With the signing of the Fixing America’s Surface Transportation (FAST) Act in 2015, limits on the Federal funding for Small Starts projects was increased from \$75 million to \$100 million. The Project partners are hoping to take advantage of this additional funding to implement a more robust Project that includes key components not included in the FY17 submittal. The additional components are as follows:

1. RT’s light rail relocation from K Street to H Street between 8th Street and 12th Street.
2. Light rail service over the Tower Bridge to serve Raley Field during special events.
3. A Project extension of an additional mile along Riverfront Street in West Sacramento.

FTA is expected to release FY18 funding recommendations in April 2017.

Staff continues to work with its consultant, LTK Engineering Services, to finalize the vehicle specifications. Staff submitted final comments on the vehicle procurement technical specifications to LTK last month and is in the process of finalizing procurement documents to go out to bid for six new vehicles in March 2017.

Staff recommends the Board amend the Contract for Downtown Riverfront Streetcar Design Services with HDR, Inc. to exercise the options for Tasks 2, 3 and 4 to HDR, Inc. and delegate authority to the General Manager/CEO to sign an interagency agreement to secure funding for these tasks. Notice to Proceed for these three tasks will not be issued until the Interagency Project Agreement is signed.

MEETING DATE: November 16, 2016

ITEM # 14

SUBJECT:

CONSIDERATION OF AN INTERAGENCY PROJECT AGREEMENT TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN RIVERFRONT STREETCAR PROJECT

INITIATED OR REQUESTED BY:

Council Staff
 Other

REPORT COORDINATED OR PREPARED BY:

Jason McCoy, Senior Transportation Planner



 Deniz Anbiah, Director of Public Works

ATTACHMENT Yes No Information Direction Action

OBJECTIVE

The objective of this report is to provide the Council with an update on the status of the Downtown Riverfront Streetcar Project (the "Project") and obtain Council approval for an interagency agreement by and between Sacramento Regional Transit, the City of Sacramento and City of West Sacramento to support the design and engineering phase of the Project.

RECOMMENDED ACTION

It is respectfully recommended that the City Council:

- 1) Receive an update on the Downtown Riverfront Streetcar Project; and
- 2) Authorize the City Manager to execute the attached Interagency Agreement and Delegate Authority to the City Manager to execute the agreement including any non-substantive changes approved by the City Attorney; and
- 3) Authorize the City Manager to reimburse Sacramento Regional Transit up to \$3 million; and
- 4) Approve the expanded scope and budget for the Project to include additional elements, including the Riverfront Street extension, LRT service to Raley Field, and relocation of light rail from K Street to H Street in Sacramento.

PURPOSE

The City of West Sacramento and City of Sacramento (the "Cities"), in partnership with Sacramento Regional Transit ("RT"), Sacramento Area Council of Governments ("SACOG") and Yolo County Transportation District ("YCTD"), collectively referred to as the "Project Partners," desire to design and construct a 6.6-route mile (round trip) looped streetcar system + Riverfront Street (1.4-route miles), extending between the West Sacramento Civic Center and the Midtown entertainment and retail district in the City of Sacramento. The Cities agree that RT's demonstrated technical expertise in managing the design and construction of rail projects is necessary to satisfy the Federal Transit Administration ("FTA") sub recipient requirements. RT's time and resources qualify for project reimbursement from the Local Funds, most of which will ultimately be used as match funding to FTA's Small Starts funds. The Cities and RT wish to enter in to this Interagency Project Agreement to identify the Cities local contribution for this portion of the design and engineering phase of the project (Tasks 2, 3, and 4 of Attachment 1, Exhibit B (the "Estimates")), and RT's responsibility for completion of the Project Design and Engineering.

BACKGROUND

On March 21, 2014, SACOG submitted a letter to the FTA requesting entry into Small Starts Project Development. In April 2014, the FTA approved a \$150 million grant application submitted by SACOG under the Small Starts grant program. The Project received approval to enter into Project Development on May 1, 2014.

On April 5, 2016, RT jointly with the Project Partners submitted an application under the State of California's Transit and Intercity Rail Capital Program for the "Downtown Riverfront Sacramento-West Sacramento Streetcar and Sacramento Valley Station Light Rail Phase I Loop". This application served as a formal request to receive funding from auction proceeds from the California Air Resource Board's Cap-and-Trade Program. On August 16, 2016 it was announced by the California State Transportation Agency (CalSTA) that the Downtown Riverfront Streetcar would receive a \$30 million grant from the state. On April 25, 2016, after a

competitive bid process, RT awarded the contract for design services for the Downtown Riverfront Streetcar project to HDR, Inc.

The Project Partners have recently completed and submitted a revised \$200 million Small Starts application to the FTA for fiscal year (FY) 2018 requesting an increase in the federal share of the project from \$75 million to \$100 million. In accordance with the Fixing America's Surface Transportation ("FAST") Act, fixed guideway capital investment grants for new and expanded rail (including streetcars) under the Small Starts program have increased and are now eligible for up to \$100 million. This request for additional funds would provide enough funding to leverage development of the Riverfront Street extension in West Sacramento, provide funding to extend RT light rail transit (LRT) service to Raley Field for special events, and fund the relocation of LRT vehicles from K Street to H Street in Sacramento to facilitate improved streetcar service on K Street and LRT transit operations in Sacramento.

Since the City Council only authorized Project Development tasks for the Streetcar starter line, one of the recommended actions outlined in this report is the approval of the design of these added Project Development design elements under the Interagency Agreement. This modification will not require an additional budgetary appropriation by West Sacramento at this time, although it would involve an increase in the City's contribution to the complete project in the future, should the City receive additional funds from the Small Starts program as part of the FY 2018 budget. If the \$200 million project is approved by the FTA, funding for the City's share of service on Riverfront Street in the Bridge District has been designated from Communities Financing District 27 and Bridge District Infrastructure Financing District. This improvement is identified as "backbone infrastructure" in the Districts' formation documents, and a mandatory circulation element in the Bridge District Specific Plan and Bridge District development agreements. Additionally the Downtown Riverfront Streetcar Project Management Team (the "PMT") has recommended that if Riverfront Streetcar service is constructed, the maintenance facility site in West Sacramento adjacent to the Hwy 50 elevated structure (Pioneer Bridge) will be designed. If the Project Partners are not successful in securing a FY 2018 budget appropriation, the additional design tasks would achieve a design package that would allow the Cities to pursue other funding opportunities in the future.

ANALYSIS

In order to continue Project Development tasks, RT requires that the Cities contribute funding of consultant work as described in the Agreement. The PMT has been coordinating over the last several weeks to develop the attached Interagency Project Agreement (Attachment 1) to document the local funds contributed by the Cities for this portion of the design and engineering, and RT's responsibility for the design and engineering scope of work.

On April 25, 2016, the RT Board of Directors awarded Task 1 design services to HDR, Inc. utilizing funds awarded by SACOG and secured through a sub-recipient agreement between the City of Sacramento and RT for project development. Task 1 advanced streetcar design, which included the Riverfront Street alignment and LRT to Raley Field, to 85% at a cost of \$4,704,884.89. Additional funds are needed to initiate and complete Tasks 2, 3, and 4, and funding these tasks is the purpose of this Agreement. To date, the City of West Sacramento has not released funds to advance the Project, with the exception of staff time that has been allocated to the Project.

The Agreement will provide a mechanism for reimbursement of costs associated with completing Task 2 (100% Streetcar Design) at a cost of \$1,963,900.67; Task 3 (design for LRT relocation from K to H Street in Sacramento) at a cost of \$2,092,346.35; and Task 4 (Preliminary and Final Design of the Vehicle Maintenance and Service Facility (VMSF) site work including track layout and overhead contact system (OCS), Traction Power Substation (TPSS) and signaling) at a cost of \$1,397,107.81. Total consultant costs for all three remaining tasks is \$5,453,354.83. RT staff costs have been estimated at 10% of the total, or approximately \$575,000. A breakdown of the Design Cost Estimate has been attached as Exhibit B of the Agreement (Attachment 1). Total of all costs are just under \$6 million. The Cities agree, through this Agreement to reimburse RT design and engineering expenses up to \$3 million each.

It should be noted that this agreement is limited to the Project Development Phase. The total project budget is described in Exhibit "A" to the Agreement. That Exhibit shows the anticipated total contribution to project costs, including the remainder of project development, vehicle procurement, and construction. It is anticipated that the City of West Sacramento's total contribution will be in an amount not to exceed \$35 million. Contributions under this Agreement are included within that "not to exceed" amount. The Cities' contributions to future phases of the project will be subject to future City Council appropriations and authorizations and are not covered under the recommendation contained in this report.

Project Cost Estimate and Funding

The Project Partners have recently completed and submitted a revised Small Starts application to the FTA for Fiscal Year (FY) 2018 requesting an increase in the federal share of the project from \$75 million to \$100 million. As identified in Exhibit A of the attached Agreement, the total project cost projected to advance the full project, includes the Starter line+ Riverfront Alignment+ LRT Extension to Raley Field + LRT relocation from K Street to H Street. This \$200 million total project funding can be broken down as follows:

| | |
|-------------------------|-------|
| FTA | \$100 |
| City of West Sacramento | \$35 |
| Cap & Trade (State) | \$30 |
| Prop 1A (RT) | \$25 |
| City of Sacramento | \$7 |
| County of Sacramento | \$3 |
| TOTAL | \$200 |

\$ In Millions

Consultant engineers HDR, Inc. is currently working toward the completion of engineering and design in 2017 and is taking a critical look at both the project budget and schedule. While approval of the Agreement will allocate funding to this expanded project, the City Council is not being asked to approve additional funding or budget appropriations at this time. The City Council is being asked to include these expanded scope items as part of the work tasks covered by the attached Agreement.

Recommendation for advancement of the full streetcar project is subject to FTA approval of the FY 18 Small Starts grant application and recommendation in the President's budget. The announcement of funding recommendations for transportation projects in the President's Budget will likely be released in February 2017. The PMT will be working toward obtaining a funded Small Starts Grant Agreement by September 2017.

City of Sacramento's previous commitment was to contribute the \$7 million towards the capital phase of the project. With this agreement, City of Sacramento will be advancing \$3 million to the project development phase and contribute the remaining \$4 million to the Capital phase. It should be noted that the City of Sacramento Council has to authorize this funding shift before this agreement can be signed by City of Sacramento.

Project Status and Timeline

In the fall of 2015, RT's schedule identified a revenue service date of late 2019. Our FY 2017 budget submittal to FTA reflected that schedule. Earlier this year, RT reviewed the schedule and determined that incorrect assumptions existed in this schedule and have revised the schedule to show a revenue service date of late 2020. This change in the schedule is not related to delays/actions by the PMT but is due to the assumptions in the prior schedule. The Policy Steering Committee ("PSC") was advised of this change in September, and our FY 2018 budget submittal to FTA has reflected the change. Consultant engineers HDR, Inc. is currently working toward the completion of engineering and design in 2017 and is taking a critical look at both the project budget and schedule, and the FTA's Project Management Oversight Consultant is doing the same. It is expected that HDR and RT will inform the PMT of any changes to the project schedule in the coming weeks.

Vehicle Procurement

Streetcar vehicle procurement progress continues to be made with Streetcar Vehicle Specifications projected to be completed this month. The project team had been pursuing a joint procurement opportunity to potentially save time and cost on vehicle procurement. However after numerous unsuccessful attempts to "piggyback" on the procurement of other streetcar projects currently moving forward, the PMT has recommended proceeding with vehicle procurement independently in an effort to move the Project forward and avoid impacting the project schedule. The PSC members will be provided an update on vehicle procurement at the next PSC meeting to be scheduled early December.

Buy America Requirement

On September 1, 2016, the FTA issued final "Buy America" policy guidance advising transit agencies and transit vehicle manufacturers how to implement a phased increase in domestic content requirements for transit rolling stock procurements from 60 percent to more than 70 percent by FY 2020. The phased increase is required by the FAST Act. Under this policy guidance, the "Buy America" domestic content requirements for streetcar rolling stock procurements will be based on the scheduled delivery date of the first production vehicle. Based on our current schedule for streetcar delivery, it is estimated that the domestic content required for the Downtown Riverfront Streetcar rolling stock will be more than 65 percent. This minimum domestic

content requirement will restrict the ability of streetcar manufacturers to source some materials from their typical suppliers, resulting in increased costs and in some cases an inability of streetcar manufacturers to bid on the project. It is unknown at this time how many manufacturers this will impact, including potential impact to the Streetcar vehicle procurement schedule.

Utility relocation status

The PMT continues to coordinate with the various utility companies in both Cities in an effort to identify and minimize utility conflicts and provide for the relocation of utility infrastructure where required. As design moves forward, the Project Partners will continue to explore minor variations within the approved alignment to avoid utility conflicts and reduce project costs where feasible.

Governance Structure

Staff and legal counsel for the Project Partners have been actively pursuing finalization of the streetcar governance structure, including charting out the responsibilities of each party and outlining the agreements that would provide the final structure for design, construction, operations, and maintenance of the streetcar project. This will include establishing a non-profit organization with the responsibility of operating, maintaining and managing the streetcar. Staff and legal counsel anticipate formulating a final proposal and briefing PSC members at the next PSC meeting. Approval of the documents by each City's individual City Councils is anticipated in January/February 2017. The governance structure must be in place prior to the FTA authorizing the grant agreement.

City of Sacramento Special District Financing

The City of Sacramento continues to work with the Sacramento business and property owner community to develop the boundary, assessment rate, and apportionment for a special finance district to generate funds toward streetcar project Operations and Maintenance (O&M). It is anticipated that the formation of the district will be brought up for a vote in March 2017 with results of that vote announced in May 2017.

Commission Recommendation

The Transportation, Mobility and Infrastructure Commission received a full project background and update on the Downtown Riverfront Streetcar project on September 12, 2016. The interagency agreement before the Council was drafted following the last scheduled meeting in 2016 for the Commission. Additional project updates will be provided to the Transportation, Mobility and Infrastructure Commission in 2017 as the project progresses.

Strategic Plan Integration

The Downtown Riverfront Streetcar project directly addresses the guiding principle of "Riverfront: a Regional Destination." In addition, by addressing improved transportation access, it also serves the principles of a Strong Diverse Local Economy and Vibrant Neighborhoods (adequate road and transportation capacity to facilitate ease of movement). This item also advances the 2016 Strategic Plan Policy Agenda Top Priority item, "Streetcar Development."

Alternatives

As an alternative to the recommended action, the City Council could:

1. Direct staff to amend the interagency agreement with changes recommended by the Council; or
2. Direct staff not to pursue an interagency agreement with the project partners. This alternative would not facilitate release of funding commitments required for the project to move forward.

Coordination and Review

The City of West Sacramento as a member of the PMT continues to coordinate directly with the Project Partners on the Project. Elements of the project are being coordinated internally between the City of West Sacramento Economic Development Department, Finance Division, and Public Works Department; and externally with the SACOG, RT, City of Sacramento, Caltrans, utility providers, project consultants HDR, Inc. and their staff, as well as federal representatives and other state agencies.

This Agreement will be brought before the Sacramento City Council on December 6, 2016, and the Sacramento Regional Transit Board on December 12, 2016 for approval.

Budget/Cost Impact

The actions recommended as part of this report will rely on budgetary appropriation previously authorized by the City Council for the Downtown Riverfront Streetcar project, and authorize the reimbursement of City funds to RT. The Agreement provides a framework for cost sharing between three entities and describes the

respective contributions of each to the Project Development phase of the project. The City's commitment under the Agreement is limited to a "not to exceed" amount of \$3 million contribution previously appropriated by City Council in November 2013 and budgeted in Capital Improvement Project #14004. The funding source for the City's \$3 million contribution under the Agreement is Measure V (109-211) funds.

ATTACHMENT

1. Interagency Project Agreement

INTERAGENCY PROJECT AGREEMENT

TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN RIVERFRONT STREETCAR PROJECT

This Agreement ("Agreement") is made as of this ____ day of _____, 2016 ("Effective Date") by and between, SACRAMENTO REGIONAL TRANSIT DISTRICT ("RT"), THE CITY OF SACRAMENTO ("Sacramento") and THE CITY OF WEST SACRAMENTO ("West Sacramento"); Sacramento and West Sacramento are herein sometimes referred to as the "Cities", and collectively all parties are referred to herein as "the Parties."

RECITALS:

- A. Cities desire to design and construct a streetcar line through Downtown and Midtown Sacramento, over Tower Bridge and into West Sacramento through the Bridge District and Civic Center District (the "Project").
- B. On March 21, 2014 SACOG submitted a letter to the Federal Transit Administration (FTA) requesting entry into the Small Starts Project Development as defined by the FTA.
- C. On May 1, 2014, FTA approved the Downtown Riverfront Streetcar Project into the Project Development phase.
- D. The current cost estimate of the Project including the remaining Project Development and construction of the streetcar starter line, relocation of light rail from K Street to H Street, light rail extension to Raley Field and Streetcar Riverfront Street alignment is \$200 million. It is the intent of the project partners to share Project costs as shown in Exhibit A. The Cities portion of funds to be used for the Design and Engineering phase of the Project (as defined in Recital F) is set forth in Section 4 of this Agreement.
- E. The Parties agree that RT's demonstrated technical expertise in managing the design and construction of rail projects is necessary to satisfy the FTA. RT's time and resources qualify for project reimbursement from the Local Funds (defined as the funding shown on Exhibit A to be provided by the Cities, RT, and the County of Sacramento), most of which will ultimately be used as match funding to FTA's Small Starts funds.
- F. The Parties wish to enter into this Interagency Project Agreement to document the Local Funds contributed by the Cities for the remainder of the Design and Engineering phase, and RT's responsibility for completion of the Design and Engineering phase.
- G. This Agreement covers only the work identified in Exhibit B. This Agreement does not cover work completed prior to Task 2, or other work subsequent to Task 4.

- H. Following a competitive bid process, HDR, Inc. was selected to perform four tasks.
- I. On April 25, 2016, the RT Board of Directors awarded Task 1 design services to HDR, Inc. utilizing funds that had already been secured from the Cities for project development. Task 1 advances streetcar design, which includes the Riverfront alignment and the light rail extension to Raley Field, to 85% at a cost of \$4,704,884.89.
- J. Task 2 advances streetcar design to 100%. Task 3 advances design of the light rail relocation from K Street to H Street (between 8th Street & 12th Street). Task 4 will provide preliminary and final design of the Vehicle Maintenance and Service Facility (VMSF) site work including the layout of the yard track, overhead contact system (OCS), Traction Power Substation (TPSS) and Signaling. The design of the Vehicle Maintenance and Service Facility building will be provided through a separate contract.
- K. The cost of Task 2 is \$1,963,900.67. The cost of Task 3 is \$2,092,346.35. The cost of Task 4 is \$1,397,107.81. Total consultant costs of all three tasks is \$5,453,354.83. RT staff costs are estimated to be 10% of the total cost, or \$545,335.48 as referenced in the Design Cost Estimate attached hereto and incorporated herein as Exhibit B (the “Estimates”).
- L. The total cost of tasks 2, 3 & 4, plus RT costs to perform the required activities in connection with tasks 2, 3 & 4, including all direct and indirect overhead labor and miscellaneous costs are expected to be approximately \$6 million.
- M. The RT Board of Directors stated that a new agreement must be executed between the Parties to secure funding for the remaining tasks before HDR Inc. would be awarded approval for tasks 2, 3, and 4.
- N. In order to pay for tasks 2, 3 and 4, as well as RT staff costs to administer these three tasks, it will be necessary for the Cities to fund this portion of Project Development.
- O. In consideration of the foregoing recitals, which are incorporated in the Agreement below as if fully recited therein, and the mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT:

1. It is agreed by the Parties that RT, at no cost to RT beyond the funding identified in Exhibit A, will oversee and manage all Project design work during the Design and Engineering phase. An estimate to undertake the Design and Engineering has been reviewed and approved by the Downtown Riverfront Streetcar Project Management Team (the “PMT”). Costs are listed in Recital J and Recital K above and are documented in the Estimates (Exhibit B). Should the Project proceed beyond the Design and Engineering, a separate cost estimate prepared by HDR will be provided by RT to the Cities for construction.

2. Design and Engineering Phase Scope: RT shall utilize the funding provided, up to the maximum amounts set forth in Recitals J and K and the Estimates, exclusively for tasks associated with the completion of Design and Engineering work for the Project (Tasks 2, 3 & 4), as set forth in the Estimates.
3. Payments for RT's Staff Costs: Cities agree to reimburse RT for actual costs and expenses reasonably and necessarily incurred by RT in performance of required activities in connection with the Design and Engineering work (Tasks 2, 3 & 4), including all direct and indirect overhead labor costs. This reimbursement obligation is limited, however, to the amount identified in Recital J and Recital K above. Cities recognize that they can elect under 23 CFR Section 140.907 to reimburse RT for all direct and indirect overhead labor/construction costs using Federal additive rates and agree to do so. RT's scope of work and estimated amount of cost and expense to be incurred by RT in connection with the Design and Engineering work are summarized in the Estimates. Any additional work required incidental to that shown on the Estimates, but specifically detailed thereon, may be included as part of this Agreement by written amendment to this Agreement approved in advance by the Cities. The Parties acknowledge and agree that RT may recalculate and update each of the Estimates if the Effective Date is greater than six (6) months after the date of the Estimates. Application of federally-approved and Cities-accepted labor additive rates will apply to current or future costs and will not be retroactively applied to costs previously billed.
4. Cities Contribution: Cities agree to reimburse RT up to \$3 million each, in accordance with Section 6 below, to be used exclusively for Design and Engineering expenses outlined in Recital J and Recital K above, and in the Estimates (Exhibit B). It is the intent of the Cities to contribute the remainder of the funds identified in Exhibit A to future Phase(s) of the project.
5. Invoicing: On a monthly basis, RT will invoice each City for 50% of the incurred cost for HDR and RT staff time. Amounts claimed must reflect the cost of completed work, which has been paid for. RT will provide all supporting backup documentation for the cost incurred and claimed for reimbursement.
6. Review, approval and payment of invoices: In accordance with the California Prompt Payment Act, Government Code Sections 927 et seq, all undisputed invoices must be paid within 45 days of receipt of the invoice from RT. If Cities determine that any costs set forth in an invoice are not allowable, Cities must deliver written notice to RT identifying the disputed amounts and setting forth Cities reasoning as to why such amounts are not allowable, and upon RT's receipt of such notice, Cities and RT must use commercially reasonable efforts to promptly resolve any such disputed amounts.
7. All work to be done hereunder by RT must be done by RT's employees or RT's contractor(s) as approved by the Parties.
8. Insurance: The Parties hereto agree RT and the Cities are qualified self-insurers.

9. All applicable portions of Title 23, Code of Federal Regulations, Parts 646A, 646B and 140I are by reference incorporated herein and made a part hereof.
10. The records accounts of RT relating to the project must be open for inspection and audit by the Cities and by the State and/or Federal Government during normal business hours at RT's Sacramento headquarters for a period of three years from the date final payment from Cities is received by RT in connection with the Project.
11. There are no ascertainable net benefits, as defined by Federal Regulations, to RT from the Project and, consequently, there is no required RT sharing of the costs beyond RT's contribution as outlined in Exhibit A.
12. No alternation or variation of the terms of this Agreement is valid unless made by a formal amendment and executed by the Parties hereto and no oral understanding or agreement not incorporated herein is binding on any of the Parties hereto.
13. Nothing within the provisions of this Agreement is intended to create duties or obligations or rights to third parties not a party to this Agreement or to affect the legal liability of the Party to this Agreement by imposing any standard of care different from the standard of care imposed by law.
14. This Agreement is effective as of the Effective Date shown on the front page of this Agreement and when fully signed and executed by all Parties' authorized signatories. Each party hereto represents and warrants that the person executing this Agreement on behalf of such party has full power and authority to enter into this Agreement.
15. This Agreement inures to the benefit of and is binding upon the successors and assigns of RT and upon the assigns of the Cities.
16. This Agreement terminates upon completion of the work performed by RT pursuant to Section 1, or 18-months from the Effective Date of this Agreement, whichever is earlier in time.
17. Any party to this agreement may terminate this Agreement for any reason, with or without cause, at any time, by giving the other parties fifteen (15) days written notice. The notice will be deemed served and effective for all purposes on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to the other parties at the address indicated in Section 19.
18. Upon termination, RT will send the final invoice for eligible work completed up to the date of the termination in accordance with Section 5 above and the Cities shall reimburse RT in accordance with Section 6 above.
19. Representatives: The representatives of the parties to this agreement are, as follows:

Sacramento Regional Transit

Attn: Ed Scofield
Director, Project Management
2811 O Street
Sacramento, CA 95812

City of West Sacramento
Attn: Rafael Martinez
Transportation Division Manager
Public Works Department
1110 West Capitol Avenue, 1st floor
West Sacramento, CA 95691

City of Sacramento
Sacramento City Hall
Attn: Adam Randolph, PE
Senior Engineer
Department of Public Works
915 I Street, Suite 200
Sacramento, CA 95814

20. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate, by their officers' thereunto duly authorized, as of the day and year first above written.

CITY OF SACRAMENTO

SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____
Howard Chan
City Manager

By: _____
Henry Li
General Manager/CEO

Approved as to Content:
CITY OF SACRAMENTO

Approved as to Content:
SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____
Hector Barron
Director of Public Works

By: _____
Neil Nance
VP, Strategic Planning and System Development

Approved as to Legal Form:
CITY OF SACRAMENTO

Approved as to Legal Form:
SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____

By: _____

James Sanchez
City Attorney

Tim Spangler
Chief Counsel

CITY OF WEST SACRAMENTO

By: _____
Martin Tuttle
City Manager

Approved as to Content:
CITY OF WEST SACRAMENTO

By: _____
Kryss Rankin
City Clerk

Approved as to Legal Form:
CITY OF WEST SACRAMENTO

By: _____
Jeffrey Mitchell
City Attorney

EXHIBIT A
FUNDING FOR PROJECT INCLUDING DESIGN,
ENGINEERING, CONSTRUCTION & VEHICLE
PROCUREMENT

Total Project Cost (Starter line+ Riverfront Alignment+ LRT Extension to Raley Field + LRT relocation from K Street to H Street

Dollars in Millions

| | |
|-------------------------|--------------|
| FTA | \$100 |
| City of West Sacramento | \$35 |
| Cap & Trade (State) | \$30 |
| Prop 1A (RT) | \$25 |
| City of Sacramento | \$7 |
| County of Sacramento | \$3 |
| TOTAL | \$200 |

EXHIBIT B DESIGN COST ESTIMATE

LOCATION: Downtown and Midtown Sacramento, West Sacramento.

PROJECT: Downtown Riverfront Streetcar Project

ESTIMATE:

| | |
|--|-----------------------|
| Task 2 – Civil, Track, Systems and Stations Final Design Services | \$1,963,900.67 |
| Task 3 – Civil, Track, Systems and Stations Design for the Relocation of RT’s Light Rail from K Street to H Street between 8 th & 12 th Street | \$2,092,346.35 |
| Task 4 – Vehicle Maintenance and Service Facility (VMSF) Site Work | \$1,397,107.81 |
| RT Staff Time | <u>\$545,335.48</u> |
| Total (Not To Exceed) | \$5,998,690.31 |



City Council Report

915 I Street, 1st Floor
Sacramento, CA 95814

www.cityofsacramento.org

File #: 2017-00027

January 5, 2017

Consent Item 06

**Title: Administrative Matter: Interagency Project Agreement to Support Design and Engineering of the Downtown/Riverfront Streetcar Transit Project (S15131800)
[Published for 10-Day Review 12/01/2016]**

Recommendation: Pass a Resolution 1) rescinding Resolution R2016-0437; and 2) authorizing the City Manager or City Manager's to execute an Interagency Project Agreement with the Sacramento Regional Transit District and the City of West Sacramento in an amount not to exceed \$3 million to complete design and engineering of the Downtown/Riverfront Streetcar Transit Project.

Location: Districts 3 and 4

Contact: Fedolia "Sparky" Harris, Principal Planner, (916) 808-2996; Ryan Moore, Interim City Traffic Engineer, (916) 808-6629, Department of Public Works

Presenter: None

Department: Public Works

Attachments:

- 1-Description/Analysis
- 2-R2016-0437 Interagency Project Agreement Downtown Riverfront Streetcar Transit Project
- 3-Resolution
- 4-Exhibit A - Interagency Project Agreement

Description/Analysis

Issue Detail: On December 13, 2016, City Council adopted Resolution 2016-0437 approving an Agreement for the design and engineering of the Downtown/Riverfront Streetcar Transit Project. However, since that time the agreement has been revised. Staff recommendation is to rescind R2016-0437 and approve the revised agreement included in this report package.

An Interagency Project Agreement (Agreement) is required to document the commitment from the City to contribute a fair share towards the design and engineering of the Downtown/Riverfront Streetcar Transit project (Project) through a contract between the Sacramento Regional Transit District and the consultant design team (HDR)

Policy Considerations: The Agreement is consistent with the goals and policies of the City. Executing the Agreement will allow the City to support the development of streetcar lines and related infrastructure in the Central City and other multi-modal districts as provided in Policy M3.1.16 of the Sacramento 2035 General Plan.

Economic Impacts: None

Environmental Considerations: The Environmental Services Manager has determined that the action of approving the Agreement does not have the potential for causing a significant effect on the environment and is therefore exempt under California Environmental Quality Act (CEQA) Guidelines, Section 15061(b)(3). However, any subsequent actions for implementation of the Agreement will be required to undergo CEQA review.

Sustainability Considerations: The project is consistent with the City's Sustainability Master Plan. It conforms to the Air Quality Focus Area by improving and optimizing transportation infrastructure.

Committee/Commission Action: None

Rationale for Recommendation: This recommendation is made pursuant to Sacramento City Code section 3.60.090, which requires City Council authorization to execute all contracts for public projects involving the expenditure of \$100,000 or more. City Council has approved a Memorandum of Understanding between the City of Sacramento, the City of West Sacramento, the Sacramento Regional Transit District (RT), and the Yolo County Transportation District (YCTD), as "Participating Agencies," and the Sacramento Area Council of Governments (SACOG), as the "Sponsoring Agency" to complete planning and project development for the Project.

Financial Considerations: On November 13, 2012 City Council passed Resolution No. 2012-381 to establish the Project and appropriated \$38,750 from the Downtown Transportation Systems Management Fund to the Project. On February 25, 2014 City Council passed Resolution No. 2014-0049 appropriating \$1.5 million from the Sheraton MOPA Project Fund (Fund 2030) to the Project. On November 6, 2014 City Council passed Resolution No. 2014-0358 to adopt the 2015 One-Year Action Plan including the allocation of \$300,000 in Community Development Block Grant (CDBG) funds to the Project. On January 13, 2015 City Council passed Motion No. 2015-0007 assigning \$7 million of City funds to the Project including: \$1 million Cal EPA Lease Revenue; \$1 million CDBG; \$2 million Economic Development Fund; and \$3 million from FY2013/14 year-end operating results to the Project. On February 24, 2015 City Council passed Resolution No. 2015-0048 appropriating \$493,314 from the Fair Share Fund account (Fund 2032) to the Project. On March 17, 2015 City Council passed Resolution No. 2015-0075 appropriating the \$3 million from FY2013/14 year-end operating results previously assigned on January 13, 2015 to the Project.

Based upon this history, funding for the Project is comprised of \$5,332,064 in appropriations and \$4 million in assignments for a total \$9,332,064. Total obligations to date for the Project amount to \$1,010,815. This action would obligate \$3 million of the \$8,321,249 unobligated balance to fund design and engineering tasks to be performed by HDR, Inc. under a contract with RT. A balance of \$5,321,249 would remain as match for the construction phase of the project.

Local Business Enterprise (LBE): Not applicable as the City of Sacramento is not the lead agency for the project.

Background Information: The cities of Sacramento and West Sacramento have worked cooperatively with RT and YCTD since 2006 to complete the preliminary concept for a streetcar line linking the two cities across the Sacramento River, known as the Downtown-Riverfront Transit (Streetcar) Project (Project). This work has also been done in partnership with SACOG and the California Department of Transportation (Caltrans) under a Memorandum of Understanding first executed in May 2006.

The 3.3-mile initial line that was identified extends from the West Sacramento Civic Center to the Midtown entertainment and retail district in the City of Sacramento. On March 21, 2014, SACOG requested entry into Project Development (PD) phase under the Federal Transit Authority (FTA) Small Starts program. PD was calculated to cost \$12 million as a percentage of the \$150 million total project cost estimate in 2014. The City of Sacramento agreed to contribute \$2 million toward PD. On May 1, 2014 FTA authorized entry into the PD phase. To date, \$7,532,225 of the estimated \$12 million PD work has been obligated or expended for 30 percent Design, Environmental Analysis, Community Facility District formation, legal services, and staff support.

On August 25, 2016, the RT Board of Directors delegated authority to the General Manager/CEO to execute a contract with HDR for Task 1 of Downtown Riverfront Streetcar Design Services – 85 percent Design for \$4,704,885. Board action on the remaining three tasks was postponed pending the execution of an interagency agreement with the City of Sacramento and the City of West Sacramento to document the financial commitments of the Cities towards those tasks. The remaining design and engineering tasks for HDR, Inc. to complete include:

| | | |
|---------|---|----------------|
| Task 2. | 100 percent Design of the Starter Line | \$1,963,900.67 |
| Task 3. | K Street to H Street LRT Relocation Design | \$2,092,346.35 |
| Task 4. | Vehicle Maintenance and Storage Facility Site Work..... | \$1,397,107.81 |

The cost of the remaining design and engineering tasks plus 10 percent administrative costs borne by RT of \$545,335.48 amounts to \$5,998,690.31.

The cost estimate for the Streetcar Project has grown to \$200 million in anticipation of a higher federal contribution and the addition of the relocation of light rail from K Street to H Street, light rail service between the Sacramento Valley Station, and streetcar service on Riverfront Street in West Sacramento. Since the cost of PD was calculated as a percentage of the total cost, the original \$12 million estimate for PD is expected to increase. Past PD expenditures of \$7,532,225 and pending PD costs associated with Tasks 2, 3, and 4 of \$5,998,690.31 suggest that the revised estimate will be at least \$13,530,916.

The City of Sacramento has appropriated or identified a total of \$9,332,064 to contribute towards the Project including PD and Construction. To date, \$1,010,815 of this amount has been obligated or expended for PD including legal analysis, special tax formation, and staff time leaving an unobligated balance of \$8,321,249. The Agreement will make \$3 million of that balance available to RT on a cost reimbursement basis for the remaining design and engineering tasks to be performed by HDR, Inc.

RESOLUTION NO. 2016-0437

Adopted by the Sacramento City Council

December 13, 2016

INTERAGENCY PROJECT AGREEMENT TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN/RIVERFRONT STREETCAR TRANSIT PROJECT (S15131800)

BACKGROUND

- A. City, Subrecipient and other Participating Agencies in the Downtown/Riverfront Streetcar Transit Project (Project) adopted “Downtown/Riverfront Transit Project Underlying Principles and Roles & Responsibilities (Principles); and
- B. One of the goals of the Principles was for the Participating Agencies to work together to submit a Federal Transit Administration (FTA) funding application; and
- C. On November 13, 2012 City Council passed Resolution No. 2012-381 to establish the Project (S15131800) and appropriated \$38,750 from the Downtown Transportation Systems Management Fund to the Project; and
- D. On February 25, 2014 City Council passed Resolution No. 2014-0049 to appropriate \$1.5 million from the Sheraton Master Owner Participation Agreement (MOPA) Project Fund (Fund 2030) to the Project; and
- E. On November 6, 2014 City Council passed Resolution No. 2014-0358 to adopt the 2015 One-Year Action Plan including the allocation of \$300,000 in Community Development Block Grant (CDBG) funds to the Project; and
- F. On January 13, 2015 City Council passed Motion No. 2015-0007 assigning \$7 million of City funds to the Project including \$1 million Cal EPA Lease Revenue, \$1 million CDBG, \$2 million Economic Development Fund, and \$3 million from the FY2013/14 year-end operating results to the Project; and
- G. On February 24, 2105 City Council passed Resolution No. 2015-0048 appropriating \$493,314 from the Fair Share account (Fund 2032) to the Project and to execute a Subrecipient Agreement with the Sacramento Area Council of Governments for the Project for \$2 million; and
- H. On March 17, 2015 City Council passed Resolution 2015-0075 authorizing the City Manager to fund the Project with \$3 million from FY2013/14 year-end operating results; and

- I. The City of Sacramento anticipated a \$2 million contribution for Project Development costs totaling \$12 million but that cost estimate has increased; and
- J. The parties wish to enter into this Interagency Project Agreement to document the availability of City funding in the amount of \$3 million for reimbursement of design and engineering for the Project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager or the City Manager’s designee is hereby authorized to execute the Interagency Project Agreement with the Sacramento Regional Transit District (RT) and the City of West Sacramento in an amount not to exceed \$3 million to complete design and engineering of the Project as set forth in Exhibit A.

Table of Contents:

Exhibit A - Interagency Project Agreement

Adopted by the City of Sacramento City Council on December 13, 2016, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Warren and Mayor Johnson

Noes: None

Abstain: None

Absent: Member Schenirer

Attest:

Shirley Concolino
Shirley Concolino, City Clerk

Digitally signed by Shirley Concolino
DN: cn=Shirley Concolino, o=City of Sacramento, ou=City Clerk, email=sconcolino@cityofsacramento.org, c=US
Date: 2016.12.16 13:01:04 -08'00'

INTERAGENCY PROJECT AGREEMENT

TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN RIVERFRONT STREETCAR PROJECT

This Agreement ("Agreement") is made as of this ____ day of _____, 2016 ("Effective Date") by and between, SACRAMENTO REGIONAL TRANSIT DISTRICT ("RT"), THE CITY OF SACRAMENTO ("Sacramento") and THE CITY OF WEST SACRAMENTO ("West Sacramento"); Sacramento and West Sacramento are herein sometimes referred to as the "Cities", and collectively all parties are referred to herein as "the Parties."

RECITALS:

- A. Cities desire to design and construct a streetcar line through Downtown and Midtown Sacramento, over Tower Bridge and into West Sacramento through the Bridge District and Civic Center District (the "Project").
- B. On March 21, 2014 SACOG submitted a letter to the Federal Transit Administration (FTA) requesting entry into the Small Starts Project Development as defined by the FTA.
- C. On May 1, 2014, FTA approved the Downtown Riverfront Streetcar Project into the Project Development phase.
- D. The current cost estimate of the Project including the remaining Project Development and construction of the streetcar starter line, relocation of light rail from K Street to H Street, light rail extension to Raley Field and Streetcar Riverfront Street alignment is \$200 million. It is the intent of the project partners to share Project costs as shown in Exhibit A. The Cities portion of funds to be used for the Design and Engineering phase of the Project (as defined in Recital F) is set forth in Section 4 of this Agreement.
- E. The Parties agree that RT's demonstrated technical expertise in managing the design and construction of rail projects is necessary to satisfy the FTA. RT's time and resources qualify for project reimbursement from the Local Funds (defined as the funding shown on Exhibit A to be provided by the Cities, RT, and the County of Sacramento), most of which will ultimately be used as match funding to FTA's Small Starts funds.
- F. The Parties wish to enter in to this Interagency Project Agreement to document the Local Funds contributed by the Cities for the remainder of the Design and Engineering phase, and RT's responsibility for completion of the Design and Engineering phase.
- G. This Agreement covers only the work identified in Exhibit B. This Agreement does not cover work completed prior to Task 2, or other work subsequent to Task 4.

- H. Following a competitive bid process, HDR, Inc. was selected to perform four tasks.
- I. On April 25, 2016, the RT Board of Directors awarded Task 1 design services to HDR, Inc. utilizing funds that had already been secured from the Cities for project development. Task 1 advances streetcar design, which includes the Riverfront alignment and the light rail extension to Raley Field, to 85% at a cost of \$4,704,884.89.
- J. Task 2 advances streetcar design to 100%. Task 3 advances design of the light rail relocation from K Street to H Street (between 8th Street & 12th Street). Task 4 will provide preliminary and final design of the Vehicle Maintenance and Service Facility (VMSF) site work including the layout of the yard track, overhead contact system (OCS), Traction Power Substation (TPSS) and Signaling. The design of the Vehicle Maintenance and Service Facility building will be provided through a separate contract.
- K. The cost of Task 2 is \$1,963,900.67. The cost of Task 3 is \$2,092,346.35. The cost of Task 4 is \$1,397,107.81. Total consultant costs of all three tasks is \$5,453,354.83. RT staff costs are estimated to be 10% of the total cost, or \$545,335.48 as referenced in the Design Cost Estimate attached hereto and incorporated herein as Exhibit B (the "Estimates").
- L. The total cost of tasks 2, 3 & 4, plus RT costs to perform the required activities in connection with tasks 2, 3 & 4, including all direct and indirect overhead labor and miscellaneous costs are expected to be approximately \$6 million.
- M. The RT Board of Directors stated that a new agreement must be executed between the Parties to secure funding for the remaining tasks before HDR Inc. would be awarded approval for tasks 2, 3, and 4.
- N. In order to pay for tasks 2, 3 and 4, as well as RT staff costs to administer these three tasks, it will be necessary for the Cities to fund this portion of Project Development.
- O. In consideration of the foregoing recitals, which are incorporated in the Agreement below as if fully recited therein, and the mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT:

- 1. It is agreed by the Parties that RT, at no cost to RT beyond the funding identified in Exhibit A, will oversee and manage all Project design work during the Design and Engineering phase. An estimate to undertake the Design and Engineering has been reviewed and approved by the Downtown Riverfront Streetcar Project Management Team (the "PMT"). Costs are listed in Recital J and Recital K above and are documented in the Estimates (Exhibit B). Should the Project proceed beyond the Design and Engineering, a separate cost estimate prepared by HDR will be provided by RT to the Cities for construction.

2. Design and Engineering Phase Scope: RT shall utilize the funding provided, up to the maximum amounts set forth in Recitals J and K and the Estimates, exclusively for tasks associated with the completion of Design and Engineering work for the Project (Tasks 2, 3 & 4), as set forth in the Estimates.
3. Payments for RT's Staff Costs: Cities agree to reimburse RT for actual costs and expenses reasonably and necessarily incurred by RT in performance of required activities in connection with the Design and Engineering work (Tasks 2, 3 & 4), including all direct and indirect overhead labor costs. This reimbursement obligation is limited, however, to the amount identified in Recital J and Recital K above. Cities recognize that they can elect under 23 CFR Section 140.907 to reimburse RT for all direct and indirect overhead labor/construction costs using Federal additive rates and agree to do so. RT's scope of work and estimated amount of cost and expense to be incurred by RT in connection with the Design and Engineering work are summarized in the Estimates. Any additional work required incidental to that shown on the Estimates, but specifically detailed thereon, may be included as part of this Agreement by written amendment to this Agreement approved in advance by the Cities. The Parties acknowledge and agree that RT may recalculate and update each of the Estimates if the Effective Date is greater than six (6) months after the date of the Estimates. Application of federally-approved and Cities-accepted labor additive rates will apply to current or future costs and will not be retroactively applied to costs previously billed.
4. Cities Contribution: Cities agree to reimburse RT up to \$3 million each, in accordance with Section 6 below, to be used exclusively for Design and Engineering expenses outlined in Recital J and Recital K above, and in the Estimates (Exhibit B). It is the intent of the Cities to contribute the remainder of the funds identified in Exhibit A to future Phase(s) of the project.
5. Invoicing: On a monthly basis, RT will invoice each City for 50% of the incurred cost for HDR and RT staff time. Amounts claimed must reflect the cost of completed work, which has been paid for. RT will provide all supporting backup documentation for the cost incurred and claimed for reimbursement.
6. Review, approval and payment of invoices: In accordance with the California Prompt Payment Act, Government Code Sections 927 et seq, all undisputed invoices must be paid within 45 days of receipt of the invoice from RT. If Cities determine that any costs set forth in an invoice are not allowable, Cities must deliver written notice to RT identifying the disputed amounts and setting forth Cities reasoning as to why such amounts are not allowable, and upon RT's receipt of such notice, Cities and RT must use commercially reasonable efforts to promptly resolve any such disputed amounts.
7. All work to be done hereunder by RT must be done by RT's employees or RT's contractor(s) as approved by the Parties.
8. Insurance: The Parties hereto agree RT and the Cities are qualified self-insurers.

9. All applicable portions of Title 23, Code of Federal Regulations, Parts 646A, 646B and 140I are by reference incorporated herein and made a part hereof.
10. The records accounts of RT relating to the project must be open for inspection and audit by the Cities and by the State and/or Federal Government during normal business hours at RT's Sacramento headquarters for a period of three years from the date final payment from Cities is received by RT in connection with the Project.
11. There are no ascertainable net benefits, as defined by Federal Regulations, to RT from the Project and; consequently, there is no required RT sharing of the costs beyond RT's contribution as outlined in Exhibit A.
12. No alternation or variation of the terms of this Agreement is valid unless made by a formal amendment and executed by the Parties hereto and no oral understanding or agreement not incorporated herein is binding on any of the Parties hereto.
13. Nothing within the provisions of this Agreement is intended to create duties or obligations or rights to third parties not a party to this Agreement or to affect the legal liability of the Party to this Agreement by imposing any standard of care different from the standard of care imposed by law.
14. This Agreement is effective as of the Effective Date shown on the front page of this Agreement and when fully signed and executed by all Parties' authorized signatories. Each party hereto represents and warrants that the person executing this Agreement on behalf of such party has full power and authority to enter into this Agreement.
15. This Agreement inures to the benefit of and is binding upon the successors and assigns of RT and upon the assigns of the Cities.
16. This Agreement terminates upon completion of the work performed by RT pursuant to Section 1, or 18-months from the Effective Date of this Agreement, whichever is earlier in time.
17. Any party to this agreement may terminate this Agreement for any reason, with or without cause, at any time, by giving the other parties fifteen (15) days written notice. The notice will be deemed served and effective for all purposes on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to the other parties at the address indicated in Section 19.
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Sacramento Regional Transit

Attn: Ed Scofield
Director, Project Management
2811 O Street
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City of West Sacramento
Attn: Rafael Martinez
Transportation Division Manager
Public Works Department
1110 West Capitol Avenue, 1st floor
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City of Sacramento
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Attn: Adam Randolph, PE
Senior Engineer
Department of Public Works
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Sacramento, CA 95814

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IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate, by their officers' thereunto duly authorized, as of the day and year first above written.

CITY OF SACRAMENTO

SACRAMENTO REGIONAL TRANSIT
DISTRICT

By: _____
Howard Chan
City Manager

By: _____
Henry Li
General Manager/CEO

Approved as to Content:
CITY OF SACRAMENTO

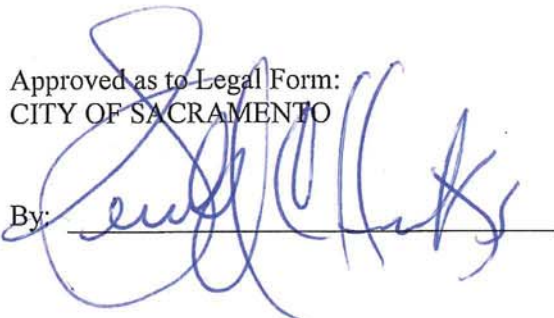
Approved as to Content:
SACRAMENTO REGIONAL TRANSIT
DISTRICT

By: _____
Hector Barron
Director of Public Works

By: _____
Neil Nance
VP, Strategic Planning and System
Development

Approved as to Legal Form:
CITY OF SACRAMENTO

Approved as to Legal Form:
SACRAMENTO REGIONAL TRANSIT
DISTRICT

By:  _____

By: _____

James Sanchez
City Attorney

Tim Spangler
Chief Counsel

CITY OF WEST SACRAMENTO

By: _____
Martin Tuttle
City Manager

Approved as to Content:
CITY OF WEST SACRAMENTO

By: _____
Kryss Rankin
City Clerk

Approved as to Legal Form:
CITY OF WEST SACRAMENTO

By: _____
Jeffrey Mitchell
City Attorney

EXHIBIT A
FUNDING FOR PROJECT INCLUDING DESIGN,
ENGINEERING, CONSTRUCTION & VEHICLE
PROCUREMENT

Total Project Cost (Starter line+ Riverfront Alignment+ LRT Extension to Raley Field + LRT relocation from K Street to H Street

Dollars in Millions

| | |
|-------------------------|-------|
| FTA | \$100 |
| City of West Sacramento | \$35 |
| Cap & Trade (State) | \$30 |
| Prop 1A (RT) | \$25 |
| City of Sacramento | \$7 |
| County of Sacramento | \$3 |
| TOTAL | \$200 |

**EXHIBIT B
DESIGN COST ESTIMATE**

LOCATION: Downtown and Midtown Sacramento, West Sacramento.

PROJECT: Downtown Riverfront Streetcar Project

ESTIMATE:

| | |
|--|-----------------------|
| Task 2 – Civil, Track, Systems and Stations Final Design Services | \$1,963,900.67 |
| Task 3 – Civil, Track, Systems and Stations Design for the Relocation of RT’s Light Rail from K Street to H Street between 8 th & 12 th Street | \$2,092,346.35 |
| Task 4 – Vehicle Maintenance and Service Facility (VMSF) Site Work | \$1,397,107.81 |
| RT Staff Time | <u>\$545,335.48</u> |
| Total (Not To Exceed) | \$5,998,690.31 |



Requires Council Approval: No x YES Meeting: 12/13/16

Real Estate Other Party Signature Needed Recording Requested

General Information

Table with 4 rows and 2 columns. Row 1: Type: Agreement, PO Type, Attachment, No.:. Row 2: \$ Not to Exceed: \$3 million, Original Doc Number:. Row 3: Other Party: City of West Sacramento, Sacramento Regional Transit District, Certified Copies of Document:. Row 4: Project Name: Downtown/Riverfront Streetcar Transit Project, Deed: [] None, [] Included, [] Separate. Row 5: Project Number: S15131800, Bid, LBE:; Transaction #:.

Department Information

Department: Public Works Division: Transportation
Project Mgr: Sparky Harris Supervisor:
Contract Services: Date: 11/21/16 Division Mgr: Ryan Moore
PM Phone Number: 808-2996 Org Number:

Comment: RT wants to be the last party to sign the agreement

Review and Signature Routing

Signature routing table with columns for Department, Signature/Initial, and Date. Includes entries for Project Mgr, Supervisor, Division Manager, and City Attorney with handwritten signatures and dates.

[X] Call [] Notify for Pick Up

Authorization section with Signature and Date columns. Includes Hector Barron as Department Director and City Mgr selection (yes [] No []).

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-09)

For City Clerk Processing box containing Finalized, Imaged, and Received sections with fields for Initial, Date, and a large empty box for stamping.

Resolution No.

Adopted by the Sacramento City Council

January 5, 2017

INTERAGENCY PROJECT AGREEMENT TO SUPPORT AND ENGINEERING OF THE DOWNTOWN/RIVERFRONT STREETCAR TRANSIT PROJECT (S15131800)

BACKGROUND

- A. City, Subrecipient and other Participating Agencies in the Downtown/Riverfront Streetcar Transit Project (Project) adopted "Downtown/Riverfront Transit Project Underlying Principles and Roles & Responsibilities (Principles); and
- B. One of the goals of the Principles was for the Participating Agencies to work together to submit a Federal Transit Administration (FTA) funding application; and
- C. On November 13, 2012 City Council passed Resolution No. 2012-381 to establish the Project (S15131800) and appropriated \$38,750 from the Downtown Transportation Systems Management Fund to the Project; and
- D. On February 25, 2014 City Council passed Resolution No. 2014-0049 to appropriate \$1.5 million from the Sheraton Master Owner Participation Agreement (MOPA) Project Fund (Fund 2030) to the Project; and
- E. On November 6, 2014 City Council passed Resolution No. 2014-0358 to adopt the 2015 One-Year Action Plan including the allocation of \$300,000 in Community Development Block Grant (CDBG) funds to the Project; and
- F. On January 13, 2015 City Council passed Motion No. 2015-0007 assigning \$7 million of City funds to the Project including \$1 million Cal EPA Lease Revenue, \$1 million CDBG, \$2 million Economic Development Fund, and \$3 million from the FY2013/14 year-end operating results to the Project; and
- G. On February 24, 2105 City Council passed Resolution No. 2015-0048 appropriating \$493,314 from the Fair Share account (Fund 2032) to the Project and to execute a Subrecipient Agreement with the Sacramento Area Council of Governments for the Project for \$2 million; and
- H. On March 17, 2015 City Council passed Resolution 2015-0075 authorizing the City Manager to fund the Project with \$3 million from FY2013/14 year-end operating results; and
- I. The City of Sacramento anticipated a \$2 million contribution for Project Development costs totaling \$12 million but that cost estimate has increased; and
- J. The parties wish to enter into this Interagency Project Agreement to document the availability of City funding in the amount of \$3 million for reimbursement of design and engineering for the Project.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The City Manager is hereby authorized to execute the Interagency Project Agreement with the Sacramento Regional Transit District (RT) and the City of West Sacramento in an amount not to exceed \$3 million to complete design and engineering of the Project as set forth in Exhibit A.

Table of Contents:

Exhibit A: Interagency Project Agreement

INTERAGENCY PROJECT AGREEMENT

TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN RIVERFRONT STREETCAR PROJECT

This Agreement ("Agreement") is made as of this 16th day of November, 2016 ("Effective Date") by and between, SACRAMENTO REGIONAL TRANSIT DISTRICT ("RT"), THE CITY OF SACRAMENTO ("Sacramento") and THE CITY OF WEST SACRAMENTO ("West Sacramento"); Sacramento and West Sacramento are herein sometimes referred to as the "Cities", and collectively all parties are referred to herein as "the Parties."

RECITALS:

- A. Cities desire to design and construct a streetcar line through Downtown and Midtown Sacramento, over Tower Bridge and into West Sacramento through the Bridge District and Civic Center District (the "Project").
- B. On March 21, 2014, the Sacramento Area Council of Governments ("SACOG") submitted a letter to the Federal Transit Administration ("FTA") requesting entry into the Small Starts Project Development as defined by the FTA.
- C. On May 1, 2014, FTA approved entry into the Project Development phase for the Project. The current cost estimate of the Project including the remaining project development and construction of the streetcar starter line, relocation of light rail from K Street to H Street, light rail extension to Raley Field and Streetcar Riverfront Street alignment is \$200 million. It is the intent of the project partners to share Project costs as shown in Exhibit A. The Cities portion of funds to be used for the Design and Engineering phase of the Project (as defined in Recital F) is set forth in Section 4 of this Agreement.
- D. The Parties agree that RT's demonstrated technical expertise in managing the design and construction of rail projects is necessary to satisfy the FTA. RT's time and resources qualify for project reimbursement from the local funds (defined as the funding shown on Exhibit A to be provided by the Cities, RT, and the County of Sacramento), most of which will ultimately be used as match funding to FTA's Small Starts funds.
- E. The Parties wish to enter in to this Interagency Project Agreement to set out the terms and conditions for the Cities to fund RT's Design and Engineering efforts toward the Project.
- F. This Agreement covers only the work identified in Exhibit B. This Agreement does not cover work completed prior to Task 2, or other work subsequent to Task 4.
- G. Following a competitive Request for Proposals, HDR, Inc. ("HDR") was selected to perform four Streetcar Design Services tasks.

- H. On April 25, 2016, the RT Board of Directors awarded Task 1 design services to HDR using funds that had already been secured from the Cities for project development. Task 1 advances streetcar design, which includes the Riverfront alignment and the light rail extension to Raley Field, to 85% at a cost of \$4,704,884.89.
- I. Task 2 advances streetcar design to 100%. Task 3 advances design of the light rail relocation from K Street to H Street (between 8th Street & 12th Street). Task 4 will provide preliminary and final design of the Vehicle Maintenance and Service Facility (VMSF) site work including the layout of the yard track, overhead contact system (OCS), Traction Power Substation (TPSS) and Signaling. The design of the Vehicle Maintenance and Service Facility building will be provided through a separate contract.
- J. The cost of Task 2 is \$1,963,900.67, Task 3 is \$2,092,346.35, and Task 4 is \$1,397,107.81. Total consultant costs of all three tasks is \$5,453,354.83. RT staff costs are estimated to be 10% of the total cost, or \$545,335.48 as referenced in the Design Cost Estimate attached hereto and incorporated herein as Exhibit B (the "Estimates").
- K. The total cost of Tasks 2, 3, and 4, plus RT costs to perform the required activities in connection with Tasks 2, 3, and 4, including all direct and indirect overhead labor and miscellaneous costs are expected to be approximately \$6 million.
- L. The RT Board of Directors stated that a new agreement must be executed between the Parties to secure funding for the remaining tasks before the contract with HDR would be amended to add Tasks 2, 3, and 4.
- M. To pay for Tasks 2, 3, and 4, as well as RT staff costs to administer these three tasks, it will be necessary for the Cities to fund this portion of project development.
- N. In consideration of the foregoing recitals, which are incorporated in the Agreement below as if fully recited therein, and the mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT:

1. It is agreed by the Parties that RT, at no cost to RT beyond the proposed Project funding identified in Exhibit A, will oversee and manage all Project design work during the Design and Engineering phase. An estimate to undertake the Design and Engineering has been reviewed and approved by the Downtown Riverfront Streetcar Project Management Team (the "PMT"). Costs are listed in Recital J and Recital K above and are documented in the Estimates (Exhibit B). Should the Project proceed beyond the Design and Engineering, a separate cost estimate prepared by HDR will be provided by RT to the Cities for construction.
2. Design and Engineering Phase Scope: RT will use the funding provided, up to the maximum amounts set forth in Recitals J and K and the Estimates, exclusively for tasks associated with

the completion of Design and Engineering work for the Project (Tasks 2, 3, and 4), as set forth in the Estimates.

3. Payments for RT's Staff Costs: Cities must reimburse RT for actual costs and expenses reasonably and necessarily incurred by RT in performance of required activities in connection with the Design and Engineering work (Tasks 2, 3, and 4), including all direct and indirect overhead labor costs. This reimbursement obligation is limited, however, to the amount identified in Recitals J and K. Cities recognize that they can elect under 23 CFR Section 140.907 to reimburse RT for all direct and indirect overhead labor/construction costs using Federal additive rates and agree to do so. RT's scope of work and estimated amount of cost and expense to be incurred by RT in connection with the Design and Engineering work are summarized in the Estimates. Any additional work required incidental to that shown on the Estimates, but specifically not detailed thereon, may be included as part of this Agreement by written amendment to this Agreement approved in advance by the Cities. Application of federally-approved and Cities-accepted labor additive rates will apply to current or future costs and will not be retroactively applied to costs previously billed.
4. Cities Contribution: Cities must reimburse RT for its actual costs, not to exceed \$3 million for each city, in accordance with Section 6 below, to be used exclusively for Design and Engineering expenses outlined in Recitals J and Recital K, and in the Estimates (Exhibit B). It is the intent of the Cities to contribute the remainder of the funds identified in Exhibit A to future phase(s) of the project.
5. Invoicing: On a monthly basis, RT will invoice each City for 50% of the incurred cost for HDR and RT staff time that has not yet been reimbursed. Amounts claimed must reflect the cost of completed work, which has been paid for. RT will provide all supporting backup documentation for the cost incurred and claimed for reimbursement.
6. Review, approval and payment of invoices: In accordance with the California Prompt Payment Act, Government Code Sections 927 et seq, all undisputed invoices must be paid within 45 days of receipt of the invoice from RT. If Cities determine that any costs set forth in an invoice are not allowable, Cities must deliver written notice to RT identifying the disputed amounts and setting forth Cities reasoning as to why such amounts are not allowable, and upon RT's receipt of such notice, Cities and RT must use reasonable efforts to promptly resolve any such disputed amounts. Cities may not delay payment of any undisputed amount. If either City fails to timely pay RT undisputed amounts, RT may cease project development activities until such time as all past-due reimbursements are made.
7. All work to be done hereunder by RT must be done by RT's employees or RT's contractor(s) as approved by the Parties.
8. Insurance: The Parties hereto agree RT and the Cities are qualified self-insurers.
9. All applicable portions of Title 23, Code of Federal Regulations, Parts 646A, 646B and 140I are by reference incorporated herein and made a part hereof.

10. The records accounts of RT relating to the project must be open for inspection and audit by the Cities and by the State and/or Federal Government during normal business hours at RT's Sacramento headquarters for a period of three years from the date final payment from Cities is received by RT in connection with the Project.
11. There are no ascertainable net benefits, as defined by Federal Regulations, to RT from the Project and, consequently, there is no required RT sharing of the costs beyond RT's contribution as outlined in Exhibit A.
12. No alternation or variation of the terms of this Agreement is valid unless made by a formal amendment and executed by authorized representatives of the Parties hereto and no oral understanding or agreement not incorporated herein is binding on any of the Parties hereto.
13. Nothing within the provisions of this Agreement is intended to create duties or obligations or rights to third parties not a party to this Agreement or to affect the legal liability of the Party to this Agreement by imposing any standard of care different from the standard of care imposed by law.
14. This Agreement is effective as of the Effective Date shown on the front page of this Agreement and when fully signed and executed by all Parties' authorized signatories. Each party hereto represents and warrants that the person executing this Agreement on behalf of such party has full power and authority to enter into this Agreement.
15. This Agreement inures to the benefit of and is binding upon the successors and assigns of RT and upon the assigns of the Cities.
16. This Agreement terminates upon completion of the work performed by RT pursuant to Section 1, or 24-months from the Effective Date of this Agreement, whichever is earlier in time.
17. Any party to this agreement may terminate this Agreement for any reason, with or without cause, at any time, by giving the other parties 45 days advance written notice. The notice will be deemed served and effective for all purposes on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to the other parties at the address indicated in Section 19.
18. Upon termination, RT will send the final invoice for eligible work completed up to the date of the termination in accordance with Section 5 above and the Cities must reimburse RT in accordance with Section 6 above.
19. Representatives: The representatives of the parties to this agreement are, as follows:

Sacramento Regional Transit District
Attn: Ed Scofield
Director, Project Management

2811 O Street
Sacramento, CA 95812

City of West Sacramento
Attn: Rafael Martinez
Transportation Division Manager
Public Works Department
1110 West Capitol Avenue, 1st floor
West Sacramento, CA 95691

City of Sacramento
Sacramento City Hall
Attn: Adam Randolph, PE
Senior Engineer
Department of Public Works
915 I Street, Suite 200
Sacramento, CA 95814

20. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate, by their officers' thereunto duly authorized, as of the day and year first above written.

CITY OF SACRAMENTO

SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____
Howard Chan
City Manager

By: _____
Henry Li
General Manager/CEO

Approved as to Content:
CITY OF SACRAMENTO

Approved as to Content:
SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____
Hector Barron
Director of Public Works

By: _____
Neil Nance
VP, Strategic Planning and System Development


Approved as to Legal Form:
CITY OF SACRAMENTO

Approved as to Legal Form:
SACRAMENTO REGIONAL TRANSIT DISTRICT

By: _____
James Sanchez
City Attorney

By: _____
RT Attorney

CITY OF WEST SACRAMENTO

By: 
Martin Tuttle
City Manager

Approved as to Content:
CITY OF WEST SACRAMENTO

By: 
Kryss Rankin
City Clerk

Approved as to Legal Form:
CITY OF WEST SACRAMENTO


By: 
Jeffrey Mitchell
City Attorney

EXHIBIT A
PROPOSED FUNDING FOR PROJECT INCLUDING DESIGN,
ENGINEERING, CONSTRUCTION, AND VEHICLE
PROCUREMENT

Total Project Cost (Starter line+ Riverfront Alignment+ LRT Extension to Raley Field + LRT relocation from K Street to H Street)

Dollars in Millions

| | |
|-------------------------|--------------|
| FTA | \$100 |
| City of West Sacramento | \$35 |
| Cap & Trade (State) | \$30 |
| Prop 1A (RT)* | \$25 |
| City of Sacramento | \$7 |
| County of Sacramento | \$3 |
| TOTAL | \$200 |

***RT contribution subject to RT Board approval. Further, RT may elect to seek an alternative funding source.**

EXHIBIT B DESIGN COST ESTIMATE

LOCATION: Downtown and Midtown Sacramento, West Sacramento.

PROJECT: Downtown Riverfront Streetcar Project

ESTIMATE:

| | |
|--|-----------------------|
| Task 2 – Civil, Track, Systems and Stations Final Design Services | \$1,963,900.67 |
| Task 3 – Civil, Track, Systems and Stations Design for the Relocation of RT’s Light Rail from K Street to H Street between 8 th & 12 th Street | \$2,092,346.35 |
| Task 4 – Vehicle Maintenance and Service Facility (VMSF) Site Work | \$1,397,107.81 |
| RT Staff Time | <u>\$545,335.48</u> |
| Total (Not To Exceed) | \$5,998,690.31 |

INTERAGENCY PROJECT AGREEMENT

TO SUPPORT DESIGN AND ENGINEERING OF THE DOWNTOWN RIVERFRONT STREETCAR PROJECT

This Agreement ("Agreement") is made as of this ____ day of _____, 2016 ("Effective Date") by and between, SACRAMENTO REGIONAL TRANSIT DISTRICT ("RT"), THE CITY OF SACRAMENTO ("Sacramento") and THE CITY OF WEST SACRAMENTO ("West Sacramento"); Sacramento and West Sacramento are herein sometimes referred to as the "Cities", and collectively all parties are referred to herein as "the Parties."

RECITALS:

- A. Cities desire to design and construct a streetcar line through Downtown and Midtown Sacramento, over Tower Bridge and into West Sacramento through the Bridge District and Civic Center District (the "Project").
- B. On March 21, 2014, the Sacramento Area Council of Governments ("SACOG") submitted a letter to the Federal Transit Administration ("FTA") requesting entry into the Small Starts Project Development as defined by the FTA.
- C. On May 1, 2014, FTA approved entry into the Project Development phase for the Project. The current cost estimate of the Project including the remaining Project Development and construction of the streetcar starter line, relocation of light rail from K Street to H Street, light rail extension to Raley Field and Streetcar Riverfront Street alignment is \$200 million. It is the intent of the project partners to share Project costs as shown in Exhibit A. The Cities portion of funds to be used for the Design and Engineering phase of the Project (as defined in Recital F) is set forth in Section 4 of this Agreement.
- D. The Parties agree that RT's demonstrated technical expertise in managing the design and construction of rail projects is necessary to satisfy the FTA. RT's time and resources qualify for project reimbursement from the local funds (defined as the funding shown on Exhibit A to be provided by the Cities, RT, and the County of Sacramento), most of which will ultimately be used as match funding to FTA's Small Starts funds.
- E. The Parties wish to enter in to this Interagency Project Agreement to set out the terms and conditions for the Cities to fund RT's Design and Engineering efforts toward the Project.
- F. This Agreement covers only the work identified in Exhibit B. This Agreement does not cover work completed prior to Task 2, or other work subsequent to Task 4.
- G. Following a competitive Request for Proposals, HDR, Inc. ("HDR") was selected to perform four Streetcar Design Services tasks.

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- I. Task 2 advances streetcar design to 100%. Task 3 advances design of the light rail relocation from K Street to H Street (between 8th Street & 12th Street). Task 4 will provide preliminary and final design of the Vehicle Maintenance and Service Facility (VMSF) site work including the layout of the yard track, overhead contact system (OCS), Traction Power Substation (TPSS) and Signaling. The design of the Vehicle Maintenance and Service Facility building will be provided through a separate contract.
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- K. The total cost of Tasks 2, 3, and 4, plus RT costs to perform the required activities in connection with Tasks 2, 3, and 4, including all direct and indirect overhead labor and miscellaneous costs are expected to be approximately \$6 million.
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- N. In consideration of the foregoing recitals, which are incorporated in the Agreement below as if fully recited therein, and the mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT:

1. It is agreed by the Parties that RT, at no cost to RT beyond the proposed Project funding identified in Exhibit A, will oversee and manage all Project design work during the Design and Engineering phase. An estimate to undertake the Design and Engineering has been reviewed and approved by the Downtown Riverfront Streetcar Project Management Team (the “PMT”). Costs are listed in Recital J and Recital K above and are documented in the Estimates (Exhibit B). Should the Project proceed beyond the Design and Engineering, a separate cost estimate prepared by HDR will be provided by RT to the Cities for construction.
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the completion of Design and Engineering work for the Project (Tasks 2, 3, and 4), as set forth in the Estimates.

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7. All work to be done hereunder by RT must be done by RT's employees or RT's contractor(s) as approved by the Parties.
8. Insurance: The Parties hereto agree RT and the Cities are qualified self-insurers.
9. All applicable portions of Title 23, Code of Federal Regulations, Parts 646A, 646B and 140I are by reference incorporated herein and made a part hereof.

10. The records accounts of RT relating to the project must be open for inspection and audit by the Cities and by the State and/or Federal Government during normal business hours at RT's Sacramento headquarters for a period of three years from the date final payment from Cities is received by RT in connection with the Project.
11. There are no ascertainable net benefits, as defined by Federal Regulations, to RT from the Project and, consequently, there is no required RT sharing of the costs beyond RT's contribution as outlined in Exhibit A.
12. No alternation or variation of the terms of this Agreement is valid unless made by a formal amendment and executed by authorized representatives of the Parties hereto and no oral understanding or agreement not incorporated herein is binding on any of the Parties hereto.
13. Nothing within the provisions of this Agreement is intended to create duties or obligations or rights to third parties not a party to this Agreement or to affect the legal liability of the Party to this Agreement by imposing any standard of care different from the standard of care imposed by law.
14. This Agreement is effective as of the Effective Date shown on the front page of this Agreement and when fully signed and executed by all Parties' authorized signatories. Each party hereto represents and warrants that the person executing this Agreement on behalf of such party has full power and authority to enter into this Agreement.
15. This Agreement inures to the benefit of and is binding upon the successors and assigns of RT and upon the assigns of the Cities.
16. This Agreement terminates upon completion of the work performed by RT pursuant to Section 1, or 24-months from the Effective Date of this Agreement, whichever is earlier in time.
17. Any party to this agreement may terminate this Agreement for any reason, with or without cause, at any time, by giving the other parties 45 days advance written notice. The notice will be deemed served and effective for all purposes on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to the other parties at the address indicated in Section 19.
18. Upon termination, RT will send the final invoice for eligible work completed up to the date of the termination in accordance with Section 5 above and the Cities must reimburse RT in accordance with Section 6 above.
19. Representatives: The representatives of the parties to this agreement are, as follows:

Sacramento Regional Transit District
Attn: Ed Scofield
Director, Project Management
2811 O Street

Sacramento, CA 95812

City of West Sacramento
Attn: Rafael Martinez
Transportation Division Manager
Public Works Department
1110 West Capitol Avenue, 1st floor
West Sacramento, CA 95691

City of Sacramento
Sacramento City Hall
Attn: Adam Randolph, PE
Senior Engineer
Department of Public Works
915 I Street, Suite 200
Sacramento, CA 95814

20. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate, by their officers' thereunto duly authorized, as of the day and year first above written.

CITY OF SACRAMENTO

SACRAMENTO REGIONAL TRANSIT

DISTRICT

By: _____
Howard Chan
City Manager

By: _____
Henry Li
General Manager/CEO

Approved as to Content:
CITY OF SACRAMENTO

Approved as to Content:
SACRAMENTO REGIONAL TRANSIT
DISTRICT

By: _____
Hector Barron
Director of Public Works

By: _____
Neil Nance
VP, Strategic Planning and System
Development

Approved as to Legal Form:
CITY OF SACRAMENTO

Approved as to Legal Form:
SACRAMENTO REGIONAL TRANSIT
DISTRICT

By: _____
James Sanchez
City Attorney

By: _____
RT Attorney

CITY OF WEST SACRAMENTO

By: _____
Martin Tuttle
City Manager

Approved as to Content:
CITY OF WEST SACRAMENTO

By: _____
Kryss Rankin
City Clerk

Approved as to Legal Form:
CITY OF WEST SACRAMENTO

By: _____
Jeffrey Mitchell
City Attorney

EXHIBIT A
PROPOSED FUNDING FOR PROJECT INCLUDING DESIGN,
ENGINEERING, CONSTRUCTION, AND VEHICLE
PROCUREMENT

Total Project Cost (Starter line+ Riverfront Alignment+ LRT Extension to Raley Field + LRT relocation from K Street to H Street)

Dollars in Millions

| | |
|-------------------------|--------------|
| FTA | \$100 |
| City of West Sacramento | \$35 |
| Cap & Trade (State) | \$30 |
| Prop 1A (RT)* | \$25 |
| City of Sacramento | \$7 |
| County of Sacramento | \$3 |
| TOTAL | \$200 |

***RT contribution subject to RT Board approval. Further, RT may elect to seek an alternative funding source.**

**EXHIBIT B
DESIGN COST ESTIMATE**

LOCATION: Downtown and Midtown Sacramento, West Sacramento.

PROJECT: Downtown Riverfront Streetcar Project

ESTIMATE:

| | |
|--|-----------------------|
| Task 2 – Civil, Track, Systems and Stations Final Design Services | \$1,963,900.67 |
| Task 3 – Civil, Track, Systems and Stations Design for the Relocation of RT’s Light Rail from K Street to H Street between 8 th & 12 th Street | \$2,092,346.35 |
| Task 4 – Vehicle Maintenance and Service Facility (VMSF) Site Work | \$1,397,107.81 |
| RT Staff Time | <u>\$545,335.48</u> |
| Total (Not To Exceed) | \$5,998,690.31 |

RESOLUTION NO. 17-01-_____

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

_____January 23, 2017_____

APPROVING THE FIRST AMENDMENT TO THE CONTRACT FOR DOWNTOWN RIVERFRONT STREETCAR DESIGN SERVICES WITH HDR INC. TO ADD OPTIONAL TASKS 2, 3 AND 4

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

THAT, the First Amendment to the Contract between Sacramento Regional Transit District, therein referred to as "RT," and HDR, Inc., therein referred to as "Consultant," wherein RT exercises its option to have consultant provide Tasks 2, 3 and 4 design services for the Downtown Riverfront Streetcar Project and the total consideration is increased by \$5,453,354.83 from \$4,704,884.89 to \$10,158,239.73, is hereby approved.

THAT, the General Manager/CEO may authorize each task as necessary funds are available to complete each task.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 17-01-_____

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

January 23, 2017

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO SIGN AN
INTERAGENCY AGREEMENT TO SECURE FUNDING FOR OPTIONAL TASKS 2, 3
AND 4**

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

THAT, the General Manager/CEO is hereby delegated authority to sign an
interagency project agreement with the cities of Sacramento and West Sacramento to pay
for Tasks 2, 3 and 4, as well as RT staff time and indirect costs associated with this project.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Downtown/Riverfront



HDR Tasks 2, 3 & 4

Presented On
January 23, 2017

Issue

Whether or not to amend the Contract for Downtown Riverfront Streetcar Design Services with HDR, Inc. to add optional Tasks 2, 3 and 4.

The Downtown Riverfront Streetcar

- 5.2 Mile Extension
- Provides Streetcar Service Between West Sacramento City Hall and Midtown Sacramento.
- Opening Date: Spring 2021

Operations

- It is anticipated that cities will contract with RT to operate.
- Cities will be responsible for all operations and maintenance costs.
- City of Sacramento attempting to set up a special finance district. Vote will take place in May 2017.
- West Sacramento has secured their portion of the costs.

Governance

- Project jointly owned by cities of Sacramento and West Sacramento.
- Will include formation of a Downtown Riverfront Streetcar, Inc.
- Numerous agreements currently being drafted to establish terms and conditions under which the project will be operated and maintained.

Project Background

FY18 Small Starts Submittal consisted of a \$200 million project with key components not included in the \$150 million FY17 submittal.

The additional components are as follows:

1. RT's light rail relocation from K Street to H Street between 8th Street and 12th Street.
2. Light rail service over the Tower Bridge to serve Raley Field during special events.
3. A Project extension of an additional mile along Riverfront Street in West Sacramento.

Design Background

- Board approved release of Streetcar Design Services RFP on January 12, 2014.
- Contract separated into four individual tasks.
 - Task 1: Streetcar Design Services to 85% (\$4,704,884.89)
 - Board awarded Task 1 on April 25, 2016.
 - Task 2: Streetcar Design Services to 100% (\$1,963,900.67)
 - Task 3: Design services for Light Rail relocation from K to H Street (\$2,092,346.35)
 - Task 4: Streetcar Vehicle Maintenance Facility Site Work (\$1,397,107.81)

Tasks 2, 3 & 4 Funding

- \$6 million total is needed for this work.
- Costs include \$545,335 for RT Project Management and services costs.
- Funding for Tasks will be provided through Interagency Agreement (already signed by both cities).
- West Sacramento approved \$3 million to fund 50% of the costs on November 16, 2016.
- City of Sacramento approved \$3 million to fund 50% of the costs on January 5, 2017.

Staff Recommendation

- Amend the Contract for Downtown Riverfront Streetcar Design Services with HDR, Inc. to add optional Tasks 2, 3 and 4.
- Delegate Authority to the General Manager/CEO to Sign an Interagency Agreement to Secure Funding for Optional Tasks 2, 3 and 4.

Questions?