

RESOLUTION NO. 2009-666

Adopted by the Sacramento City Council

October 20, 2009

APPROVING TRACK RELOCATION PROJECT CONSTRUCTION AND PROPERTY AGREEMENTS

BACKGROUND

- A. The City of Sacramento has completed environmental studies and preliminary design plans for the Track Relocation Project, which is the first phase of the Sacramento Intermodal Transportation Facility Project.
- B. The Track Relocation Project (T15029005) involves relocating the Union Pacific Railroad Company's (UPRR) freight tracks and building new passenger tracks and platforms to the north to allow for expansion of the existing Sacramento Valley Station, provide rail safety improvements and enhance the comfort and convenience for rail and intercity bus passengers. In addition, the location of the crossing of the UPRR tracks by California State Railroad Museum (CSRM) for access to its maintenance facility will change, requiring construction of a diamond crossing and trackage ("CSRM Crossing").
- C. As set out in the Track Relocation and Financing Agreement (the "TRFA", Agreement No. 2006-1406), the City is responsible for funding the initial \$40 million in costs for the Track Relocation Project and half of the costs above \$40 million. The Phase 1 Track Relocation project cost (preliminary engineering, environmental, final engineering and construction) is currently estimated at \$69 million. The City has secured appropriations of federal, state and local funding in the amount of approximately \$55 million and Amtrak has agreed to fund an additional \$2.67 million for the Service Tunnel. Thomas Enterprises is obligated under the TRFA to pay for the project components that only serve its Railyards development and half of the Track Relocation costs above \$40 million.
- D. The City needs to enter into construction and maintenance and license agreements with UPRR and relocation and new service connection agreements with various utility companies to allow for the City to undertake the Track Relocation Project (T15029005) and to reimburse UPRR and the utility companies for their actual construction costs. For those utility relocation and new service connection agreements with a cost that does not exceed \$100,000, the City Manager has the authority to enter into those agreements.
- E. Under the Sacramento Valley Amtrak Station Construction, Maintenance and Operations ("CM&O) Agreement to fund UPRR's cost to construct its tracks, signals and crossings, and the CSRM crossing is estimated at \$15.3 million. CSRM is responsible to fund its share of UPRR's cost for the CSRM Crossing pursuant to the terms of the agreements between UPRR and CSRM, if the City is unable to secure additional federal funding for this portion of UPRR's work. In addition, in order to comply with the Buy

America Act requirements, City may procure rails and related track equipment for UPRR, thereby reducing the amount owed to UPRR. The CM&O Agreement also provides for City to build the Service and Passenger Tunnels and all Station related utilities.

- F. The construction, maintenance, license, relocation and new service connection agreements include provisions that the work is contingent on approval of the design plans, City proceeding with construction of the Track Relocation Project (T15029005), and City authorizing commencement of work once the funding required to compensate those entities for such work has been secured.

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

Section 1. The City Manager is authorized to execute an agreement with the Union Pacific Railroad Company (UPRR) for the Sacramento Valley Amtrak Station Construction, Maintenance and Operations Agreement to fund UPRR's cost to construct its tracks, signals and crossings in an amount not to exceed \$15.3 million.

Section 2. The City Manager is authorized to execute construction and maintenance (C&M) agreements and the related license agreements attached as exhibits to the C&M agreements with the Union Pacific Railroad Company as follows: (a) Underground Pedestrian Crossing Agreement (West Tunnel); (b) Pipeline Crossing Agreement (wet and dry utilities and telephone); (c) Wireline Crossing Agreement and Wireline Encroachment Agreement (electrical and telephone); (d) Longitudinal Pipeline Encroachment Agreement (wet utilities); and (e) Public Highway Overpass Agreements (5th and 6th Streets). The compensation for the license interest issued by UPRR for the agreements is \$185,000.

Section 3. The City Manager is authorized to execute utility relocation and new service agreements in accordance with the Caltrans approved form agreements, or the form of agreement requested by the utility company and as approved by the City Attorney, as follows: (a) Qwest Communications Corporation for reimbursement of its relocation costs in an amount not to exceed \$415,000; and (b) Sacramento Municipal Utility District for reimbursement of new service connection and inspection costs in an amount not to exceed \$936,000.

Adopted by the City of Sacramento City Council on October 20, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy,
Tretheway, Waters, and Mayor Johnson.

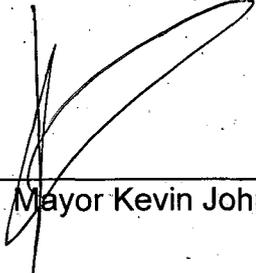
Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino
Shirley Concolino, City Clerk



Mayor Kevin Johnson