



City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 4/17/2012

Report Type: Consent

Title: Agreements: I-5/Cosumnes River Boulevard Extension and Interchange Project (T15018000)

Report ID: 2012-00287

Location: Along Interstate 5, one mile south of Pocket Road/Meadowview Road in the Pocket and Airport Meadowview Planning Areas. (Districts 7 and 8)

Recommendation: Pass a Motion: 1) authorizing the City Manager or his designee to execute a Supplemental Agreement with the Sacramento Municipal Utility District (SMUD); and 2) approving the transfer of \$108,799 from the Major Street Construction Tax Fund Contingency (Fund 2007) to an Escrow Account.

Contact: Nader Kamal, Special Projects Engineer, (916) 808-7035; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Transportation

Presenter: None

Department: Transportation Department

Division: Civil & Electrical Design

Dept ID: 15001131

Attachments:

- 1- Description/Analysis
- 2 - Background Information
- 3 - Exhibit A - Location Map
- 4 - Exhibit B - Supplemental Agreement SMUD

City Attorney Review

Approved as to Form
Gerald Hicks
4/9/2012 10:50:40 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
4/4/2012 4:29:44 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 4/6/2012 11:07:43 AM



Description/Analysis

Issue: The I-5/Cosumnes River Boulevard Extension and Interchange Project includes the construction of a new interchange at I-5 and a new bridge crossing over Morrison Creek and Union Pacific Railroad (UPRR).

A Supplemental Agreement with SMUD is needed for the relocation and removal of SMUD electricity poles at several locations to construct the project.

Policy Considerations: This City Council action is consistent with the City's Strategic Plan goals of improving the transportation system, enhancing livability, and expanding economic development throughout the city.

Environmental considerations:

California Environmental Quality Act (CEQA): The project's final Environmental Impact Report was approved by City Council on May 15, 2007. National Environmental Policy Act (NEPA) was approved by the Federal Highway Administration (FHWA) on October 5, 2007.

Sustainability Considerations: The project will improve access, provide route continuity, and reduce overall vehicle miles traveled in the south area of Sacramento. The project will construct new sidewalks and bike lanes which will increase the use of alternate modes of commuting. The project will also increase the City's urban forest canopy and create an environment more conducive to pedestrian and bicycle trips, thereby encouraging the use of alternate modes of transportation. All of these considerations and improvements are consistent with City's sustainability goals.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: The Supplemental Agreement with SMUD requires the transfer of funds into an escrow account to guarantee the City's reimbursement of SMUD costs to relocate and replace poles.

Financial Considerations: The Major Street Construction Tax Fund Contingency (Fund 2007) has sufficient funding to deposit \$108,799 to an Escrow Account as specified in the Supplemental Agreement with SMUD. When the work is completed, the amount will be returned to Fund Contingency.

No general funds will be used for this action.

Emerging Small Business Development (ESBD): None, since no goods or services are being procured with this action.



Background

The I-5/Cosumnes River Boulevard Extension and Interchange Project (T15018000) extends Cosumnes River Boulevard from its westerly terminus at Franklin Boulevard to an at-grade intersection with Freeport Boulevard, and includes the construction of a new interchange at I-5 and a new bridge crossing over Morrison Creek and Union Pacific Railroad (UPRR).

The estimated cost for Sacramento Municipal Utility District (SMUD) to relocate and remove poles and overhead lines in conflict with the proposed Cosumnes River Boulevard is \$163,117. The City is responsible for 66.7 percent (\$108,799) of the actual relocation costs and SMUD is responsible for 33.3 percent (\$54,318). On March 6, 2012, the City and SMUD agreement was approved in the amount of \$108,799 to compensate SMUD for the City's responsible portion of this work. This work is needed in order to construct the I-5/Cosumnes River Boulevard Extension and Interchange Project (T15018000).

Supplemental Agreement No.1 with SMUD requires the City to open an escrow account in order for SMUD to begin the pole relocation and removal process. An amount of \$108,799 will be transferred from the Major Street Construction Tax Contingency (Fund 2007) into an escrow account to meet this requirement and will be returned to Contingency upon completion of the work.

Bid advertising for the project is anticipated in Summer 2012.



EXHIBIT A

Location Map for I-5/COSUMNES RIVER BOULEVARD EXTENSION AND INTERCHANGE PROJECT (PN: T15018000)



Department of
TRANSPORTATION
City of Sacramento

Map Contact: S. Tobin
Map Date: March, 2008

0 750 1,500 3,000 4,500 6,000 Feet





**SUPPLEMENTAL AGREEMENT
BETWEEN THE CITY OF SACRAMENTO
AND THE SACRAMENTO MUNICIPAL UTILITY DISTRICT
COSUMNES RIVER BOULEVARD EXTENSION, I-5 TO
FRANKLIN BOULEVARD PROJECT**

This Supplemental Agreement is entered into between the City of Sacramento (“City”) and the Sacramento Municipal Utility District (“SMUD”) regarding the relocation of certain SMUD-owned utility poles to allow for the City’s construction of a new interchange and overcrossing at Interstate 5 and removal of existing overhead structure.

RECITALS

WHEREAS, the City will construct at various locations in Interstate 5 from Laguna Boulevard Overcrossing to Pocket road Overcrossing, City Improvement Plans for Cosumnes River Boulevard Extension, I-5 to Franklin Boulevard (“City Project”); and

WHEREAS, SMUD and the City have identified SMUD-owned 12kV overhead lines and 6 poles which must be relocated to accommodate the construction of the City Project as set forth in SMUD SO#30068872 and SMUD SO#30068873 (“Relocation Work”); and

WHEREAS, as part of the Relocation Work SMUD will relocate facilities along the east side of Freeport Boulevard and to the north of the existing Stonecrest Avenue/River Bend Overcrossing, and facilities crossing Cosumnes River Boulevard between Delta Shores and 24th Street; and

WHEREAS, contemporaneous with the execution of this Agreement, the City and SMUD intend to execute Utility Agreement No. 2457.4L which sets forth the responsibilities for relocation of the utility poles and cost-sharing for the Relocation Work (“Utility Agreement”); and

WHEREAS, SMUD estimated the cost of the Relocation Work at \$163,117.18 (“Estimated Cost”) with SMUD responsible for 33.3 percent of the actual relocation costs (estimated at \$54,318.02) and the City responsible for 66.7 percent of the actual relocation costs (estimated at \$108,799.16); and

WHEREAS, SMUD and the City desire to enter into this Agreement to clarify and supplement the terms of the Utility Agreement;

NOW, THEREFORE, SMUD and the City agree as follows:

1. Purpose of Agreement

This Agreement is intended to clarify and supplement the parties' rights and obligations under the Utility Agreement. Notwithstanding anything to the contrary in the Utility Agreement, to the extent there is a conflict or inconsistency between this Agreement and the Utility Agreement, the terms of this Agreement shall control.

2. Term of Agreement

This Agreement shall be effective upon the date of last execution by the respective authorized representatives of the parties and shall continue until all amounts owed under this Agreement are paid in full.

3. Estimate of Relocation Costs

The parties understand that the Estimated Cost for the Relocation Work may not reflect the actual cost to relocate the utility poles. However, it is the parties' intent that SMUD be reimbursed by the City for 66.7 percent of the actual cost of the Relocation Work ("Allocated Actual Cost") regardless of whether that amount is less than the Estimated Cost or in excess of the Estimated Cost.

4. Escrow Account and Instructions

Prior to SMUD commencing any Relocation Work under this Agreement or the Utility Agreement, the City shall deposit into escrow \$108,799.16 at a mutually agreed upon Bank ("Escrow Funds"). The Escrow Funds shall only be used to reimburse SMUD for Allocated Actual Cost to the extent the Allocated Actual Cost or some portion thereof is not reimbursed to SMUD through the Utility Agreement. Prior to seeking disbursement of any Escrow Funds, SMUD shall first seek reimbursement under the Utility Agreement and shall only be entitled to reimbursement from the Escrow Funds if (i) SMUD has provided the City with an itemized statement of the actual costs of the Relocation Work; and (ii) the City has failed to reimburse SMUD for all or a portion of the Allocated Actual Cost. Where SMUD is entitled to reimbursement from the Escrow Funds, SMUD shall make a written demand on the City and Bank for payment of the unreimbursed Allocated Actual Cost or portion thereof and such funds shall be paid to SMUD within 30 days of the written demand. This Agreement constitutes escrow instructions to the Bank and any supplemental escrow instructions shall not conflict with, amend or supersede any portion of this Agreement. If there is any inconsistency between the supplemental instructions and this Agreement, this Agreement shall control, unless otherwise expressly agreed to in writing by the City and SMUD. SMUD and the City shall execute such additional agreements or documents as required by the Bank to effectuate the escrow. The City shall

be responsible for all costs associated with the establishment of the escrow and shall be entitled to all interest or earnings associated with the Escrow Funds.

5. Offsets Not Applicable

For purposes of reimbursement to SMUD by the City, the Allocated Actual Cost is not subject to offset or reduction for accumulated depreciation or salvage value of materials.

6. Easements

The City shall acquire all necessary easements and shall develop all related documents as required to allow for relocation of the SMUD facilities currently located along the east side of Freeport Boulevard, subject to SMUD's approval of same, including any easements required for access to SMUD's facilities for purposes of the Relocation Work and subsequent maintenance of the SMUD facilities. All easements obtained by the City under this Agreement shall be granted to SMUD, in SMUD's name, and for dedicated use by SMUD. Such easements shall grant SMUD the right to construct, place, inspect, remove, replace, maintain and use SMUD facilities located within said easements.

7. Schedule for Relocation Work

Weather permitting and consistent with any environmental restrictions, SMUD shall use best efforts to complete the Relocation Work within the schedule set forth in the Notice to Owner (start May 2012 with completion by December 2012).

8. Environmental Compliance

The City shall be responsible for any environmental reviews and the preparation of any environmental documents, including but not limited to the requirements of the California Environmental Quality Act, necessary to approve and proceed with the City Project and the Relocation Work.

9. Indemnification

Each party (hereafter the "Indemnifying Party") agrees and covenants to indemnify, defend (with counsel acceptable to the other party, which consent shall not be unreasonably withheld), and hold the other party, and its officers, employees and agents, harmless from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside or staff counsel), causes of action, claims, or judgments that arise by reason of any death, bodily injury, personal injury, property damage, or violation of any law or regulation resulting from any acts or omissions related to the performance of this Agreement or the occupancy

or use of the Subject Property (including, but not limited to, the use, storage, treatment, transportation, release, or disposal of Hazardous Substances on or about any portion of the Subject Property), by the Indemnifying Party, its officers, employees, agents or any other person or entity employed by or acting on their behalf.

The parties further agree and understand as follows: a party does not, and shall not be deemed to, waive any rights against the other party which it may have by reason of the aforesaid indemnity and hold harmless agreement because of any insurance coverage available; the scope of the aforesaid indemnity and hold harmless agreement is to be construed broadly and liberally to provide the maximum coverage in accordance with their terms; no specific term or word contained in this Section 8 shall be construed as a limitation on the scope of the indemnification and defense rights and obligations of the parties unless specifically so provided. The provisions of this Section 8 shall survive the recording of any deeds hereunder.

10. Incorporation of Recitals

The recitals set forth in this Agreement are incorporated and made a part of this Agreement.

11. Notice

Any notice, demand, consent or approval by either party made under this Agreement shall be in writing and shall be personally delivered or sent by mail, addressed as follows:

To City:
Attn: Nader Kamal
Department of Transportation
City of Sacramento
915 I Street, Room 2000
Sacramento, CA 95814

To SMUD:
Attn: Darren Hanson
Engineering Designer
Line Assets, E203
SMUD
6201 S Street
Sacramento, CA 95817

Approved:
City of Sacramento

Approved:
Sacramento Municipal Utility District

By: _____

By: *Denis J. Guelzow*

Its: _____

Its: *Line Design Supv, SMUD*

Date: _____

Date: *3-28-12*

APPROVED AS TO FORM:

CITY ATTORNEY