

City of Hesperia

STAFF REPORT



DATE: March 17, 2020

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager
Tina Souza, Senior Management Analyst

SUBJECT: Amendment to Cooperative Agreement with County of San Bernardino for the Ranchero Road Corridor Widening Project, C.O. 7094

RECOMMENDED ACTION

It is recommended that the City Council 1) adopt Resolution No. 2020-12 approving Amendment No. 1 to Cooperative Agreement No. 11-424 (Agreement) between the City and the County of San Bernardino (County) for design and environmental compliance for the Ranchero Road Corridor Widening Project, C.O. 7094 and 2) authorize the City Manager to execute the amendment to the Agreement.

BACKGROUND

The Ranchero Corridor Project consists of several improvements in three phases, I) the undercrossing at the BNSF Railway Company (BNSF) railroad tracks (at the eastern terminus of the corridor project boundary) which was completed in June 2013, II) the interchange at Interstate 15 (I-15) (at the western terminus of the corridor project boundary) which was completed in March 2015, and III) improvements to widen the five-mile roadway segment of Ranchero Road from two lanes to five lanes between these two structures for increased vehicular capacity. The widening of the roadway includes replacing and widening the bridge over the California Department of Water Resources (DWR) aqueduct, as well as widening the at-grade crossing of Union Pacific Railroad (UPRR) railroad tracks. The Ranchero Road Corridor project is the City's highest priority for roadway capital construction.

Phase III, widening of the roadway between the grade separation and the interchange (the "Project") is approaching construction readiness. Some of the pending items prior to consummating construction of the Project include ensuring that all required agreements with agencies participating in funding for the project are amended to include the construction portion of the project.

Roughly 2.5 miles of the Project is within the County's jurisdiction. The City partnered with the County to widen the roadway, with the exception of the aqueduct crossing. On May 17, 2011, the City Council adopted Resolution No. 2011-032 approving the Agreement with the County for the design and environmental compliance components of the Project. The Agreement requires amending to include the construction portion of the Project.

ISSUES/ANALYSIS

The Agreement with the County was executed for the project approval and environmental document (PA&ED) and the plans, specifications and estimate (PS&E) phases of the Project with an estimated cost in the amount of \$1,154,156, which was split 50/50 between the City and the County (\$577,078 each). This was based on approximately 2.5 miles of Ranchero Road in each jurisdiction.

With construction approaching, the Agreement requires amending to continue progression on the Project. Additionally, the amendment is required to meet grant requirements associated with the Project. The amendment revises the Project cost estimates from \$1,154,156 to \$18,104,157 with the construction element added.

Key components for consideration are as follows:

- The Agreement and subsequent amendments are prepared in County's standard form.
- The subject amendment is substantially related to the project costs and the inclusion of the construction component of the project, as well as the City and County roles relating to construction. The terms in the Agreement remain in full force and effect except as may be specifically identified in the Agreement.
- The County is responsible for its proportionate share of the actual costs of design, California Environmental Quality Act (CEQA) compliance, and construction, including construction engineering, and inspection.
- Design and construction of the Aqueduct crossing is not part of the shared cost in the Agreement due to the extraordinary design and permitting requirements, as well as the fact that the aqueduct is solely in the City's boundary and does not cross any County jurisdictional boundary.
- Right-of-way (ROW) is the responsibility of each agency and is also excluded from the shared cost estimate.
- The City will act as the lead agency on the Project.
- The City pays for all expenditures up front with subsequent reimbursement from the County in accordance with the terms of the original Agreement.
- SBCTA will reimburse the City directly for the County public share of the project through the Major Local Highway Program (MLHP), leaving only the County developer share of 41.5% to be paid to the City by the County.

The table on the following page identifies the total estimated Project cost (excluding ROW and aqueduct crossing) with a breakdown of the City and County share, as well as SBCTA's share of the total cost. This table is also included in the amendment.

| PHASE OF WORK | TOTAL COST | COUNTY OF SAN BERNARDINO SHARE | CITY OF HESPERIA | SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY |
|-------------------------------------|---------------------|---------------------------------------|-------------------------|---|
| PA/ED / PSE | \$1,813,290 | \$864,594 | \$948,696 | \$0 |
| Environmental Permitting/Mitigation | 235,000 | 63,288 | 48,593 | 123,120 |
| Construction Management | 3,785,010 | 994,960 | 817,246 | 1,972,803 |
| Construction | 30,122,000 | 8,049,755 | 6,317,025 | 15,755,220 |
| TOTAL | \$35,955,300 | \$9,972,597 | \$8,131,560 | \$17,851,143 |

FISCAL IMPACT

Funding for the Project is budgeted in Funds 204, 207, 300, and 504 in the FY 2019-2020 Capital Improvement Program (CIP) budget. The Project will be budgeted in subsequent fiscal year's CIP until project completion.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2020-12
2. Exhibit "A" Amendment No. 1 to Agreement 11-424