



**ITEM ID:** 2024-123-0

**TRANSMITTAL DATE:** April 19, 2024

**MEETING DATE:** April 26, 2024

**TO:** Board of Directors

**FROM:** Justin Fornelli, Chief, Program Delivery

**SUBJECT:** La Paz Road Overhead Widening Project - Amendment No. 2 to the Construction and Maintenance Agreement with the City of Mission Viejo

**Issue**

Approval is required to execute Amendment No. 2 to the Construction and Maintenance Agreement between the City of Mission Viejo and the Authority for the La Paz Road Overhead Widening Project.

**Recommendation**

Contracts, Operations, Maintenance and Safety Committee recommended (5-0) the Board authorize the Chief Executive Officer to execute Amendment No. 2 to the Construction and Maintenance Agreement between the City of Mission Viejo and the Authority that will increase the funding for the La Paz Road Overhead Widening Project construction support services by \$905,246.97 from an existing \$1,245,109.50 to a new not-to-exceed amount of \$2,150,356.47.

**Strategic Commitment**

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. The Authority's support to the construction of the La Paz Road Overhead Widening Project will ensure that all work will be undertaken in compliance with Authority safety practices, standards and criteria to maintain safe and reliable operation of the railroad below.

## **Background**

The City of Mission Viejo is currently widening the existing La Paz Overhead structure, located at MP 190.3 on the Orange Subdivision in the City of Mission Viejo, to improve traffic flow in the vicinity. The structure comprises an east bound and a west bound bridge, with improvements involving structural widening, seismic retrofit and roadway enhancements being made to both. Construction commenced around the railroad in the spring of 2023 and is anticipated to be completed in late summer 2024.

The City and the Authority originally executed a Construction and Maintenance (C&M) Agreement on May 12, 2017 for the project, that defined the roles and responsibilities of the parties, with a budget of \$614,7490.00 fully funded by the City for the Authority to provide support services during construction, including project and construction management oversight and railroad protection services. Construction commencement was delayed for several years while the City obtained full project funding, requiring the City and the Authority to execute Amendment No. 1 to the C & M Agreement on November 30, 2022, providing an additional \$630,360.50 of City funding for a new not-to-exceed amount of \$1,245,109.50, to address increased costs in Authority support services over the intervening years.

## **Discussion**

Through site developments extending the project construction schedule, and to comply with the introduction of enhanced Federal Railroad Administration (FRA) operational railroad worker protection requirements, additional railroad protective support services are now required over those previously budgeted. Amendment No.2 to the C & M Agreement now provides an additional \$905,246.97 of City funding, increasing the budget from \$1,245,109.50 to \$2,150,356.47 to reflect associated increases in support service costs and reassessment of railroad protection services required through to completion of the project.

There will be no future maintenance responsibilities for the Authority associated with the improved structure.

## **Budget Impact**

There is no budget impact since this is a Third Party Funded Agreement.

## **Next Steps**

Upon Board Authorization, Amendment No.2 to the C & M Agreement for La Paz Road Overhead Widening will be executed by both parties.

Prepared by: Andy Althorp, Assistant Director, Construction

Approved by: Justin Fornelli, Chief, Program Delivery