



## Legislation Text

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### **AGENDA REPORT REQUEST FOR CITY COUNCIL AND CORONA UTILITY AUTHORITY ACTION**

DATE: 9/5/2018

TO: Honorable Mayor and City Council Members  
Honorable President and Board Members

FROM: Public Works Department  
Department of Water and Power

**SUBJECT:**

City Council and Corona Utility Authority consideration to approve the agreement modifications with Riverside County Transportation Commission (RCTC), from \$1,830,000 to \$1,616,512.22, for the construction of utility betterments and right-of-way improvements associated with the State Route 91 Corridor Improvement Project.

**RECOMMENDED ACTION:**

That the:

1. City Council approve the agreement modifications with Riverside County Transportation Commission (RCTC) for the construction of utility betterments and public right-of-way improvements associated with the State Route 91 Corridor Improvement Project. The agreement modifications are as follows: reduce the utility betterments category by \$342,636.00 and increase the right-of-way improvements category by \$129,148.22, for a net decrease of \$213,487.78 from the original agreement total.
2. City Council approve appropriations of \$105,148.22 to the SR-91 Betterments Project as follows: \$61,853.00 in the General Fund (Fund 110), \$30,083.54 in the Gas Tax Fund (Fund 222), and \$13,211.68 in the Measure A Fund (Fund 227).
3. City Council authorize a budgetary transfer of \$105,148.22 from the SR-91 Betterments Project with \$61,853.00 for the Auto Center/BNSF Railroad Grade Separation Project and \$43,295.22 for the Major Pavement Rehabilitation Project, and into the respective funds as noted above, for reimbursement of funding previously transferred.

4. Corona Utility Authority (CUA) review, ratify, and to the extent necessary, direct that the City Council take the above actions.

#### ANALYSIS:

On October 5, 2011, the City Council approved the Cooperative Agreement between the City and RCTC for the construction of improvements and upgrades of existing utilities and local streets within the scope of the project to be incorporated during construction of the State Route 91 Corridor Improvement Project (Project). It was estimated to cost \$1,554,000 for the utility betterments and \$276,000 for public right-of-way betterments for a total of \$1,830,000. The Project extended the existing toll lanes from Orange County to Interstate 15, widened the freeway, and replaced or modified all of the interchanges along State Route 91 (SR-91) within the City of Corona. The Agreement included requirements for aesthetic and landscaping treatments, technical provisions for construction of City facilities, provisions for traffic control and traffic management, a requirement for replacement of the Main Street Bridge, and provisions to construct betterments beyond those required for the project. All specified betterments were to be paid by the City.

Construction of the Project is complete, including utility and public right-of-way improvements, and upgrades to City facilities that have been constructed in conformance to City standards. Landscaping throughout the corridor is continuing and routine maintenance of the landscaping will be the responsibility of the contractor for three (3) years. Utility betterments near Smith Avenue, Frontage Road and Lincoln Avenue were eliminated from the work which reduced the amount to be paid for utilities by \$342,636 for a revised subtotal of \$1,211,364. Additional public right-of-way improvements were requested during construction which increased the amount for street improvements and City betterments by \$129,148.22 for a revised subtotal of \$405,148.22. The total amount due to RCTC is \$1,616,512.22, which is 12 percent less than the original agreement.

2011 COOP Agreement with RCTC	Utility Betterments	Right-of-Way Improvements	Total
Original Cost Estimate	\$1,554,000.00	\$276,000.00	\$1,830,000.00
Revisions to Agreement	-\$342,636.00	+\$129,148.22	-\$213,487.78
<b>Total Actual Costs</b>	<b>\$1,211,364.00</b>	<b>\$405,148.22</b>	<b>\$1,616,512.22</b>

The public right-of-way improvements and City betterments included the replacement of the fiber optic line in Buena Vista Avenue, final quantities for paving and slurry work, a new gate for the Green River Road cul-de-sac, and additional signage on El Cerrito Road, Foothill Parkway and Auto Center Drive.

The contract between RCTC and the contractor includes a warranty period of two (2) years in which items of work identified as “failing to meet contract requirements” will be repaired or replaced by the contractor. This includes the public right-of-way improvements and the City betterments that were accepted by the City Council on February 21, 2018.

RCTC invoices relating to the SR-91 Betterments Project were received in August 2018, after the end of Fiscal Year 2017-18. However, based on when the work was performed and accepted by the City, the invoices will be accrued and recorded as expenditures for Fiscal Year 2017-18. Due to the timing

of the receipt of the invoices, budget was transferred from the Auto Center/BNSF Railroad Grade Separation Project (\$61,853) and Major Pavement Rehabilitation Project (\$43,295.22) into the SR-91 Betterments Project to allow for payment of the RCTC invoices in the appropriate fiscal year. The transfers were processed within the same funding sources and less than 10% of the transferring project's budget as established in Section 4 of Resolution 2017-055 (Budget Resolution). The recommended actions will allow for reimbursement of Fiscal Year 2017-18 budget funds that were previously transferred.

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

The Project required the relocation or modification of waterlines, sewer mains, manholes, utility valves, roadway, curb, gutter, sidewalk, signs, striping, street lights, and traffic signals as part of the work. The agreement also contained provisions for the construction of City requested betterments in the amount of \$1,554,000 for utility betterments and \$276,000 for public right-of-way improvements for total of \$1,830,000. Upon completion of the Project, the final costs for the City requested betterments are \$1,211,364 for utility betterments and \$405,148.22 for public right-of-way improvements for a revised total of \$1,616,512.22. The following table represents the recommended appropriations and final amount to be paid for the City requested betterments. Upon approval of the recommended appropriations, funds will be transferred to the Auto Center/BNSF Railroad Grade Separation Project and Major Pavement Rehabilitation Project as discussed above in the Analysis section.

Fund Name	Fund	Available Funding	Recommended Appropriation (Note 1, 2)	Total City Betterments
General Fund	110	\$0.00	\$61,853.00	\$61,853.00
Gas Tax	222	\$0.00	\$30,083.54	\$30,083.54
Measure "A"	227	\$300,000.00	\$13,211.68	\$313,211.68
Water Utility Fund	570	\$1,211,364.00	\$0.00	\$1,211,364.00
TOTAL		\$1,511,364.00	\$105,148.22	\$1,616,512.22

Note 1: \$61,853.00 to be transferred to Auto Center/BNSF Railroad Grade Separation Project.

Note 2: \$43,295.22 to be transferred to Major Pavement Rehabilitation (\$30,083.54 Gas Tax Fund and \$13,211.68 Measure A Fund).

Fund Balance Impacts:

Fund	07/01/18 Est. Fund Balance	Budgeted Revenues/ Sources	Budgeted Expenditures/ Uses	Fund Balance Impacts	06/30/19 Est. Fund Balance
Gas Tax Fund 222	\$259,526	\$4,312,791	(\$4,299,948)	(\$30,083.54) Appropriation	\$242,285
Measure A Fund 227	\$5,437,067	\$4,390,848	(\$7,162,975)	(\$13,211.68) Appropriation	\$2,651,728

## Estimated General Fund Revenue Over Expenditures Fiscal Year 2018-19

<b>GENERAL FUND</b>	
Budget Workshop May 23, 2018 – Est. Revenue Over Expenditures	\$6,626,911
Previously approved budget adjustments (net)	(6,026,275)
<b>Revised Estimated Revenue Over Expenditures</b>	<b>\$600,636</b>
SR-91 Betterments	(61,853)
<b>Revised Estimated Revenue Over Expenditures</b>	<b>\$538,783</b>
Estimated Budget Balancing Measures Reserve 06/30/18	\$20,645,252
Estimated FY 2018-19 Change in Budget Balancing Measures Reserve	538,783
<b>Estimated Budget Balancing Measures Reserve 6/30/19</b>	<b>\$21,184,035</b>

**ENVIRONMENTAL ANALYSIS:**

This action is exempt from CEQA requirements.

**PREPARED BY:** NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

**REVIEWED BY:** TOM MOODY, GENERAL MANAGER

**REVIEWED BY:** KIM SITTON, FINANCE MANAGER

**REVIEWED BY:** CITA LONGSWORTH, PURCHASING MANAGER

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** DARRELL TALBERT, CITY MANAGER & EXECUTIVE DIRECTOR

Attachment: RCTC Agreement for SR-91 Corridor Improvement Project