



Item Number: 12

City Council / Board of Directors

Written Communications

Meeting of: June 20, 2023

Submitted By:

Brian Gengler, City Engineer

Subject:

Bear Valley Road Overhead at BNSF Railroad Project - Budget Amendment for Federal Bridge National Highway Performance Program (NHPP) Grant Funds and Contract Change Order

Recommendation:

That the Honorable City Council take the following actions related to the Bear Valley Road Overhead at BNSF Railroad Project:

1. Adopt Resolution No. 23-059 to amend the Fiscal Year 2022/2023 budget to reflect an additional revenue of \$1,768,829.00 from Federal Bridge NHPP grant funds and an additional expense of \$1,768,829.00; and
2. Approve a contract change order in the amount not to exceed of \$1,501,900.00.

Fiscal Impact:

The recommended actions will result in an additional \$1,768,829.00 of revenue and an additional \$1,768,829.00 of expenses. A budget amendment is required, and Resolution No. 23-059 is attached to reflect additional revenue and expenses. Federal Bridge NHPP funding will cover the cost of the contract change order with any remaining funds offsetting expenses that would have otherwise been charged to Road Development Impact Fees (DIF).

Strategic Plan Goal:

This project aligns with Goal E, Strategy 1 in the City of Victorville Strategic Plan 2020-2023, "Invest in Infrastructure" and "Implement the City's Capital Improvement Program to meet community needs."

Background:

The Bear Valley Road Overhead at BNSF Railroad project will widen both sides of the bridge on Bear Valley Road over the BNSF Railroad to provide standard lane widths and shoulders and accommodate a double east-bound left turn lane from Bear Valley Road

to Ridgecrest Road. A right turn lane from westbound Bear Valley Road to Ridgecrest Road will also be constructed. The road approaches to the bridge will also be widened from Industrial Blvd. to east of Ridgecrest Road. The traffic signal poles at both intersections will be replaced to accommodate the widened road. The project will also include sidewalk and adequate width for future bike lanes to cross over the bridge. Please refer to Attachment B, a map and aerial view of the Project.

On November 7, 2017, City Council approved an Overpass Agreement with BNSF Railway Co. (BNSF). Through this agreement BNSF permitted the construction to widen the bridge and granted easements to the City. The agreement requires that the City compensate for any tasks performed by BNSF related to construction in the BNSF right of way or affecting the railroad traffic.

On June 18, 2019, City Council approved a Project Funding Agreement with the San Bernardino County Transportation Authority (SBCTA). On July 24, 2020, Federal Highway Bridge Program (HBP) grant funds were authorized by Caltrans Local Assistance and the Federal Highway Administration (FHWA) for construction in the amount of \$5,540,111.68.

On December 15, 2020, City Council amended a Consultant / Professional Services Provider Agreement with Dokken Engineering for design support during construction for a total amount not to exceed of \$246,875.

On May 18, 2021, City Council approved Amendment No. 1 to the Project Funding Agreement with SBCTA, which increased both the City and SBCTA funding commitments to the project based on a higher construction cost estimate.

Also, on May 18, 2021, City Council approved a Consultant / Professional Services Agreement with Parsons Transportation Group, Inc., for the Bear Valley Road Overhead at BNSF Railroad Project construction management in an amount not to exceed of \$1,613,726.04.

On September 7, 2021, City Council awarded a construction contract to Riverside Construction Co. in the amount not to exceed of \$9,818,512.60. Construction for this project is expected to be complete in August of 2023, barring unforeseen delays.

On June 27, 2022, Federal Highway Improvement Program (HIP) grant funds were authorized by Caltrans Local Assistance and FHWA in the amount of \$2,117,110.08. These funds were programmed in accordance with the agreement between the City and SBCTA.

Discussion:

On May 9, 2023, Federal Bridge NHPP grant funds were authorized by Caltrans Local Assistance and FHWA in the amount of \$1,768,829.00. Please refer to Attachment C, backup for the grant authorization. These funds were originally requested prior to the

award of the construction contract in 2021. However, because the Federal HBP has a limited amount of cash, the authorization of the additional funds was delayed.

This project requires extensive coordination with the BNSF. As stated above, in accordance with the City's agreement with BNSF, the City must compensate for any tasks performed by BNSF related to construction in the BNSF right of way or affecting the railroad traffic. These BNSF tasks include submittal reviews, flagging, inspection, and track monitoring. Flagging involves providing personnel who are responsible for ensuring the safety of workers in the railroad right of way. At times trains must be prohibited from entering the bridge work zone to accommodate construction activities. The City's construction management consultant, Parsons, has estimated significant cost overruns related to the work in BNSF right of way. These cost overruns are due to additional time required for BNSF flagging, inspection, and track monitoring. There are also estimated delay costs due to the contractor's time being cut short by BNSF while working in the BNSF right of way. These delay costs include time related overhead, which is the contractor's increased overhead costs, as allowed in the contract specifications. Increased standby time is related to the contractor being mobilized and ready to work but being delayed by BNSF to start work in the BNSF right of way.

There are some additional costs related to additional imported borrow (compacted soil) required to widen the roadway and bridge. The actual quantity of imported borrow will exceed the original estimate. In addition, a portion of the concrete approach slab at the west end of the bridge required reconstruction of a transition to conform with the existing roadway. The reconstruction resulted from the project plans not clearly showing the approach slab geometry. A summary of the estimated additional costs is shown below.

BNSF delays and track monitoring	\$294,400.00
BNSF flagging and inspection	\$632,500.00
Track monitoring related to shoring	\$115,000.00
Time Related Overhead	\$115,000.00
Additional BNSF Submittals	\$46,000.00
Standby Time (delay cost)	\$57,500.00
Imported borrow	\$149,500.00
Approach slab	<u>\$92,000.00</u>
Total Contract Change Order	\$1,501,900.00

The additional cost related to BNSF requirements is approximately 84% of the total amount of the contract change order. Please refer to Attachment D, backup for the contract change order with explanatory notes. Staff does not expect any subsequent contract change orders will be required to complete this project. This project is scheduled for completion in September of 2023, barring unforeseen delays.

Shown below is a funding plan for the project which includes the additional Federal NHPP grant funds and the estimated contract change order.

Funding Plan					
	Total Construction Cost	Federal HBP	Federal HIP	Federal Bridge NHPP	City Road DIF
Construction Contract	\$9,818,512.60	\$4,875,298.28	\$1,604,190.90	\$217,847.21	\$3,121,176.21
Change Order	\$1,501,900.00	\$0.00	\$0.00	\$1,329,632.06	\$172,267.94
Construction Management	\$1,658,408.18	\$664,813.40	\$512,919.18	\$221,349.73	\$259,325.87
Construction Support	\$246,875.00	\$0.00	\$0.00	\$0.00	\$246,875.00
Construction Total	\$13,225,695.78	\$5,540,111.68	\$2,117,110.08	\$1,768,829.00	\$3,799,645.02

The total federal funding for the construction of this project is \$9,426,050.76 which is about 71% of the total construction cost. The federal funds have a minimum match requirement of 11.47% and the minimum match is \$1,221,244.80. Only part of the project was eligible for federal funding. The Federal HBP and Bridge NHPP are funding the bridge and road approaches to approximately 500 feet from the ends of the bridge. The road approach construction extends approximately 1,000 feet east and west from the ends of the bridge. The remainder of the project costs are funded by the Federal HIP and City Road DIF, Fund No. 352. The total Road DIF is estimated \$3,799,645.02.

Staff recommends that the City Council adopt Resolution No. 23-059 to amend the Fiscal Year 2022/2023 budget to reflect an additional revenue of \$1,768,829.00 from Federal Bridge NHPP grant funds and an additional expense of \$1,768,829.00; and approve a contract change order in the amount not to exceed of \$1,501,900.00 for the Bear Valley Road Overhead at BNSF Railroad Project.

Staff is available for any questions City Council may have.

Attachments:

- A. Resolution No. 23-059
- B. Project Map and Aerial View
- C. Federal Bridge NHPP Grant Backup
- D. Contract Change Order Backup