



Staff Report

TO: City Council
FROM: Jeff Hart, Public Works Director
DATE: July 19, 2022
SUBJECT: **Agreement with Union Pacific Railroad for Construction of New Signals and an Expanded Railroad Crossing on Pennsylvania Avenue in an Amount Not to Exceed \$1,069,018; and Future Annual Maintenance Fees in the Amount of \$21,550 Per Year**

Background and Analysis:

The Pennsylvania Avenue Widening project is currently advertised for construction bids. Part of this project includes widening the section of roadway that crosses Union Pacific Railroad (UPRR) right-of-way. As such, the City has coordinated with UPRR for the necessary upgrades to the signals and widening of the existing railroad crossing. Working together with the City, UPRR has developed costs estimates for these upgrades that they will need to construct within their right-of-way in order to adapt to the City's proposed widening of Pennsylvania Avenue. UPRR has also developed fee estimates to grant rights to the City for construction, maintenance, and repair of the expanded roadway within UPRR right-of-way.

UPRR has submitted the attached Public Highway At-Grade Crossing Agreement which outlines the following costs to be paid by the City:

- \$173,000 to grant rights to the City to construct, maintain, and repair the expanded roadway
- \$896,018 for construction of the upgraded signals and expanded railroad crossing surface improvements
- \$18,530 per year in annual signal maintenance fees after the project is constructed
- \$3,020 per year in annual surface maintenance fees after the project is constructed

The proposed grant rights fee will be paid to UPRR upon approval of the agreement. Construction amounts will be paid on a percent complete basis during construction of

the Pennsylvania Avenue Widening Project. The annual maintenance fees will go into effect after the project is constructed. Together the total amount of the agreement is \$1,069,018 in direct costs, and \$21,550 in annual maintenance fees.

The City and UPRR worked collaboratively on the attached agreement. The City Attorney's office has reviewed and approved the agreement.

Project Accounting Update:

Table 1 - 2017-009 Project Accounting Summary

2017-009 Project Accounting Summary			
Funding Source: TUMF		Total CIP Budget \$4,018,000	
Project Components	Current Budget Amount	Paid to Date	Remaining
Project Management	\$22,537.44	\$22,537.44	\$0.00
Project Contingency			
Preliminary Services			
Preliminary Services Contingency			
Environmental	\$163,976.00	\$156,655.35	\$7,320.65
Environmental Contingency			
Design	\$547,781.00	\$420,276.52	\$127,504.48
Design Contingency			
Construction			
Construction Contingency			
Construction Management			
Construction Management Contingency			
Permits	\$33,165	\$27,617.16	\$5,547.84
Equipment			
Miscellaneous	\$50.00	\$50.00	\$0.00
Unallocated CIP Budget	\$3,250,490.56	\$0.00	\$3,250,490.56
Project Summary Totals	\$4,018,000	\$627,136.47	\$3,390,863.53

Fiscal Impact:

The cost to prepare the staff report is approximately \$300.

The agreement with UPRR in amount not to exceed \$1,069,018 will be paid from the CIP project account number 2017-009. Future annual maintenance fees will be paid from the General Fund.

Recommended Action:

Approve and sign the agreement with Union Pacific Railroad for construction of new signals and an expanded railroad crossing on Pennsylvania Avenue in an amount not to exceed \$1,069,018; and future annual maintenance fees in the amount of \$21,550 per year.

Attachments:

- A. Union Pacific Railroad (UPRR) agreement