



CITY COUNCIL AGENDA REPORT

MEETING DATE: SEPTEMBER 7, 2004

ITEM NUMBER:

SUBJECT: AMENDMENT NUMBER 1 TO COOPERATIVE AGREEMENT 12-340 BETWEEN CITY OF COSTA MESA AND STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

DATE: AUGUST 23, 2004

FROM: PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: PETER NAGHAVI, TRANSPORTATION SERVICES MANAGER, 714-754-5182

RECOMMENDATION:

1. Approve Amendment Number 1 to Cooperative Agreement 12-340 between the City of Costa Mesa and the State of California Department of Transportation (Caltrans) for improvements at I-405 Freeway/Hyland Avenue onramp (Attachment 1); and
2. Authorize the Mayor and the Deputy City Clerk to execute the agreement.

BACKGROUND:

In August 1999, the City of Costa Mesa and Caltrans entered into a Cooperative Agreement 12-340 (Attachment 2) for construction of improvements at Hyland Avenue/I-405 Freeway as part of the I-405/SR-73 Confluence project. These improvements included the acquisition of right-of-way at the northwest corner of Hyland Avenue/South Coast Drive and construction of the proposed ramp.

The Cooperative Agreement identified the roles and responsibilities of various agencies for implementation of the Hyland Avenue onramp improvements. Caltrans responsibilities included acquisition of right-of-way relocation of utilities, and construction oversight of the project. The City received 50 percent of the funds for the project through a grant from the Orange County Transportation Authority Measure M program and provided matching funds from City sources.

ANALYSIS:

The Cooperative Agreement 12-340 provided a breakdown of costs for each element of the project, such as right-of-way purchase, right-of-way support, construction and construction support. The cost for right-of-way support was originally estimated at \$23,000. However, due to necessary condemnation proceedings and relocation of several utilities, the project experienced higher support costs. The attached amendment to the cooperative agreement increases the support costs to \$90,000 by "transferring" funds from its designated right of way capital costs. There is no change in overall cost to the project.

The right-of-way acquisition process has been completed and the construction of the Hyland Avenue onramp to northbound I-405 Freeway also has been completed. With the approval of this cooperative agreement, Caltrans will submit final costs for the right-of-way portion of the project. The City will be able to use these costs to close the project and obtain final payment from OCTA Measure M grant program.

Staff requests City Council approval and execution of the amendment to Cooperative Agreement 12-340.

ALTERNATIVES CONSIDERED:

The City Council may select to not approve the amendment to the Cooperative Agreement. This alternative will result in the City not being able to shift funds from right of way purchase to right of way support to compensate Caltrans for additional costs incurred during the right-of-way acquisition process. This will also result in further delays in the City's efforts to complete the Measure M grant documentation to close the project. Currently, the City is owed approximately \$64,000 in final Measure "M" grant payments.

FISCAL REVIEW:

There is no fiscal impact to the City with this item. The agreement changes the allocation of previously committed funds between capital costs and support costs for the right-of-way portion of the project. Additional funds are not requested with the amendment.

LEGAL REVIEW:

The City Attorney's office has reviewed the attached cooperative agreement amendment and has approved the document as to form.

CONCLUSION:

The City of Costa Mesa, in conjunction with Caltrans, is working on implementing several transportation improvements in the vicinity of I-405/SR-73 interchange. In order to enable construction of the new I-405 northbound onramp at Hyland Avenue, Caltrans acquired right-of-way in the area. The acquisition process was complex, requiring condemnation and relocation of several utilities. The attached amendment increases the support costs for right-of-way acquisition by transferring funds from capital costs. Staff requests Council approval and execution of the documents to satisfy City's responsibility per the cooperative agreement.

PETER NAGHAVI
Transportation Services Manager

WILLIAM J. MORRIS
Director of Public Services

DISTRIBUTION: City Manager
Deputy City Clerk
Deputy City Manager – Dev. Svcs.
Director of Public Services
File

ATTACHMENTS: 1 [Cooperative Agreement 12-340 A-1](#)
2 [Cooperative Agreement 12-340](#)

File Name

Date

Time