



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Administrator

SUBJECT: A Resolution Approving a General Construction Agreement between the City of Commerce and the Burlington Northern and Santa Fe Railway

MEETING DATE: October 2, 2018

RECOMMENDATION:

Adopt the Resolution approving the General Construction Agreement between the City of Commerce and Burlington Northern and Santa Fe Railway (BNSF).

BACKGROUND:

The City of Commerce is undertaking a project to improve the area around S. Eastern Avenue and Commerce Way. The Commerce Way & Sheila Street Connectivity Beautification Project (the "Project") will include pavement rehabilitation on Commerce Way (between Sheila Street and Eastern Avenue) including railroad track removal. The intersection of Commerce Way and Sheila Street will be reconfigured to improve safety for vehicle and pedestrians, and to allow for better traffic flow, and drainage in the area. The project will also include new lighting and beautification features (e.g., landscape, gateway sign, etc.).

ANALYSIS:

The City is planning work related to the Project that is adjacent to and upon BNSF's right of way and adjoining property. Specifically, the City needs to remove the existing BNSF railroad tracks from the south side of the existing crossing of E. Washington Boulevard to the south side of the existing crossing of Commerce Way. The City has contacted BNSF, which has agreed to cooperate with the City's efforts regarding the required work. BNSF has agreed to perform the necessary removal work of the railroad tracks, crossing surfaces, and warning devices associated with the required work and remove the railroad tracks, between the two crossings and all of BNSF's tracks between the south of E. Washington Boulevard and south of Commerce Way. The City will perform the necessary street closure work at the crossings and street surface and sidewalk reconstruction upon the removal of the tracks.

A General Construction Agreement is required between the City and BNSF that sets forth the terms and conditions pursuant to which the work will be done. The Agreement provides that all of the roadway construction will be completed at the City's expense; that upon approval from the California Public Utilities Commission and cancellation of all active BNSF customer contracts, BNSF will remove the railroad tracks, crossing surfaces, cross-buck signs, and crossing warning devices, that currently exist at the Commerce Way and Sheila Street grade crossings. Moreover, BNSF will remove approximately 1,700 feet of its railroad tracks between E. Washington Boulevard and Commerce Way. The Agreement also provides the City with the right of way required to access BNSF's property in connection with this work.

ALTERNATIVES:

1. Approve staff's Recommendation
2. Reject staff's Recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The cost of the work to be done by the BNSF is estimated to be **\$105,040**. This amount can be accommodated within the **\$800,000** approved via the FY 2018-19 CIP budget process.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2016 Strategic Goal to "develop and implement a sustainable Capital Improvement Program to ensure the quality of the existing infrastructure and support future plans for the City."

Recommended by: Maryam Babaki, Director of Public Works and Development Services
Fiscal impact reviewed by: Vilko Domic, Finance Director
Approved as to form: Noel Tapia, City Attorney

ATTACHMENTS:

1. Resolution
2. Agreement