



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 4, 2013

ITEM NUMBER:

SUBJECT: COOPERATIVE AGREEMENT FOR SR-55 GATEWAY IMPROVEMENT PROJECT

DATE: MAY 23, 2013

FROM: PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

**FOR FURTHER INFORMATION CONTACT: RAJA SETHURAMAN, TRANSPORTATION SERVICES
MANAGER, (714) 754-5032**

RECOMMENDATION:

1. Approve Cooperative Agreement 12-679 between the City of Costa Mesa and the State of California Department of Transportation (Caltrans) for the construction of the SR-55 Gateway Improvement Project (Attachment 1).
2. Authorize the Mayor and City Clerk to execute the above agreement.

BACKGROUND:

In January 2008, Public Services staff was successful in securing a \$500,000 grant from Transportation Enhancement Activities (TEA) program funds for the SR-55 Gateway Improvement Project. The project will improve the streetscape at the terminus of the SR-55 Freeway directly north of 19th Street by installing enhanced landscaping, a gateway entry monument sign, and a decorative median barrier wall.

Over the past two years, staff and the consultant team have completed the design phase of the project and held several design review meetings with Caltrans as the project is within their jurisdiction. In November 2012, the City Council approved the Gateway Monument sign concept for the project as well as the landscape improvements (Attachment 2).

ANALYSIS:

The Streets and Highways Code Section 130 requires that a cooperative agreement be executed for improvements to facilities that are within the jurisdiction of Caltrans. As the subject improvements are on SR-55, a Caltrans facility, a cooperative agreement is required to establish roles and responsibilities of each agency. Attachment 1 is the cooperative agreement for construction services between the City and Caltrans which identifies the funding details as well as the City's responsibility to perform work per Caltrans' encroachment permit.

Staff requests City Council's approval of the agreement in order to proceed to the construction phase of the project.

ALTERNATIVES CONSIDERED:

One alternative would be to not approve the cooperative agreement. However, this alternative would preclude the City from moving forward with the construction phase of the SR-55 Gateway Improvement project. This will also result in a loss of significant funds expended by the City to date on this project and \$500,000 in grant funds towards the construction phase of the project.

FISCAL REVIEW:

The construction phase of the project is estimated to cost approximately \$600,000. The City has secured grant funding in the amount of \$500,000 from the federal Transportation Enhancement (TE) program. City funding required to match the grant will be identified at the time of project award.

LEGAL REVIEW:

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

CONCLUSION:

Staff recommends that the City Council approve the attached cooperative agreement and authorize the Mayor and City Clerk to sign. This will facilitate the construction phase of the SR-55 Gateway Improvement Project.



RAJA SETHURAMAN

Transportation Services Manager



ERNESTO MUNOZ

Public Services Director

- ATTACHMENTS: 1. Cooperative Agreement 12-679 with Caltrans
2. SR-55 Gateway Improvement Project

DISTRIBUTION: Chief Executive Officer
Assistant Chief Executive Officer
City Attorney
City Clerk

**COOPERATIVE AGREEMENT
(Authority to Reimburse)**

This Agreement, effective on _____, 2013, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

CITY OF COSTA MESA, a body politic and municipal corporation or chartered city of the State of California, referred to as "CITY".

For the purpose of this Agreement, the term PARTNERS collectively refers to CALTRANS and CITY (all signatory parties to this Agreement). The term PARTNER refers to any one of those signatory parties individually.

RECITALS

- 1. CALTRANS and CITY, collectively referred to as PARTNERS, are authorized to enter into a cooperative agreement for improvements to the State Highway System (SHS) per Streets and Highways Code sections 114 and 130.

This Agreement shall have no force or effect unless and until CITY has obtained an Encroachment Permit from STATE to construct SR-55 Gateway Landscape Improvement Transportation Enhancement Project permit number 12-13-N-GM-0143, referred to as PROJECT, and follows the standard CALTRANS encroachment permit process in order to complete the PROJECT.

- 2. CALTRANS will reimburse CITY \$500,000 from RIP TE funds required for PROJECT.
- 3. PARTNERS now define in this Agreement the terms and conditions for reimbursement.

DEFINITIONS

PARTNERS – The term that collectively references all of the signatory agencies to this Agreement. This term only describes the relationship between these agencies to work together to achieve a mutually beneficial goal. It is not used in the traditional legal sense in which one partner’s individual actions legally bind the other partners.

SCOPE

- 4. CITY is responsible to complete all work for PROJECT.

5. All work will occur through the standard CALTRANS encroachment permit process.
6. PARTNERS agree that CALTRANS will administer all state and federal subvention funds for PROJECT.

COST

7. CITY will invoice CALTRANS for an initial deposit of \$500,000 after execution of this agreement and 30 working days prior to the commencement of construction expenditures.
8. Thereafter, CITY will submit to CALTRANS monthly invoices for the prior month's actual expenditures.
9. After PARTNERS agree that all work for PROJECT is complete, CITY will submit a final accounting for all costs. Based on the final accounting, CITY will refund or invoice as necessary in order to satisfy the financial commitment of this Agreement.
10. PARTNERS agree that the total amount of funds paid out to CITY will not exceed \$500,000.
11. CALTRANS will pay CITY within 30 calendar days of receipt of invoices.

GENERAL CONDITIONS

12. All obligations of CALTRANS under the terms of this agreement are subject to the appropriation of resources by the Legislature, the State Budget Act authority, and the allocation of funds by the California Transportation Commission.
13. Neither CITY nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS or under this Agreement. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS and/or its agents under this Agreement.
14. Neither CALTRANS nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY or under this Agreement. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY and/or its agents under this Agreement.

15. If CALTRANS pays CITY for any costs later determined to be unallowable, CITY will reimburse those funds to CALTRANS.
16. If work is done under contract (not completed by a CITY's own employees) and is governed by the California Labor Code's definitions of a "public work" (section 1720(a)), CITY will conform to sections 1720-1815 of the California Labor Code and all applicable regulations and coverage determinations issued by the Director of Industrial Relations.
17. This Agreement is intended to be PARTNERS' final expression and supersedes all prior oral understanding pertaining to PROJECT.
18. Unless otherwise documented in a maintenance agreement, CITY will maintain all the improvements.
19. This Agreement will terminate upon PROJECT completion by the CITY. However, all indemnification, audit and maintenance articles will remain in effect until terminated or modified in writing by mutual agreement.

SIGNATURES

PARTNERS declare that:

1. Each PARTNER is an authorized legal entity under California state law.
2. Each PARTNER has the authority to enter into this agreement.
3. The people signing this agreement have the authority to do so on behalf of their public agencies.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

CITY OF COSTA MESA

By: _____
Lisa Ramsey
Acting Deputy District Director
Capital Projects Outlay Program

By: _____
Mayor

APPROVED AS TO FORM:

By: _____
Attorney

CERTIFIED AS TO FUNDS:

APPROVED:

By: _____
Neda Saber
District Budget Manager

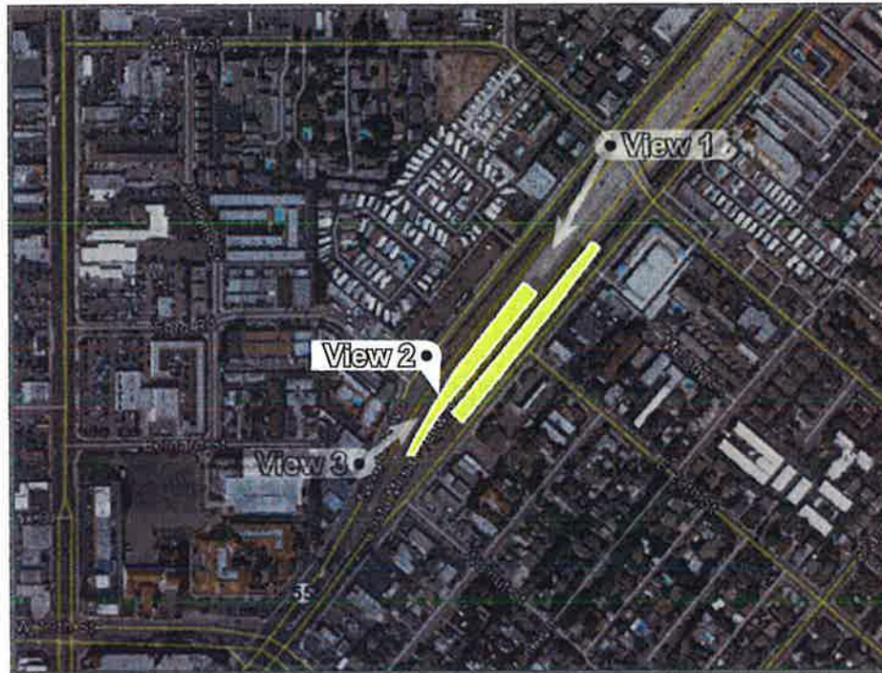
By: _____
City Clerk



SR55 LANDSCAPING ALTERNATIVE 2

SOUTH END OF SR55 COSTA MESA CA 92627

VIEW 2Z



LOCATION

©2012 Google Maps



EXISTING



PROPOSED

LOOKING SOUTHEAST FROM SOUTHBOUND SR55 (ZOOMED-IN)