



Memorandum

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: February 3, 2020

TO: Programs and Projects Committee

FROM: Gary Huisingh, Deputy Executive Director of Projects
John Pulliam, Director of Project Delivery
Vivek Bhat, Director of Programming and Project Controls

SUBJECT: Approve actions necessary to facilitate project advancement into the construction phase for Global Opportunities at the Port of Oakland (GoPort) Program's 7th Street Grade Separation East Project

Recommendation

It is recommended that the Commission approve the following actions related to the Global Opportunities at the Port of Oakland (GoPort) Program's 7th Street Grade Separation East Project:

1. Allocate \$47 million of Measure BB Countywide Freight Corridors (TEP-27) funds which includes \$10 million for the Right of Way (R/W) phase and \$37 million towards the Construction phase;
2. Authorize the advertisement of the Construction phase contract; and
3. Authorize the Executive Director to enter into agreements with project partners and third-party utilities, as necessary for the R/W and Construction phases.

Summary

The Alameda County Transportation Commission (Alameda CTC) is the project sponsor and implementing agency for the GoPort Program, which includes a program of projects to improve truck and rail access to the Port of Oakland (Port), one of the nation's most vital seaports. These capital improvement projects will substantially increase the efficiency and reliability of goods movement operations, improve the competitiveness of the Port, enhance the safety and incident response capabilities, and improve truck throughput within and near the Port.

The 7th Street Grade Separation East (7SGSE) Project, is one of the three projects included in the GoPort Program. This project proposes to realign and reconstruct the existing substandard railroad underpass between I-880 and Maritime Street, to increase

clearance for trucks, meet other current geometric and seismic standards, and improve the shared pedestrian/bicycle pathway. Additional project details are provided in Attachment A (Project Fact Sheet).

Currently the total estimated cost for the 7SGSE project is \$317 million. Measure BB investments of approximately \$32 million in early phases of the project have helped leverage approximately \$8 million of Senate Bill 1 (SB 1) Local Partnership Program (LPP) funds and \$175 million of SB 1 Trade Corridor Enhancement Program (TCEP) state funds, for a total of \$183 million SB 1 funding from the California Transportation Commission (CTC). The TCEP funds are programmed for construction in Fiscal Year (FY) 2019-20 and are required to adhere to CTC's timely use of funds mandates, including a CTC funding allocation deadline of no later than June 2020. Staff is targeting scheduling the allocation for the May 2020 CTC meeting. The deadline for submitting the fund request for consideration at the May 2020 CTC meeting is March 16, 2020 and requires completion of Ready to List (RTL) package, which includes R/W certification, final design approval, and a fully funded project financial plan.

The Plans, Specifications & Estimate (final design) work is currently at 95% design completion with R/W certification and RTL anticipated in early March 2020. Alameda CTC has been working closely with project stakeholders, including the Port of Oakland, City of Oakland, and Union Pacific Railroad (UPRR), on the final design and R/W requirements for the project. Agreements with project partners, such as the Port, City of Oakland, UPRR and third-party utility owners are necessary to obtain access rights and clear R/W ahead of commencement of project construction activities.

To fulfill the R/W needs and to move the project to construction, staff requests an allocation of \$47 million of Measure BB Countywide Freight Corridors (TEP-27) funds, which includes \$10 million for the R/W phase and \$37 million for the construction phase. The project currently has a funding need of approximately \$102 million. Approving this funding allocation request would reduce the funding need to \$55 million. Alameda CTC staff has been working closely with Metropolitan Transportation Commission (MTC) staff on addressing this funding need with Regional Measure 3 (RM3) Goods Movement funds. Next month staff intends to update the Commission on the status of this request and any potential MTC related actions.

It is anticipated that the construction contract will be advertised by June 2020. Staff expects to return to the Commission in October 2020 with an award recommendation subject to MTC and CTC's approval of construction funding. The construction contract would be funded by state, regional, and local funds, and upon approval, budget will be included in the Alameda CTC Adopted FY 2020-21 Capital Program Budget.

Background

The Alameda CTC is the project sponsor and implementing agency for the GoPort Program, which includes an approximately \$650 million program of projects to improve truck and rail access to the Port of Oakland (Port). The 7th Street Grade Separation East (7SGSE) Project, is one of the three projects included in the GoPort program.

Alameda CTC is implementing the 7SGSE Project in partnership with the Port and the City of Oakland. 7th Street serves as one of the three gateways to access the Port, carrying over 40% of all truck traffic to the Port. The project features include a realignment of the 7th Street roadway, construction of a new railroad bridge structure, improving the shared bicycle/pedestrian pathway to a Class I bike lane that provides connectivity to the Bay Trail, and installation of ITS elements such as changeable message signs.

The 7SGSE project was included in the 2002 Oakland Army Base Redevelopment Environmental Impact Report (EIR) and the 2012 OAB EIR Addendum. Both state-level California Environmental Quality Act documents were approved by the City of Oakland as the Lead Agency and the Port of Oakland as the Responsible Agency. Alameda CTC has worked collaboratively with Caltrans and the Port of Oakland to obtain federal-level National Environmental Policy Act clearance through a Categorical Exclusion from Caltrans in October 2018. A revalidation was completed in May 2019. The 95% level design was completed in December 2019, and stakeholder comments are being incorporated into the final design/construction contract documents.

Several agreements are required to successfully implement the 7SGSE project. Alameda CTC has been working collaboratively with various project stakeholders including the Port of Oakland, City of Oakland, Union Pacific Railroad (UPRR), and utility owners on necessary funding agreements, cooperative agreements, permits, a Construction and Maintenance agreement, utility agreements, R/W agreements, and memorandums of understanding (MOU). Negotiations with UPRR are nearing completion for R/W acquisition required for the project and UPRR-identified rail operational improvements that will mitigate construction impacts to their on-going rail operations. The final design, R/W certification, and RTL are anticipated by early March 2020.

To date, through prior Comprehensive Investment Plan (CIP) actions, the Commission has allocated a total of \$53.02 million of Measure BB funds for the GoPort Program of projects. \$19.02 million of the \$53.02 million allocated Measure BB funds were committed towards the 7SGSE for Project Approval and Environmental Document (PA&ED) and PS&E services, and \$13 million Measure BB funds for the R/W phase activities to prepare for R/W acquisition from UPRR. Based on these early Measure BB investments, the Alameda CTC has successfully leveraged approximately \$8 million of SB 1 LPP funds and \$175 million of SB 1 TCEP state funds, for a total of \$183 million SB 1 funding from the CTC.

The TCEP funds are programmed for construction in Fiscal Year (FY) 2019-20 and are required to adhere to CTC's timely use of funds mandates, including a funding allocation deadline of

no later than June 2020. Staff is targeting scheduling the allocation for the May 2020 CTC meeting. The deadline for submitting the allocation request for the May 2020 CTC meeting is March 16, 2020 and requires a complete Ready to List (RTL) package, which includes R/W certification, final design approval, and a fully funded project financial plan.

Agreements with project partners, such as the Port, City of Oakland, UPRR, and third-party utility owners are necessary to obtain access rights and clear R/W ahead of commencement of project construction activities. To fulfill the R/W needs and to move the project to construction, staff requests an allocation of \$47 million of Measure BB Countywide Freight Corridors (TEP-27) funds which includes \$10 million for the R/W phase and \$37 million for the construction phase. The project currently has a funding need of approximately \$102 million. Approving this funding allocation request would reduce the funding need to \$55 million.

Since 2016 Alameda CTC staff has been actively pursuing external fund sources including federal, state, and regional grants for the GoPort Program. Most recently, in March 2019, Alameda CTC submitted a Federal Infrastructure for Rebuilding America (INFRA) grant application but was unsuccessful. Alameda CTC staff has also been working closely with MTC staff on addressing the remaining funding need with RM3 Goods Movement funds. Next month, staff intends to update the Commission on the status of this request and any MTC related actions.

The project must meet the SB 1 construction funding allocation deadline requirements. Staff recommends the following actions necessary to obtain external funding to complete R/W phase activities and to allow the project to be construction ready.

1. Allocate \$47 million of Measure BB Countywide Freight Corridors (TEP-27) funds which includes \$10 million for the R/W phase and \$37 million towards the Construction phase;
2. Authorize the advertisement of the Construction phase contract; and
3. Authorize the Executive Director to enter into agreements with project partners and third-party utilities, as necessary for the R/W and Construction phases.

The estimated construction cost including support costs is approximately \$240 million. It is anticipated that the project will be advertised by June 2020. Staff expects to return to the Commission in October 2020 with an award recommendation of the construction contract subject to MTC's and CTC's approval of construction funding. The construction contract would be funded by state, regional, and local funds, and upon approval, budget will be included in the Alameda CTC Adopted FY 2020-21 Capital Program Budget.

Levine Act Statement: Not applicable.

Fiscal Impact: Approval of the recommended actions will allocate \$47 million of Measure BB Countywide Freight Corridors (TEP-27) funds for subsequent encumbrance and expenditure. The allocation will be included in Alameda CTC's annual budget update for FY 2020-21.

Commission action will be necessary at a future date to allocate funding for the construction contract.

Attachment:

- A. 7th Street Grade Separation East Project Fact Sheet

This page intentionally left blank



7th Street Grade Separation East Project

5.2A

December 2019

PROJECT OVERVIEW

The Alameda County Transportation Commission (Alameda CTC), in partnership with the City of Oakland and the Port of Oakland (Port), proposes to implement the Global Opportunities at the Port of Oakland (GoPort) Program, a package of landside transportation improvements within and near the Port. The 7th Street Grade Separation East Project is one critical element of the GoPort program which proposes to realign and reconstruct the existing railroad underpass and multi-use path along 7th Street between west of I-880 and Maritime Street to increase vertical and horizontal clearances for trucks to current standards and improve the shared pedestrian/bicycle pathway.

The purpose of this project is to provide efficient multimodal landside access and infrastructure improvements to promote existing and anticipated Port operations, which are critical to the local, regional, state and national economies by rebuilding and modernizing a key access point to the Port of Oakland.

PROJECT NEED

- Support regional economic development and Port growth potential.
- Minimize likelihood of freight infrastructure failure.
- Provide access and infrastructure improvements for effective multimodal transportation for rail, trucks, automobiles, bicycles and pedestrians.
- Support safe transportation system operations.



PROJECT BENEFITS

- Improves safety, efficiency and reliability of truck and rail access to the Oakland Port Complex
- Reduces congestion and improves mobility
- Reduces emissions and greenhouse gases
- Provides bicycle and pedestrian connectivity to the Bay Trail system
- Increases job opportunities



7th Street, approaching Union Pacific Railroad bridge from the east.



Truck stuck at the 7th Street underpass.



Existing multi-use path and damage to the 7th Street underpass.

STATUS

Implementing Agency: Alameda CTC

Current Phase: Final Design

- California Environmental Quality Act (CEQA) clearance through the 2002 Oakland Army Base Environmental Impact Report (EIR) and the 2012 addendum.
- National Environmental Policy Act (NEPA) clearance through a Categorical Exclusion (CE) was completed on October 25, 2018.

PARTNERS AND STAKEHOLDERS

City of Oakland, Port of Oakland, Federal Highway Administration, California Department of Transportation, Union Pacific Railroad, San Francisco Bay Area Rapid Transit, Metropolitan Transportation Commission and several utility entities

COST ESTIMATE BY PHASE (\$ X 1,000)

| | |
|---------------------------|------------------|
| PE/Environmental | \$5,400 |
| Final Design (PS&E) | \$21,600 |
| Construction ¹ | \$290,000 |
| Total Expenditures | \$317,000 |

¹ Includes right-of-way cost.

FUNDING SOURCES (\$ X 1,000)

| | |
|--------------------------------|------------------|
| Measure BB | \$19,020 |
| State (SB 1 LPP) ² | \$7,980 |
| State (SB 1 TCEP) ³ | \$175,000 |
| TBD | \$115,000 |
| Total Revenues | \$317,000 |

² Senate Bill 1 Local Partnership Program (LPP).

³ Senate Bill 1 Trade Corridor Enhancement Program (TCEP).

SCHEDULE BY PHASE

| | Begin | End |
|---------------------------------------|-----------|------------|
| Preliminary Engineering/Environmental | Fall 2016 | Fall 2018 |
| Final Design | Fall 2018 | Early 2020 |
| Right-of-Way | Fall 2018 | Early 2020 |
| Construction | Late 2020 | 2023 |

Note: Information on this fact sheet is subject to periodic updates.