

M E M O

Alameda Corridor Transportation Authority

To: Governing Board

Meeting Date: August 15, 2024

From: Graham M. Christie, Chief Operating Officer *Graham M. Christie*

Subject: APPROVE Third Amendment to Agreement No. C0889 with Pacific Railway Enterprises, Inc. for railroad signal and communication design and support services extending the term by 3 years and increasing not-to-exceed compensation by \$4,000,000

Recommendation:

Approve the Third Amendment to Agreement No. C0889 with Pacific Railway Enterprise, Inc. (PRE), for an additional term of 3 years and additional compensation in the amount of \$4,000,000 for continuation of signal design services and authorize the Chief Executive Officer or his designee to execute the amendment.

The Third Amendment increases the agreement compensation by \$4,000,000 to a total not-to-exceed amount of \$5,005,200. Of the total agreement amount, approximately \$2,388,143 will be funded by ACTA Fees and Charges as non-rail or capital expenditures within the Maintenance of Way program, while \$2,617,057 will be reimbursed by the two railroads (BNSF and Union Pacific).

Discussion:

The ACTA Governing Board approved execution of agreement C0889 with PRE on November 15, 2019, a First Amendment on February 24, 2023 and a Second Amendment on December 14, 2023. Under the Agreement, PRE performs signal design services for both the Maintenance of Way Program and the Dolores Yard Crossover Project. The First Amendment to Agreement C0889 increased the contract authorization amount by \$125,000 which was to cover design costs for the UPRR Dolores Yard Crossover Project.

The Second Amendment to Agreement C0889 increased the contract authorization amount by \$630,200 to cover increased project design costs for PRE related to the Dolores Yard Project due to unforeseen utility conflicts and delays to the project.

The subject Third Amendment proposes to increase the contract authorization amount by \$4,000,000 and exercise the 3-year option to extend the duration of the contract to cover PRE's urgently needed work on the Maintenance of Way Program (MOW). The proposed design work will provide signal plan designs and support at various control points within the Alameda Corridor. Many of the original signal and communication components are obsolete and require replacement. Manufacturers have discontinued production of various components and no longer provide support for ACTA's current signal systems. Due to the industry converting to more modern signal and communication systems, ACTA will need to update the Alameda Corridor signal system, which requires design support services.

PRE provides railroad signal engineering design services for ACTA, Port of Los Angeles, Port of Long Beach, Metrolink, BNSF and Union Pacific Railroad. The last competitive selection process for the on-call signal engineering design services occurred in August 2019. At that time, ACTA released a Request for Proposals (RFP) for On-Call Signal Engineering Design Services. Two responses were received in September 2019. A thorough evaluation was conducted by the four-member review panel consisting of representatives from ACTA, the Port of Los Angeles, the Port of Long Beach, and the BNSF Railway Company. PRE was unanimously ranked as the recommended firm to provide the services.

Budget Impact:

There is no impact to the FY24 Budget for the additional signal design work proposed to be performed by PRE for either the MOW improvements or the Dolores Yard Crossover Project.

The MOW improvements are included in the MOW budget, which is incorporated into the Governing Board approved FY24/25 ACTA Operating Budget. These costs are either paid for by railroads directly or paid for by ACTA fees. In May 2024, ACTA submitted an application for a Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program grant to fund the MOW improvements; if ACTA is selected to receive this CRISI grant, then ACTA's actual expenditures will be less than budgeted.

The Dolores Yard Crossover Project costs will be fully reimbursed to ACTA by UPRR; ACTA will utilize the Local Agency Investment Fund (LAIF) account to pay PRE for the services and then reimburse the account when payment is received from UPRR.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed and approved the proposed Agreement as to form.

Transmittals:

Transmittal 1 – Third Amendment to Agreement C0899 between ACTA and PRE