



MEMO

To: NCRA Board of Directors

From: Executive Director Mitch Stogner

Date: May 12, 2010

Subject: **Agenda Item E.2** – Tentative Agreement with SMART Regarding Joint Use of \$10.75 mil. ISTEА Funds

After several meetings with SMART's general manager and key staff, SMART and NCRA have reached agreement on a plan that would designate SMART as the lead agency to manage \$10.75 million in repairs to the Northwestern Pacific rail corridor between Lombard and Cloverdale.

Under the agreement, NCRA would authorize the Federal Highway Administration (FHWA) to transfer \$8.6 million in federal Intermodal Surface Transportation Efficiency Act (ISTEA) funds to SMART. In return, SMART would provide \$1.81 million as local match to the federal grant and would manage a set of projects that would benefit both agencies. NCRA's project manager would provide project assistance and advice, and would be specifically designated to inspect the work to ensure that freight rail requirements are met.

In June, staff will seek Board adoption of the final work plan and Memorandum of Understanding (MOU) between the two agencies. What follows is a general description of the agreed-upon concepts and scope-of-work.

Concepts:

- NCRA will provide \$8.6 million in federal ISTEА funds;
- NCRA/NWP Co. will also provide local match of approximately \$340,000 for two projects on the Lombard Branch east of the shared rail corridor. The projects east of Ignacio Blvd are: installation of Quiet Zone crossings at Renaissance and Grandview; and automation of the Black Point Swing Bridge;
- SMART will provide \$1.81 million as local match for the remaining projects;

- All repairs to in-ground crossings and above-ground signals in the shared corridor (Ignacio Blvd. to Cloverdale) shall comply with SMART Class 4 passenger rail requirements (79 mph);
- NCRA’s project manager will receive 3-5% of funds budgeted for design and construction management to assist SMART’s project manager, review plans, and inspect work to ensure that freight rail needs are met.

Scope-of-Work

- \$1.5 million to automate Black Point Bridge;
- \$1.5 million to implement 5 Quiet Zone crossings through downtown Novato and 2 Quiet Zone crossings east of Ignacio Blvd.;
- \$3.3 million for in-ground crossing improvements in Novato, and in-ground crossing improvements between Windsor and Cloverdale;
- \$4.5 million for above-ground signal improvements between Windsor and Cloverdale.

Federal Share 80%	\$8.6 million – NCRA
Local Share 20%	\$.340 – NCRA
	<u>\$1.81</u> - SMART
	\$10.75

Recommendation: Support staff recommendation to utilize \$10.75 million in federal ISTEAs and local match funds for repairs in the NWP corridor that will benefit both NCRA and SMART.