



# CITY COUNCIL AGENDA STATEMENT



January 28, 2020

File ID: 19-0506

## TITLE

- A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ADOPTING THE PROJECT REPORT FOR THE PALOMAR STREET RAIL-GRADE SEPARATION CIP STM0361 PROJECT, AND TRANSFERRING \$100,000 IN TRANSNET APPROPRIATIONS FROM CIP TRF0397 TO CIP STM0361 (4/5 VOTE REQUIRED)
- B. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN MOU WITH SANDAG FOR THE DESIGN PHASE OF THE PALOMAR STREET RAIL-GRADE SEPARATION PROJECT
- C. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A REIMBURSEMENT AGREEMENT WITH BODEGA LATINA CORPORATION D/B/A EL SUPER FOR PUBLIC SEWER INFRASTRUCTURE THROUGH THE PALOMAR GATEWAY SHOPPING CENTER

## RECOMMENDED ACTION

Council adopt the resolutions.

## SUMMARY

On June 19, 2012, per Council Resolution # 2012-118, the City of Chula Vista entered a Memoranda of Understanding (MOU) with SANDAG for the purpose of preparing an environmental document that will consider project alternatives for grade-separating the Blue Line Light Rail Trolley/freight rail crossing at Palomar Street. The Project Report is now completed and proposed for adoption. A SANDAG MOU for the design phase and a developer agreement for relocating a public sewer is also part of tonight's actions.

## ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Statutory Exemption pursuant to State CEQA Guidelines Section 21080.13 Railroad Grade Separation Projects and a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15302 Class 2 (Replacement or Reconstruction), Section 15303 class 3 (New Construction or Conversion of Small Structures), and Section 15304 Class 4 (Minor Alterations to Land) because the purpose of the proposed project is to improve safety, as it will remove the existing at-grade conflict between vehicular traffic and rail traffic. In addition, the proposed project would reduce the congestion and inconvenience caused by this existing at-grade facility. The Land Use and Transportation Element of the

City's General Plan identifies the need to grade separate the road/rail at-grade crossings within the western part of the City, and this project is consistent with that goal.

The State (California Department of Transportation) has determined that the proposed project has no significant impacts on the environment as defined by National Environmental Policy Act (NEPA), and that there are no unusually circumstances as described in 23 CFR 771.117(b). As such, the project is categorically excluded from the requirements to prepare an Environmental Assessment (EA) or Environmental Impact Statement (EIS) under the National Environmental Policy Act. The State has been assigned, and hereby certifies that it has carried out the responsibility to make this determination pursuant to Chapter 3 of Title 23, United States Code, Section 326 and a Memorandum of Understanding dated May 31, 2016, executed between the FHWA and the State. The State has determined that the project is a Categorical Exclusion under: 23 CFR 771.117(c): activity (c)(1).

#### **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

#### **DISCUSSION**

The initial phase of work provided a study for the area along Interstate-5 and bounded by State Route-54 to Main Street in Chula Vista. That document, the Interstate-5 South Multi-modal Corridor Study by AECOM Engineers dated December 2010, prioritized all transportation improvements needed within the study area and was used as a technical document to the SANDAG 2050 Regional Transportation Plan (2050 RTP). The highest priority projects for Chula Vista were to provide a rail-grade separation for the local streets at E Street, H Street and at Palomar Street. These improvements would provide better near-term traffic improvements than any improvements across or within the Interstate-5 corridor. Below is a link to the document:

[http://www.sandag.org/uploads/projectid/projectid\\_387\\_12472.pdf](http://www.sandag.org/uploads/projectid/projectid_387_12472.pdf)

On June 19, 2012, per Council Resolution # 2012-118 (Attachment # 1), the City of Chula Vista entered a Memoranda of Understanding (MOU) with SANDAG for the purpose of preparing the environmental review with technical studies that will consider project alternatives for grade-separating the Blue Line Light Rail Trolley crossing at Palomar Street. The Palomar Street rail-grade crossing is identified as the highest need location within San Diego County (Attachment # 2).

The preliminary studies and environmental phase were conducted by SANDAG and funded using the City's allocation of local TransNet funds and the balance from Federal TCSP & Federal SAFETEA-LU Funds. The Capital Improvement Project (CIP) included the Light Rail Grade Separation Environmental Review Studies at Palomar Street (CIP# STM0361/SANDAG MPO ID# CHV30). Chula Vista provided full funding for these preliminary studies. The project report is now completed and is proposed for adoption (Attachment # 3). A hard copy of this report with appendices is available for review at the City's Clerk's office. An electronic copy is also located on the City's website at:

<https://www.chulavistaca.gov/departments/engineering/projects/2020-palomar-street-grade-separation>

The project team (Chula Vista, SANDAG and the railroad consultant (HNTB) staff) evaluated several design alternatives. The alternatives considered were a raised railroad track, a lowered the roadway and a “no build”. The project team also met and conferred with SDMTS railroad staff since the light rail trolley and freight rail operators utilize this rail corridor. Each alternative considered the feasibility for all users of this crossing, including bicyclists, freight rail, light rail trolley, pedestrians, and vehicular traffic. The preferred project alternative, will keep the railroad tracks and Industrial Blvd at their current grade elevation and lower Palomar Street to pass under the railroad corridor and Industrial Blvd. This alternative will construct a railroad/pedestrian bridge and roadway/sidewalk bridge. The intersection of Palomar Street and Industrial Blvd will be eliminated (Attachment # 4).

#### Palomar Gateway Shopping Center – Public Sewer Relocation

As the rail grade separation environmental phase was progressing, the applicant for the 4.76-acre vacant parcel at the southwest corner of Palomar Street/Industrial Blvd submitted plans for a neighborhood shopping center. The developer of the shopping center worked closely with project team coordinating their design and building setbacks to complement the grade separations and facilitate construction of each project independently. This added some delay and expense in the approval process for both projects, but the overall result helps mitigate some of the anticipated construction impacts and costs.

The parties collaborated on the public sewer main currently located on Palomar Street along the frontage of the proposed Palomar Gateway Shopping Center. This sewer main must be relocated through the shopping center parking lot since Palomar Street will be lowered rendering the current gravity sewer system useless. This public sewer main serves parcels on Palomar Street, Trenton Avenue and Walnut Avenue between Interstate-5 and Industrial Blvd. A public sewer reimbursement agreement that will compensate the shopping center developer for the expenses incurred in relocating the public sewer has been prepared (Attachment # 5). The sewer relocation will be done concurrently with the shopping center construction since the shopping center’s private sewer system will tie into the relocated public sewer. The total costs for eligible reimbursement expenses from the Sewer Service Revenue Fund (414) are subject to approval by the City Engineer and are estimated at less than \$150,000.

The Planning Commission, at the meeting held on November 13, 2019, approved the Design Review Permit for the Palomar Gateway Shopping Center. The conditions of approval included providing a public sewer easement through their parking lot as well as an Irrevocable Offer of Dedication along the Palomar Street frontage to accommodate the ultimate design for the roadway underpass.

#### SANDAG MOU for Design Phase

On September 27, 2019 & October 25, 2019, the SANDAG Board of Directors approved creating a new project “SAN261 - Palomar Street Rail Grade Separation” (SANDAG CIP # 1210091) and amended the 2018 Regional Transportation Improvement Program by adopting Board Resolution RTC- 2020-03 advancing \$5M for design phase funding.

Beginning this fiscal year, the design phase is expected to last several years. The MOU in tonight’s agenda packet confirms SANDAG as the lead Agency for the design phase and provides reimbursement to the City for all City staff time during the phase (Attachment #6).

Construction funding, estimated at over \$40 M, will be identified as the design phase nears completion. Based on this schedule, the construction phase could begin by 2023 and be completed by FY25/26.

#### **DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

#### **CURRENT-YEAR FISCAL IMPACT**

CIP STM0361 is funded with Federal funds and a 20% minimum match requirement provided by local TransNet funds. Funding to close out the CIP requires \$100,000 in which sufficient funds are available to transfer from CIP TRF0397.

During the Design Phase, SANDAG will reimburse city staff time per the MOU, using a deposit account.

The developer of the Palomar Gateway Shopping Center will be reimbursed from the Sewer Service Revenue Fund (414) for eligible costs for relocating the public sewer per the Public Sewer Reimbursement Agreement.

#### **ONGOING FISCAL IMPACT**

Upon completion of the project, the improvements will require routine maintenance.

#### **ATTACHMENTS**

1. Resolution 2012-118 - June 19, 2013
2. Revised Draft Rail Grade Separations Project Rankings - June 13, 2014
3. Project Report – Jan. 17, 2020
4. Palomar St. Grade Separation Overall Project Layout – Oct. 25, 2019
5. Public Sewer Reimbursement Agreement
6. Design Phase MOU with SANDAG (SANDAG ID – 1210091)

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