



**September 7, 2017**

**To:** Regional Planning and Highways Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Cooperative Agreement with the California Department of Transportation for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5 and Authority to Acquire Right-of-Way

### **Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with the California Department of Transportation to establish roles, responsibilities, and funding obligations for right-of-way support services, right-of-way engineering, right-of-way acquisition, and utility relocation for the State Route 55 Improvement Project between Interstate 405 and Interstate 5.

### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1936 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$850,000, to perform right-of-way support services for the State Route 55 Improvement Project between Interstate 405 and Interstate 5.
- B. Authorize the Chief Executive Officer, or his designee, to initiate discussions with property owners and utility owners, make offers, and execute agreements for the acquisition of all necessary real property interests and necessary utility relocations.

### **Discussion**

The State Route 55 Improvement Project between Interstate 405 and Interstate 5 (Project) is part of Project F in the Measure M2 (M2) freeway program. The Next 10 Plan, adopted by the Orange County Transportation Authority (OCTA) Board of Directors (Board) in November 2016, identified the

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Project as one of the M2 freeway projects to be completed by 2025. The Project supplemental draft environmental document was circulated for public comment on April 3, 2017, and Alternative 3-Modified, which includes general purpose, high-occupancy vehicle, and auxiliary lanes, has been identified as the recommended preferred alternative by the Project development team. Therefore, the Project is ready to proceed into the final design phase.

On June 12, 2017, the Board authorized Cooperative Agreement No. C-7-1753 with the California Department of Transportation (Caltrans) to complete 35 percent design and provide oversight of the remaining plans, specifications, and estimate, and to advertise and award the construction contract for the Project. A cooperative agreement is now needed with Caltrans to initiate the Project's right-of-way (ROW) capital acquisition and support component.

OCTA proposes to enter into a cooperative agreement with Caltrans to define the roles and responsibilities of both agencies. OCTA will be the lead agency implementing ROW activities, which shall include property acquisitions, relocation assistance for displacees, and coordination of utility relocations for the Project. OCTA will perform property management for any acquired commercial properties and will be responsible for demolition services where necessary. OCTA will also be the lead agency for eminent domain proceedings, which shall include OCTA Board resolutions of necessity, if needed. Caltrans will be the lead agency for ROW engineering activities, which shall include mapping, surveying and monumentation as direct reimbursed work, and oversight of ROW activities at no cost. The estimated cost of the ROW support services is \$7,320,000, comprised of OCTA performing \$3,770,000 and Caltrans performing \$3,550,000 of the services. Caltrans' work will be funded through the State Highway Operation and Preservation Program (SHOPP), in the amount of \$2,700,000, and M2 funds in the amount of \$850,000. Caltrans will draw upon the SHOPP funds directly and will expend those funds before the M2 funds.

The final environmental document is scheduled to be approved by Caltrans in September 2017. ROW activities are anticipated to commence in spring 2018 upon completion of 35 percent design and determination of final ROW requirements. The Project is estimated to impact a total of 55 privately-owned and publicly-owned properties. The current list of impacted properties has land uses which include commercial/industrial, multi-residential, and public (Attachment A). The real property requirements are comprised of a combination of partial fee and potential full fee acquisitions, permanent easements, utility easements, and temporary construction easements. The needed property rights are required to implement the Project scope as defined in the final environmental document.

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OCTA has adopted Real Property Department Policies and Procedures (RPDPP) to properly handle the acquisition of property rights. The RPDPP incorporates requirements set by the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act). The Uniform Act was enacted by the federal government to ensure real property is acquired, and that persons, businesses, and personal property (displacees) are relocated in an equitable, consistent, and equal manner. The RPDPP also incorporates State of California laws and regulations enacted to provide benefits and safeguards to property owners. Statutory offers for the purchase of property will be made for an amount established as just compensation, which shall be determined through an independent appraisal process. Efforts will be made to reach a negotiated settlement with property owners or businesses; however, when an impasse is reached, as an act of last resort, staff, through a separate Board action, may request the Board to adopt a resolution of necessity to initiate eminent domain proceedings to obtain the necessary interests in real property.

The Project does not intend to require the permanent relocation or displacement of any single family residence; however, there may be the need to displace and relocate businesses as a result of property acquisitions. Under state and federal regulations, any qualified displacee or occupant is entitled to receive relocation advisory assistance, and actual and reasonable moving costs for displaced residential occupants, displaced business owners, and for displacement of personal property. The relocation process runs concurrently with the acquisition process and is a requirement of law.

OCTA and Caltrans staff will continue to evaluate the need for property through the design phase. If any modifications to the ROW requirements are necessary, OCTA staff will take action to appropriately justify and document the need to secure necessary property to construct the Project in accordance with procedural requirements. Any need for additional ROW requirements will be addressed for appropriate justification within the parameters of the California Environmental Quality Act and National Environmental Policy Act.

#### **Fiscal Impact**

As a condition of this cooperative agreement, funding for Caltrans services for ROW support is in OCTA's Fiscal Year (FY) 2017-2018 Budget and will be proposed for the FY 2018-19 Budget, Capital Programs Division, Account 0017-7519-FF101-OKS, and will be funded through M2 funds.

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***Summary***

Staff requests Board approval for the Chief Executive Officer (CEO) to negotiate and execute Cooperative Agreement No. C-7-1936 with Caltrans, in the amount of \$850,000, to provide oversight at no cost, perform ROW support services, and certify the ROW for the Project. In addition, staff requests the Board to authorize the CEO to make offers and execute agreements with property owners and utility owners for the acquisition of all necessary interests in real property and necessary utility relocations for the Project.

***Attachment***

- A. State Route 55 Improvement Project Between Interstate 405 and Interstate 5 Right-of-Way

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