

Agenda Item _____
February 3, 2012

TO: CAC

FROM: Project Review Committee

SUBJECT: Update of El Camino Real Undercrossing

SITUATION:

El Camino Real was recently widened on the east side between Derby Downs Road and San Dieguito Road to add a second travel lane, sidewalk, and bike lane. The widening was funded by developer DR Horton as partial mitigation for development of Black Mountain Ranch.

In a separate agreement by the City and funded by the Community Financing District, DR Horton is also replacing the existing culvert under El Camino Real just south of San Dieguito Road with a wider, arch span culvert to better facilitate wildlife movement and a future trail. This new culvert is the result of years of effort by the community and the San Dieguito River Park to get a wildlife crossing and future trail under El Camino Real. Work on the culvert replacement began in November 2011, but was subsequently suspended in December 2011 due to flooding at the site. It was agreed by the developer and the City that work would discontinue until after the rainy season, and then resume in April 2012 should weather permit.

ISSUES:

While a short delay on the project is not a big concern, the PRC is disturbed about items raised in a letter submitted to the City by DR Horton (Attachment 1). The letter discusses the additional costs that will be incurred by the work suspension and the issue of who pays for those extra costs. Our concerns are:

- Information in the letter about the extra cost of \$115,000 to suspend and then resume work in April states that the City would be expected to bear those costs. It is unclear whether the City (through the financing district) has adequate funds to pay the extra costs and whether they have agreed to pay them.
- Should cost be a significant issue, what is the plan for completing the work?
- The potential for a greater delay until August 2012 or later as stated in DR Horton's letter.
- What is the assurance that the undercrossing will be completed?

The PRC is asking that the CAC recommend sending a letter to City staff from the JPA Board raising the above issues and restating the JPA's support for the project and concern about its future and completion in a timely manner.

Attachments:

1. DR Horton letter to City dated January 3, 2012



January 3, 2012

City of San Diego
Mr. George Qsar
9485 Aero Drive, MS 18
San Diego, CA 92123

Subject: El Camino Real Animal Undercrossing – Suspension of Work

Mr. Qsar,

As you are aware DR Horton publicly bid the construction of the El Camino Real Animal Undercrossing (“Project”) on September 14, 2011 and subsequently contracted with the low bidder Palm Engineering Construction Company, Inc (“Contractor”). As time progressed we began to assess the site conditions and it became apparent to construct the Project during the rainy season would be a huge challenge that would require additional resources and money that in all likelihood could be avoided/mitigated if the Project were to be temporarily suspended. It is DR Horton’s intention to suspend the construction of the Project until Monday, April 16, 2012 subject to weather conditions.

To assess what we would likely encounter if we proceeded with construction of the Project at this current time, we met onsite Monday, November 21st – a day or so after a minor storm passed through. The condition of the site and the flow of the water from upstream to downstream was substantial and proceeding now would create a situation of time consuming and costly delays. The only two remedies to control the storm water would be to (1) create a dam and then hard line divert the water through the construction area which would inconvenience the contractor when pouring the foundation of the arch culvert or (2) pump the storm water into an existing sewer manhole. The latter of which has been broached with the City and at the time of this letter we still do not have a clear indication of what is required in order to ascertain the feasibility of this scenario. Further, even without flowing surface water, the soils in the drainage would likely remain fairly saturated, compromising the culvert removal and replacement process.

Moving forward, we met with Igor Levin on Thursday, December 8th at the City offices on Aero Drive. At the meeting we discussed the issues at hand, the costs associated with mitigating storm water and it was suggested a suspension of work could be the most reasonable option at this time. We ran a cost analysis of both scenarios, (1) continuing work now or (2) suspending work to the future. To continue work now the additional cost would conservatively be approx. \$350k whereas the cost to postpone and commence after the rainy season will be approx. \$115k. With this analysis in hand and a clear indication a suspension of work makes most monetary sense, Igor requested we return to the site to it’s pre-existing condition and required us to perform the following: (1) replace the 6” AC Berm at the median curbs (northbound and southbound), (2) remove all BMP’s or maintain BMP’s throughout the suspension of work, (3) remove the port-a-potty, and (4) remove all temporary traffic signs. On Thursday December 22, 2011 we completed all required tasks and subsequently walked the site with Igor Levin to ensure we met those

requirements and left the site in it's pre-existing condition prior to mobilizing. Effective Friday, December 23, 2011 we will be off site until further notice.

DR Horton tentatively plans to re-mobilize and start construction of the Project on or around Monday, April 16, 2012 subject to weather conditions and with the understanding all costs associated with the suspension of work and mitigating the gnatcatcher will be an eligible cost through the CFD. Should there be an issue with the City not willing to reimburse DR Horton for all expenditures required to suspend the Project, such as rent for the lay down yard, additional charge to store the arch culvert, remobilization and all requirements pertaining to the environmental mitigations (i.e. establishing requirements, sound wall, monitoring, etc.), then DR Horton would be forced to delay the Project even further to August 15, 2012 when the nesting season is over. Such delay could potentially push the Project out enough that we would be affected by and encounter the same conditions we face today – the rainy season. Please note that if we were to proceed with the project through this rainy season, there would be little chance of completing it before the nesting season begins anyway, so the noise mitigation costs would likely be incurred regardless.

Please know it is every bit our intent to construct this project in the most productive and cost effective manner. We understand we are acting as an agent of the City and will continue to make the best decisions for the Project and the City. Thank you in advance for your attention to this matter and we look forward to working with the City to complete the Project in the most timely and cost efficient manner. Please feel free to contact me with any concerns or questions.

Sincerely,
Western Pacific Housing, Inc.



David Stearn
Sr. Vice President, Acquisitions & Planning
South Coast/Inland Empire Division

Cc: Charles Wilcox, City of San Diego
Mel Millstein, City of San Diego
Igor Levin, City of San Diego
Brad Johnson, City of San Diego
Steve Fitzpatrick, DR Horton
Keith Alex, DR Horton
Tom Lombardi, DR Horton
Kim Molina, DR Horton
Greg Perrine, Moote Group