


CITY COUNCIL ACTION REQUEST

Department(s): Airport	CEQA: Not a Project, File No. PP17-002, Consultant services for design, study, inspection, or other professional services with no commitment to future action.	Coordination: City Attorney's Office, City Manager's Budget Office	Dept. Approval: John Aitken /s/
Council District(s): 6			CMO Approval:  5/11/23

SUBJECT: SECOND AMENDMENT TO MASTER CITY OF SAN JOSE CONSULTANT AGREEMENT BETWEEN THE CITY OF SAN JOSÉ AND KIMLEY-HORN AND ASSOCIATES (KIMLEY-HORN) FOR AIRPORT ON-CALL PROFESSIONAL CONSULTING SERVICES

RECOMMENDATION:

Approve a Second Amendment to the Master City of San José Consultant Agreement between the City of San José and Kimley-Horn and Associates for on-call professional consulting services, extending the expiration of the current term from September 12, 2023 to September 12, 2024, with no change in maximum compensation.

BASIS FOR RECOMMENDATION:

In September 2018, City Council approved a Master Agreement with the architectural/engineering firm of Kimley-Horn and Associates (Kimley-Horn) to provide professional consulting services on an as-needed basis for San José Mineta International Airport (Airport) for a maximum term of five years upon execution. The type of professional consulting services provided were on-call general design, engineering, planning, construction management, and support consultant services for Airport capital projects. The maximum compensation for services for the entire term of the Agreement was \$6 million.

In January 2022, City Council approved Amendment 1 to Kimley-Horn's Master Agreement to increase the maximum compensation by \$2,300,000 to a maximum total compensation amount not to exceed \$8,300,000. The reason for this increase was to enable Kimley-Horn to complete design and bid support services for the Airport's New Taxiway Victor Project, positioning the Airport favorably for grant funding.

Kimley-Horn is currently the Engineer of Record on three of the Airport's on-going capital improvement program projects, which are tentatively scheduled to complete construction by September 2024. The three active service orders under this agreement have prior year encumbrances totaling \$208,026. An extension of Kimley-Horn's Agreement is requested to enable Kimley-Horn to continue to provide engineering support, and construction administration services for these on-going projects and to represent and support their design through project closeout. Although the City recently executed a new Master Agreement with Kimley-Horn, which expires in 2030, an extension of the existing Master Agreement to complete the three affected projects will potentially mitigate additional costs to the Airport by utilizing existing funds and contract capacity that has been committed to the consultant for these three projects. The extension will provide certainty in the interpretation of the construction documents by the contractor and reduce the impacts to ongoing projects. The extension is limited to only the three projects that Kimley-Horn is supporting under this Agreement, and no additional services or projects will be authorized under this Master Services Agreement during the extension period.

San José Municipal Code Section 4.12.210 requires that the City engage in a competitive procurement on all professional services contracts including consultant agreements with a payment amount exceeding \$10,000. City Council may make a determination that an unusual or unique situation exists that makes the application of the requirements for competitive procurement of the services included in the agreement amendment contrary to the public interest. Staff recommends City Council determine it not practicable and economical to engage in a new competitive procurement or to use the new Master Agreement for the three existing projects because an extension of the existing Master Services Agreement for the three existing projects is critical to completing the on-going existing projects on time and within the programmed budget. The execution of a new service order under the new Master Services Agreement will disrupt the existing projects' progress and would potentially cost additional funds for the new services.

Commission Recommendation/Input:

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:

No cost or funding changes are associated with this action.

FOR QUESTIONS CONTACT: Mathew Kazmierczak, Manager of Strategy and Policy, 408-392-3640