



COUNCIL AGENDA: 09/12/17

ITEM: 4.1

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper
Rosalynn Hughey

SUBJECT: SEE BELOW

DATE: August 21, 2017

Approved

D. D. S. L.

Date

9/1/17

**SUBJECT: INCREASE MAXIMUM COMPENSATION TO MASTER AGREEMENTS
FOR URBAN VILLAGE MASTER PLANS AND OTHER PROJECTS TO
IMPLEMENT ENVISION SAN JOSE 2040 GENERAL PLAN**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to increase the maximum aggregate compensation to the Master Consulting Agreements for Urban Village Master Plans and related City projects from \$3,000,000 to \$12,000,000, for the initial term ending in November 2020, subject to the appropriation of funds.

OUTCOME

Continue to provide on-call consulting services to the City on an as required basis.

BACKGROUND

In 2015, Council adopted a resolution approving Staff's recommendation to establish a pre-approved list of 23 on-call consultants to assist the Planning, Building and Code Enforcement Department (PBCE) and other City departments in the development of Urban Village Master Plans and other City projects to implement the City's Envision San José 2040 General Plan^{1,2}. The approved consultants were selected to assist the City with planning efforts in seven technical areas: 1) Urban Design, 2) Circulation Improvements, 3) Environmental Review Analysis, 4) Online Engagement, 5) Public Finance, 6) Public Art, and 7) Traffic Impact Analysis.

¹ Council Memo dated 11/17/15:

http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=1473&meta_id=541883

² Resolution No. 77586 (pages 11-12): <http://www.sanjoseca.gov/DocumentCenter/View/47994>

The approved list of consultants is listed below.

Consultant Name

- 1) AECOM, Inc. (San Diego, CA)
- 2) Alta Planning & Design (San José, CA)
- 3) Bottomley (Oakland, CA)
- 4) Circlepoint (San José, CA)
- 5) David J. Powers (San José, CA)
- 6) Dyett & Bhatia (San Francisco, CA)
- 7) Economic & Planning (Oakland, CA)
- 8) ESA Associates (San Francisco, CA)
- 9) Fehr & Peers (San José, CA)
- 10) Gehl Studio (San Francisco, CA)
- 11) Hexagon (San José, CA)
- 12) HKS Architects (Dallas, TX)
- 13) Keyser Marston (San Francisco, CA)
- 14) Kimley & Horn (San José, CA)
- 15) Metropolitan Planning (Mountain View, CA)
- 16) Moore Iacofano Goltsman (Berkeley, CA)
- 17) Nelson\Nygaard (San Francisco, CA)
- 18) Opticos Design (Berkeley, CA)
- 19) Placeworks (Berkeley, CA)
- 20) Skidmore, Owings & Merrill (New York, NY)
- 21) Strategic Economics (Berkeley, CA)
- 22) Wallace, Roberts & Todd (San Francisco, CA)
- 23) ZGF (Portland, OR)

Council approved staff's recommendation to negotiate and execute master agreements with each of the above consultants for an initial five-year term, execute amendments to adjust maximum compensation for each agreement not to exceed the approved maximum aggregate compensation of all agreements, and execute three one-year options to extend the term of the agreements, subject to the appropriations of funds. Staff originally requested a maximum aggregate compensation not to exceed amount of \$12,580,000 for the agreements. However, Council approved a maximum aggregate compensation amount not to exceed \$3,000,000, citing concerns on controlling consultant costs. Staff was instructed to return to Council to request additional funds as required³.

³ Link to memo from Mayor Liccardo dated 11/16/15:

http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=1473&meta_id=542867

ANALYSIS

Since November 2015, the City has executed Master Agreements with seven of the 23 consultants. The technical areas and maximum compensation for each consultant's Agreement is as follows:

<u>Consultant Name</u>	<u>Technical Area</u>	<u>Maximum Compensation</u>
1) David J. Powers (San José, CA)	Environmental Review Analysis	\$731,801
2) Hexagon (San José, CA)	Traffic Impact Analysis	\$595,500
3) Dyett & Bhatia (San Francisco, CA)	Urban Design, Environmental Review Analysis	\$500,000
4) Moore Iacofano Goltsman (Berkeley, CA)	Urban Design, Circulation Improvements, Online Engagement, Environmental Review Analysis, Public Art	\$500,000
5) Strategic Economics (Berkeley, CA)	Public Finance	\$114,000
6) Bottomley (Oakland, CA)	Urban Design	\$55,000
7) Keyser Marston (San Francisco, CA)	Public Finance	\$25,000
Maximum Compensation		\$2,521,301

The consultants are being utilized for the development of Urban Village Master Plans for the West San José Urban Villages, which include the Santana Row/Valley Fair, South Bascom, Stevens Creek, West San José, and Winchester Urban Villages. The maximum aggregate compensation set forth in the seven executed Master Agreements is \$2,521,301. Staff provides periodic updates on the progress of the Urban Village projects at the General Plan Annual Review.

Future projects include an economic analysis for the City's Retail Study, the North San José Area Development Policy Update, Urban Design Guidelines Update, and the West San José Urban Villages Environmental Impact Report. Additionally, PBCE recently received a grant worth \$701,592 from the California Department of Transportation (Caltrans) to develop an urban village plan for both the North First Street and Berryessa/BART Urban Villages. Staff

anticipates these projects will increase the aggregate compensation beyond the approved \$3,000,000.

Staff recommends increasing the total maximum aggregate compensation from \$3,000,000 to \$12,000,000. Projects typically run concurrently, and new projects may begin before current projects end. Approval of this recommendation will allow staff the flexibility to increase the maximum compensation of the current agreements and execute new agreements with the other approved consultants as required, enabling Staff to manage current and upcoming projects without interruption.

Contract management and cost controls are facilitated through the service order management process. Prior to commencing work, the City and contractor execute service or task orders that specify the work to be performed as well as the compensation to the contractor for the work. Before approving invoices, staff insures that the task order is referenced on the invoice and that the work has been performed pursuant to the task order and to the satisfaction of the City.

EVALUATION AND FOLLOW-UP

Staff shall provide updates on the progress of the Urban Village projects at the General Plan Annual Review.

PUBLIC OUTREACH

This item will be posted on the City's website for the August 29, 2017 City Council Agenda.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

This item does not have input from a board or commission.

August 21, 2017

Subject: Increase Maximum Aggregate Compensation to Master Agreements for Urban Village Master Plans

Page 5

FISCAL/POLICY ALIGNMENT

This action is consistent with the City's 2017-2018 Operating Budget City Service Areas Delivery Framework for Performance-Driven Government for Operational Services: 1) community and economic development.

COST SUMMARY/IMPLICATIONS

The recommended actions in this memorandum will allow for the execution of Master Agreements for an aggregate amount not to exceed \$12,000,000. The budget for these agreements is included in the following appropriation: Planning, Building and Code Enforcement - Non-Personal / Equipment (Appn #0582). The ability to spend against these agreements is subject to the appropriation of funds.

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contracts recommended as part of this memo.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2017-2018 Proposed Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	0582	Non-Personal/ Equipment – Planning, Building and Code Enforcement	\$3,232,061	N/A	p. 634	6/20/2017 Ord. No. 29962

CEQA

Exempt, CEQA Guidelines Section 15262. Feasibility and Planning Studies. These are Master Agreements for consultant services with no binding commitment to a course of action that will result in a physical change to the environment.

/s/
JULIA H. COOPER
Director of Finance

/s/
ROSALYNN HUGHEY
Interim Director
Planning, Building, and Code
Enforcement

For questions please contact Mark Giovannetti, Deputy Director of Finance, at 408-535-7052.