

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim Ortbal

**SUBJECT: I-880/CHARCOT AVENUE
EXTENSION PROJECT**

DATE: May 29, 2018

Approved



Date

6/7/18

COUNCIL DISTRICT: 4

RECOMMENDATION

Approve the First Amendment to the agreement between the City of San José and BKF Engineers for consultant services for the I-880/Charcot Avenue Extension Project to increase the maximum total amount of compensation by \$2,680,569 from \$991,367 to \$3,671,936, expand the scope of services related to final design, bid, award, and construction support, and extend the term of the agreement from June 30, 2018 to December 31, 2023.

OUTCOME

Approval of the amendment for the services related to final design, bid, award, and construction support will lead to the construction of the I-880/Charcot Avenue Extension Project in accordance to the North San José Area Development Policy, approved in 2005 and Envision San José 2040 General Plan, approved in 2011 as a transportation improvement in the North San José Area. The work enabled by this amendment will complete final design plans and develop the project to a state of "construction bid ready" that increases its competitiveness for regional funding opportunities.

BACKGROUND

In 2005, the City adopted the revised North San José Area Development Policy (Policy) to modify the policy framework to allow and guide mixed-use development in one its most important employment centers. The Policy created development capacity in the area and the transportation impact analysis prepared for the Policy, indicated substantial transportation improvements were necessary to mitigate the impacts of projected traffic generated by the new development at full buildout. The City adopted a standardized Traffic Impact Fee (TIF) in order to provide certainty to the development community regarding the infrastructure requirements associated with the level of land use intensification, and to ensure adequate funding for the transportation improvements identified in the Policy. The Envision San José 2040 General Plan, approved in 2011, considers the development capacity addressed in the North San José Area

Development Policy, and also identifies the Project as a transportation improvement in the early phases of the North San José Area Development Policy Implementation.

Attachment A provides the map of the North San José Area Development Policy and location of the I-880/Charcot Avenue Extension Project (Project). Attachment B provides a schematic of the proposed improvements.

Because the project is within Caltrans right-of-way, the project development phases are required to follow the Caltrans Project Development and Procedures Manual for preliminary engineering design and environmental clearance.

On June 9, 2015, the City entered into an agreement with BKF Engineers to provide engineering consultant services for Phase 1 of the planning and design for the Project in the amount of \$991,367 and for the term from the date of full execution to June 30, 2018. Phase 1 of the BKF contract follows Caltrans project development requirements and includes the planning, analysis, technical reports and document preparation necessary for Project Approval and Environmental Document (PA&ED), public outreach, and preliminary engineering (30% Plans, Specifications, and Cost Estimates - PS&E). In addition, the June 9, 2015, Council approval described the intention to amend the agreement with BKF to include additional compensation and time for Phase 2 work if funding becomes available. Funding for additional tasks in Phase 1 and Phase 2 is secured and the amendment for these tasks is the subject of this memorandum.

ANALYSIS

Phase 2 includes the development of final construction documents, including 60%, 90%, and bid-ready PS&E, right-of-way engineering, assistance with the bid and award process, and providing engineering support during construction. The development of the final construction documents involves performing surveys, providing utility coordination, preparing geotechnical and design reports, developing plans, specifications, and construction cost estimates. BFK will also provide engineering services to support the bidding and construction phase of the project such as providing responses to questions regarding the bid documents and/or clarifications to the plans and specifications during construction.

Caltrans originally approved the project through an encroachment permit process in September 2016. The project was to move forward with a CEQA initial study and a mitigative negative declaration however, upon request from the community and an assessment from staff, the project will now be performing an Environmental Impact Report (EIR). The EIR will study the alternative that was chosen in October 2016 to extend Charcot Avenue from Paragon Drive to Silkwood Lane to provide another East to West connection in North San José. The EIR process is expected to be complete by early 2019 with final design following.

It is estimated that the final design will be completed in Spring 2020 with construction to start Winter 2020 and complete by Spring 2023, dependent on funding. The proposed amendment to the agreement will increase the compensation for services by \$2,680,569, from \$991,367 to an amount not to exceed \$3,671,936, which includes an amount of \$249,695 for additional services. Additional engineering and design services include landscape and irrigation, electrical lighting, and record of survey. The term of the proposed agreement extends the agreement through December 31, 2023 to allow for additional time to complete the EIR and start the PS&E phase. The City will have the option to extend the term for up to two additional six-month periods at no additional cost. This amendment is fully funded by North San Jose Traffic Impact Fees, which are dedicated for use on North San Jose Transportation Improvements.

EVALUATION AND FOLLOW-UP

As part of the environmental review process, the Final EIR will be heard by Council in early 2019. Council will be the final hearing body for the adoption and certification of the Final EIR.

At the conclusion of the final design phase, which is anticipated in Spring 2020, staff will return to Council with an update on efforts to secure funding for the construction phase. It is anticipated that funding for the construction contract would be provided by the 2016 VTA Measure B funds.

In addition, the status of the I-880/Charcot Avenue Extension Project will be reported periodically through the Transportation and Environmental Committee as part of the regular Regional Transportation Activities Reports.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the June 19, 2018, City Council Agenda.

COORDINATION

This memorandum and agreement have been coordinated with the Department of Planning, Building and Code Enforcement, the City Manager's Budget Office, and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

The agreement with BKF Engineers has been developed in accordance with the Council adopted consultant selection process and the Local Business and Small Business Preference Ordinance. The project is consistent with multiple City policy documents including the Envision 2040 General Plan and the North San José Area Development Policy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$2,680,569
2. SOURCE OF FUNDING: Construction Excise Tax Fund (North San José Area Traffic Impact Fee)
3. FISCAL IMPACT: The recommended action is consistent with the City's goal to improve connectivity in the region by providing a safe multi-modal facility with east-west connection in the North San José Development Policy. Approval of the recommendation will have no significant adverse impact on the General Fund.

BUDGET REFERENCE

The following table identifies the fund and appropriation proposed to fund the recommended increase in the project as part of this memorandum:

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2017-2018 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
465	7690	North San José Improvement - 880/Charcot	\$3,954,000	\$2,680,569	967	2/13/2018 Ord. No. 30070

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CEQA

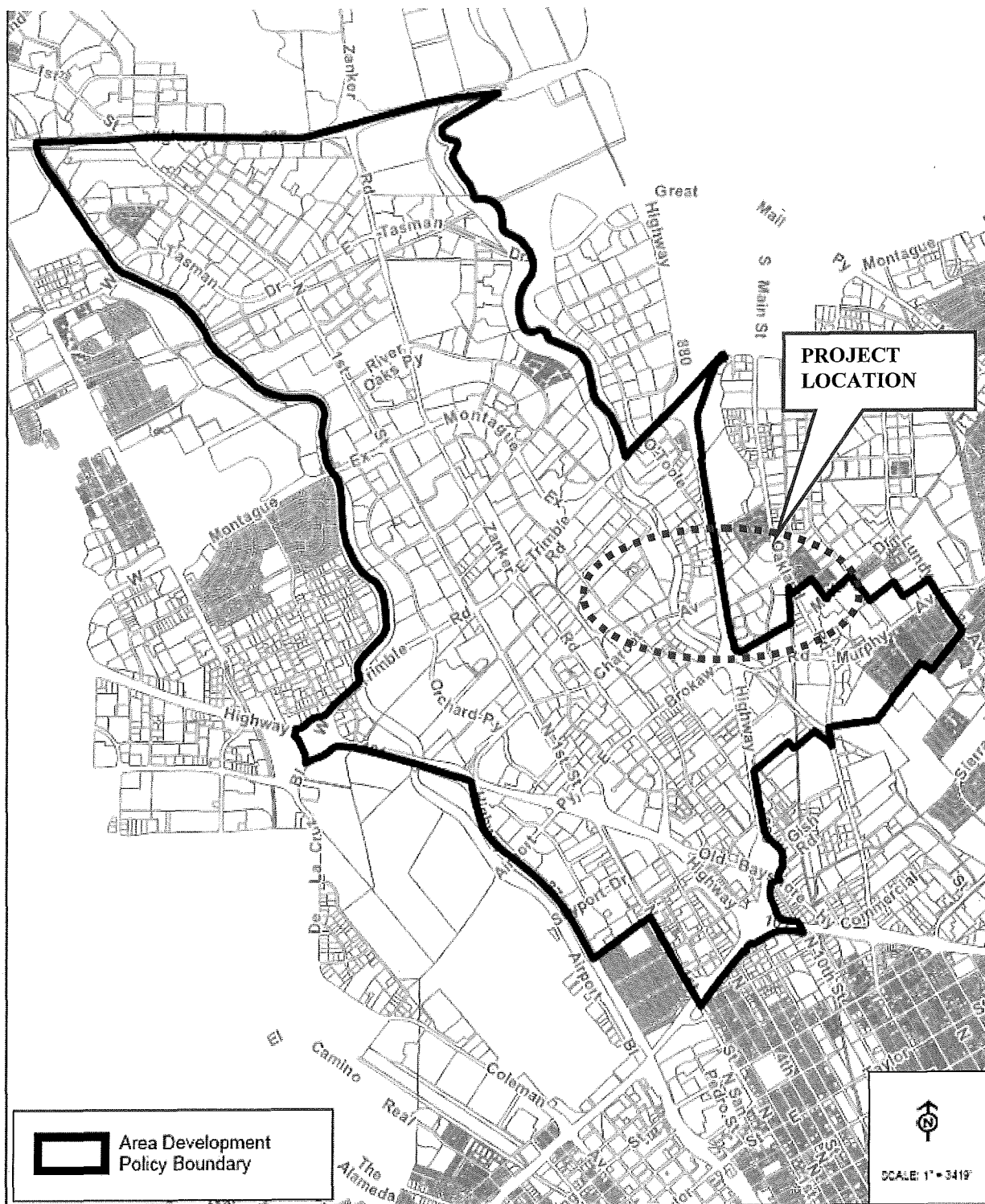
Not a Project, File No. PP17-002, Consultant services for design, study, inspection, or other professional services with no commitment to future action.

/s/
JIM ORTBAL
Director of Transportation

For questions please contact John Ristow, Deputy Director at (408) 793-6942.

Attachments

ATTACHMENT A



PROPOSED IMPROVEMENTS

