



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow

SUBJECT: SEE BELOW

DATE: December 9, 2019

Approved

Date

12-18-19

COUNCIL DISTRICT: 2

**SUBJECT: COOPERATIVE AGREEMENT WITH THE SANTA CLARA VALLEY
TRANSPORTATION AUTHORITY AND RIGHT-OF-WAY
CERTIFICATION WITH CALTRANS FOR THE US 101/BLOSSOM HILL
ROAD INTERCHANGE IMPROVEMENT PROJECT**

RECOMMENDATION

- (a) Approve a cooperative agreement, at no cost, between the City of San José and the Santa Clara Valley Transportation Authority for the construction of the US 101/Blossom Hill Road Interchange Improvement Project for a term beginning at the date of full execution to December 31, 2024.
- (b) Adopt a resolution authorizing the City Manager to negotiate and execute right-of-way certification associated with the implementation of the US 101/Blossom Hill Road Interchange Improvement Project.

OUTCOME

Execution of the recommended cooperative agreement will authorize the Santa Clara Valley Transportation Authority (VTA) to be the "Implementing Agency" for the construction phase of the US 101/Blossom Hill Road Interchange Improvement Project. As Implementing Agency, VTA will be responsible for conducting and completing the construction of the project. The work enabled by this agreement will construct the US 101/Blossom Road interchange improvements in accordance with the Edenvale Area Development Policy.

Authorizing the City Manager to negotiate and execute right-of-way certification with Caltrans is needed as part of final submittal for the encroachment permit.

BACKGROUND

In June 2000, the City adopted the Edenvale Area Development Policy to facilitate industrial development in the Edenvale area in south San José. In 2007 and 2014, the Policy was updated to expand the geographic area, address traffic congestion, and improve connectivity for bicyclists and pedestrians between transit facilities on the west side of US 101 and Coyote Creek Trail on the east side of US 101. As one of the projects listed in the policy, the US 101/Blossom Hill Road Interchange Improvement project modifies and improves the safety, operations, and multi-modal characteristics of the existing interchange. The project will provide the following improvements:

- Widen the existing interchange to provide for one additional lane along Blossom Hill Road in each direction
- Widen the southbound off-ramp and northbound off-ramp to accommodate additional turning lanes and modify the traffic signals at each intersection
- Construct a Class I bicycle/pedestrian path along the north side of Blossom Hill Road through the interchange between Monterey Road and Coyote Road

Because the US 101/Blossom Hill Road Interchange Improvement Project is within Caltrans right-of-way, the City collaborated with Caltrans to develop and complete the environmental and design phases for the project following the Caltrans Project Development Procedures Manual.

The estimated cost of the project is approximately \$42 million, with \$35 million funded through the 2016 VTA Measure B; a 30-year, half-cent countywide sales tax to enhance transit, highways, expressways, and active transportation. The Measure B Program requires a minimum of 10% local match, with projects receiving higher contribution levels advancing more readily. The City's contribution of approximately \$7 million towards the preliminary engineering, environmental clearance, final design, and construction phases of the project as required represents an approximate 20% local match.

Similar to the delivery of other regional projects, the City has selected VTA as the Implementing Agency for the construction phase. Construction is estimated to begin in mid-2020 and be completed in 2024.

Prior to issuing the construction permit, Caltrans requires the City, as the project sponsor, to execute certain documents related to right-of-way certification and utility relocation agreements.

ANALYSIS

Cooperative Agreement

The City and VTA need an agreement to outline the terms, conditions and the respective obligations regarding the project. As part of the agreement, VTA shall perform and/or be responsible for the following tasks, including but not limited to:

- Reviewing the project's documents, plans, and specifications for bid
- Advertising, awarding, and administering the construction contract
- Serving as project manager and providing a construction management team
- Implementing changes to the construction contract through contract change orders (CCOs)
- Coordinating with City staff, the City's design consultant and Caltrans on CCOs
- Monitoring project expenditures and schedules
- Conducting close-out activities

The City's Department of Transportation will actively participate in VTA's project management process during construction and participate in periodic meetings to assess the progress and address project issues as they arise.

The current agreement is at no cost to the City. If the lowest responsible construction contract bid is greater than the funding commitment from Measure B for the construction cost, VTA and City will collaboratively determine how to proceed. If additional funding is required from the City to assist with any potential funding shortfall, staff would return to Council to establish a funding mechanism and make any necessary amendments to the agreement.

VTA and the City have successfully collaborated on the delivery of several highway improvements, most recently the I-880/I-280/Stevens Creek Boulevard Interchange Improvement Project, the U.S. 101/ Capitol Expressway Interchange Improvements, and the I-880/Coleman Avenue Interchange. VTA also has the expertise and resources to perform the work in a cost effective and timely manner.

Right-of-Way Certification

The documents associated with the right-of-way certification are standardized forms that summarizes the status of all right-of-way related matters pertaining to a proposed construction project. The purpose of the right-of-way certification is to document the construction property is ready for advertising and states:

- Real property interests have been, or are being, secured.
- Physical obstructions including utilities and railroads have been or will be removed, relocated, or protected as required for construction, operation, and maintenance of the proposed project.

- Right of way acquisition and relocation assistance program requirements were conducted in accordance with applicable federal and state laws and procedures.

The proposed project will not require additional right-of-way or temporary construction easement. All the improvements will be constructed within existing Caltrans and City right-of-way. In terms of utilities, MCI Communications Services' fiber optic communication facility will be relocated, and two of the City's sanitary sewer manholes will be readjusted. As part of the recommendation, staff is seeking authority to negotiate and execute the right-of-way certification to complete the project.

CONCLUSION

City Council's execution of the agreement will allow VTA to be the Implementing Agency and administer the funds from Measure B to finance the construction phase of the Project.

Execution of the right-of-certification will document that all right-of-way matters pertaining to the proposed project has been documented and a solution has been made.

EVALUATION AND FOLLOW-UP

If additional funding is required from the City to assist with any potential funding shortfall, staff would return to Council to establish a funding mechanism.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum aligns with one or more Climate Smart San José energy, water, or mobility goals. The construction of the Class I Bike/Pedestrian path will facilitate the choice of mobility choices other than single-occupancy, gas powered vehicles.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the January 14, 2020 City Council Agenda.

COORDINATION

This memorandum and agreement has 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 project is consistent with multiple City policy documents including the Envision 2040 General Plan and the Edenvale Area Development Policy

COST SUMMARY/IMPLICATIONS

1. COST ELEMENTS OF AGREEMENT/CONTRACT:

This is a no-cost agreement. The following are project funding details:

| | |
|---|--------------|
| VT A 2016 Measure B Fund: | \$35,000,000 |
| Estimated City of San Jose Local Match: | \$7,000,000 |

2. SOURCE OF FUNDING:

429 - Building and Structure Construction Tax Fund: \$4,050,000
599 - Improvement District Fund: \$2,950,000

3. FISCAL IMPACT:

Maintenance cost of \$5,000 to fund the operations and maintenance impacts associated with the recommended project was included in the 2020-2024 Five Year Forecast and anticipated to begin in 2021-2022.

CEQA

Categorically Exempt, File No. ER19-077, CEQA Guideline Section 15301 Existing Facilities.

/s/

JOHN RISTOW
Director of Transportation

For questions please contact Zahir Gulzadah, DOT Division Manager of Regional and Local Project Delivery Section at 975-3257.