



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow
Jim Shannon

SUBJECT: AIRPORT CONNECTOR FUNDING
AND SUPPORT SERVICES

DATE: June 15, 2021

Approved  Date 06/17/21

COUNCIL DISTRICTS: 3 & 6

RECOMMENDATION

- (a) Adopt a resolution authorizing the City Manager or designee to negotiate and execute an agreement with ARUP for a term from execution to December 2024 for planning and design consulting services to develop the Airport Connector Pre-Development Agreement (PDA) Request for Proposals (RFP) equal to \$425,000, and provide follow up services in a total amount not to exceed \$2,925,000.
- (b) Adopt a resolution authorizing the City Manager or designee to negotiate and execute a funding agreement with the Valley Transportation Authority (VTA) for \$2,500,000, approved by the VTA Board of Directors on June 3, 2021, to partially fund the above consultant services, including taking necessary budget actions.
- (c) Adopt the following 2020-2021 Appropriation Ordinance amendments in the Construction Excise Tax Fund:
 - (1) Increase the Regional Rail Planning appropriation to the Transportation Department by \$250,000; and
 - (2) Decrease the Unrestricted Ending Fund Balance by \$250,000.
- (d) Adopt the following 2020-2021 Appropriation Ordinance amendments in the Building and Structure Construction Tax Fund:
 - (1) Increase the Regional Rail Planning appropriation to the Transportation Department by \$250,000; and
 - (2) Decrease the Unrestricted Ending Fund Balance by \$250,000.
- (e) Adopt the following 2021-2022 Appropriation Ordinance and Funding Sources Resolution amendments in the Building and Structure Construction Tax Fund:
 - (1) Increase the Revenue from Local Agencies by \$1,250,000; and
 - (2) Increase the Regional Rail Planning appropriation to the Transportation Department by \$1,250,000.

(f) Adopt the following 2021-2022 Appropriation Ordinance and Funding Sources Resolution amendments in the Construction Excise Tax Fund:

- (1) Increase the Revenue from Local Agencies by \$1,250,000; and
- (2) Increase the Regional Rail Planning appropriation to the Transportation Department by \$1,250,000.

OUTCOME

Approval of this action will allow the City to contract for consultant services to create, release, evaluate, and support an RFP for a PDA between the City and a separate firm for development of an Airport Connector. The PDA will enable the City to work with the selected firm on financing, designing, building, operating, and maintaining the Airport Connector.

City Council approval will also allow a funding agreement between the City of San José and VTA allowing the City to use \$2,500,000 in 2000 Measure A funds for the development and support of the Airport Connector PDA.

BACKGROUND

In November 2000, the voters in Santa Clara County approved Measure A, a 30-year half cent sales tax devoted to specified public transit capital improvement projects and operations. Providing connections from the Norman Y. Mineta San José International Airport to BART, Caltrain and VTA light rail is one of the 14 projects adopted with Measure A. An initial allocation of \$2.03 million was made to support feasibility studies for the Airport Connector.

In June 2016, the VTA Board of Directors reaffirmed their support of this program and approved an additional \$3 million in Measure A funding for the Airport Connector, which brought the total funding for the program up to \$5.03 million. To date, \$2.09 million has been spent on previous efforts, which leaves a current balance of \$2.94 million of Measure A funding in the project.

In February 2019, the San José City Council directed city staff to develop a Request for Information (RFI) about the Airport Connector and potential transit connection along the Stevens Creek Corridor, with input from VTA, the City of Cupertino, and the City of Santa Clara. San José worked with its partners to develop the RFI, releasing it on March 28, 2019.

In August 2020, staff brought to City Council findings from the RFI analysis. Council subsequently directed staff to continue to develop the project along two parallel paths 1) a traditional public project and 2) a Public Private Partnership (P3). The City of San Jose is interested in advancing the P3 approach to the Airport Connector project, which would require the commitment of both private and public funds, property, and/or other resources.

ANALYSIS

Airport Connector Consultant Services Award

In April 2021, the Department of Transportation (DOT) and Airport developed and released a request for bids for consultant services to develop the Airport Connector Pre-development Agreement RFP. The bid process utilized the recent Metropolitan Transportation Commission (MTC) request for qualifications that created a Bay Area Transit Coordination and Structure Consultant Bench. Bids were solicited from all seven companies that were approved by the MTC for the Subject Matter Expertise to Multiple Areas of Transit Decision Making, Administration, Management, and Operations. Proposals were received from the following teams:

- 1) ARUP North America Ltd.
- 2) Ernst & Young Infrastructure Advisors, LLC
- 3) ARC Alternative and Renewable Construction LLC

The proposals and teams were evaluated based upon the following weighted criteria:

Evaluator Scoring Criteria:

- A: Proposal meets all of the RFP Evaluation Criteria
- B: Proposal meets majority of the RFP Evaluation Criteria
- C: Proposal meets some of the RFP Evaluation Criteria
- D: Proposal meets very few of the RFP Evaluation Criteria
- F: Proposal is missing most of the RFP Evaluation Criteria

Sections	Scoring Value	Scoring Range
Experience & Qualifications	up to 20 pts.	A: 18-20, B: 15-17, C: 12-14, D: 10-11, F: 7-9
Understanding of Project & Approach	up to 25 pts.	A: 22-25, B: 18-21, C: 13-17, D: 9-12, F: 8-11
Schedule Adherence	up to 20 pts.	A: 18-20, B: 15-17, C: 12-14, D: 10-11, F: 7-9
Cost Adherence	up to 25 pts.	A: 22-25, B: 18-21, C: 13-17, D: 9-12, F: 8-11
LBE/SBE Participation	up to 10 pts. (0,5,10)	A : 10 pts., B 5 pts., C: 0

The ARUP proposal received the highest overall score, 93 out of 100 points. The team has extensive and proven knowledge and experience in developing and administering P3 procurements. The team also has local history with the Airport, the Airport Connector Project, as well as surrounding projects such as the BART and Diridon Station. The proposed ARUP team is focused on the challenges the City will face in developing the RFP. Furthermore, the ARUP team approach to developing the RFP is well informed by prior efforts the City has undertaken, and highlights ways to find solutions to some of the difficult decisions the City and partners will need to make to inform the RFP.

HONORABLE MAYOR AND CITY COUNCIL

June 15, 2021

Subject: Airport Connector Funding and Support Services

Page 4

The scope of work will include development, administration, and evaluation of the RFP as well as administrative, governance, planning, and design services to support the City once it is in a PDA with a selected firm. The total contract will not exceed \$2,925,000, with the work occurring over a three-year term.

City-VTA Funding Agreement

On June 3, 2021 the VTA Board authorized the VTA General Manager to execute an interagency funding agreement with the City of San José in an amount not to exceed \$2.5 million to advance project development for and implementation of the San José Mineta Airport Connector from the 2000 Measure A Transit Improvement Program Fund Capital Budget.

To receive these funds, the City of San José needs to negotiate and enter into a funding agreement with VTA. The agreement will allow the City to invoice VTA on a regular basis for the funds for the services provided by the selected consultant. The term of the funding agreement will be five years.

EVALUATION AND FOLLOW-UP

Progress on the development of the Airport Connector project will be periodically reported to the Transportation and Environment Committee.

PUBLIC OUTREACH

To solicit bids, this RFP was listed on the Cities procurement platform, Bid Dingo. This memorandum will be posted to the City's website for the June 29, 2021 Council agenda.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

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

COST SUMMARY/IMPLICATIONS

This memorandum recommends budget adjustments in both 2020-2021 and 2021-2022. The adjustments for 2020-2021 will allocate a total of \$500,000 from the City’s Traffic Capital Program for ARUP to develop the Airport Connector PDA (\$425,000) and for a separate legal services contract being administered by the City Attorney’s Office (\$75,000). The 2021-2022 adjustments recognize and appropriate \$2.5 million from VTA Measure A funds to provide additional legal and consulting services, including RFP submittal evaluation, administrative, governance, planning, and design services to support the City once it is in a PDA.

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the proposed contract.

Fund #	App n #	Appn Name	Total Appn	Rec. Budget Action	2020-2021 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
429	7886	Regional Rail Planning	\$836,000	\$250,000	V-624	6/23/2020, 30437
465	7886	Regional Rail Planning	\$428,000	\$250,000	V-624	6/23/2020, 30437
429	8999	Unrestricted Ending Fund Balance	\$20,791,422	(\$250,000)	V-628	5/18/2021, 30570
465	8999	Unrestricted Ending Fund Balance	\$10,447,058	(\$250,000)	V-628	5/18/2021, 30570

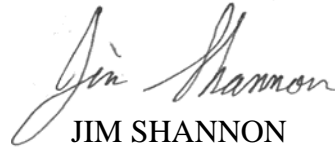
Fund #	Appn #	Appn Name	Total Appn	Rec. Budget Action	2021-2022 Proposed Capital Budget Page*	Last Budget Action (Date, Ord. No.)
429	R090	Revenue from Local Agencies	\$7,718,000	\$1,250,000	V-563	N/A
465	R090	Revenue from Local Agencies	\$25,565,000	\$1,250,000	V-559	N/A
429	7886	Regional Rail Planning	\$1,154,000	\$1,250,000	V-659	N/A
465	7886	Regional Rail Planning	\$745,000	\$1,250,000	V-659	N/A

* The 2021-2022 Proposed Capital Budget and 2022-2026 Capital Improvement Program was released on April 27, 2021 and was reviewed and approved by City Council on June 15, 2021 and adopted on June 22, 2021.

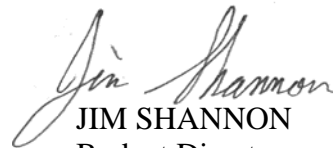
CEQA

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

/s/
JOHN RISTOW
Director of Transportation


JIM SHANNON
Budget Director

I hereby certify that there will be available for appropriation in the Building and Structure Construction Tax Fund in the Fiscal Year 2021-2022 moneys in excess of those heretofore appropriated there from, said excess being at least \$1,250,000; and in the Construction Excise Tax Fund in the Fiscal Year 2021-2022 moneys in excess of those heretofore appropriated there from, said excess being at least \$1,250,000.


JIM SHANNON
Budget Director

For questions please contact Ramses Madou, DOT Division Manager, at ramses.madou@sanjoseca.gov.