



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 1/17/2023

ITEM NO: 4

DATE: January 3, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505):
a. Approve the Plans and Specifications;
b. Authorize Advertising the Project for Bid Upon Receipt of Formal Funding Approval (E-76) from Caltrans; and
c. Authorize the Release of a Request for Proposals for Construction Management, Inspection, and Materials Testing Services.

RECOMMENDATION:

Staff recommends that the Town Council authorize the following actions for the Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505):

- a. Approve the Plans and Specifications;
- b. Authorize Advertising the Project for Bid Upon Receipt of Formal Funding Approval (E-76) from Caltrans; and
- c. Authorize the Release of a Request for Proposals for Construction Management, Inspection, and Materials Testing Services

BACKGROUND:

The construction of a direct bicycle and pedestrian connection between the Los Gatos Creek Trail and Highway 9 was originally identified as a priority project in the Town's 2017 Bicycle and Pedestrian Master Plan and again in the Town's 2020 Bicycle and Pedestrian Master Plan Update. The Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (Trailhead Connector Project) is also included as one of the projects in the Town-wide Connect Los Gatos Program, which strives to promote projects that will improve the connectivity, mobility, and safety for pedestrians and bicyclists throughout the Town.

PREPARED BY: James Watson
Interim Town Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505)

DATE: January 3, 2023

BACKGROUND (continued):

The Trailhead Connector Project has been included in the Town's Capital Improvement Program Budgets since Fiscal Year (FY) 2018/19. Design work began on the project in October 2019 following a Request for Proposals (RFP) process which resulted in the award of a Consultant Design Services Agreement to the firm of Mott MacDonald Group, Inc. for preparation of the construction documents for the Project. A significant portion of the funding for the design of the Project was obtained from the non-competitive One Bay Area Grant (OBAG) Cycle 2 funding.

To provide the access between the Los Gatos Creek Trail and Highway 9, the project design includes the installation of a pre-fabricated bicycle and pedestrian bridge across Los Gatos Creek just south of Highway 9 and a pedestrian switchback ramp on the north side of Highway 9.

The preliminary project design was presented to the Complete Streets and Transportation Commission (CSTC) and to the community in February 2020. Both groups provided valuable input and support for the project. On March 3, 2020, the Town Council approved the preliminary design and authorized staff to proceed to final design. In April 2021, a second community meeting and presentation to the CSTC were held to review the 65 percent complete plans. Following input from the community and the CSTC, the final project plans specifications, and engineer's estimate (PS&E) were completed and have been reviewed and approved by Caltrans.

A Disadvantaged Business Enterprise (DBE) goal of 21 percent has been identified by Caltrans as an appropriate level of DBE participation for the project construction contract and has been included in the contract documents. The Project will be entirely within the Caltrans right-of-way, which required the Town Council to execute a Maintenance Agreement to document the Town's responsibilities for the operation and maintenance of the new improvements. The Town and Caltrans executed the Maintenance Agreement in October 2022. Additionally, the project requires the Town to obtain an encroachment permit for the work within the Caltrans right-of-way. The Town has applied for the encroachment permit and is currently awaiting the issuance of the permit from Caltrans.

Construction funding has been identified and on November 15, 2022, the Town Council approved two grant-funding agreements for the project's construction phase. The project is fully funded at this time. Funding sources include OBAG Cycle 2, the Transportation Fund for Clean Air (TFCA) regional grant, 2016 Measure B Funds, and commitment of up to \$1 million of Town local funds.

SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505)

DATE: January 3, 2023

DISCUSSION:

As the Project includes federal grant funds, staff have been closely coordinating the Project with Caltrans and following the procedures and requirements outlined in the Caltrans Local Assistance Program Manual for federal-aid projects. This includes submittal of the formal “Request for Funding Authorization” package, which is required to be approved by Caltrans and the Federal Highway Administration (FHWA) prior to moving the Project into the bid/advertising/construction phases.

The Town is awaiting this formal funding authorization (referred to as the E-76). For the Town to remain eligible for federal funding reimbursements, the Town must receive formal funding authorization/approval (E-76) prior to advertising the project for construction bids. In light of this, the staff recommendation is for the authorization to advertise and solicit construction bids only upon receipt of the Caltrans/FHWA funding approval/E-76 for the Project. The project team anticipates receiving the Town’s project funding authorization by early February 2023 and Table 1 presents the anticipated schedule for the construction contract.

TABLE 1
Anticipated Construction Schedule
CIP No. 832-4505

Milestone Activity	Forecast Date
Town Council Approves PS&E, Solicitation of Bids Authorized	1/17/2023
Town Receives E-76 (Funding approval) from Caltrans/FHWA	2/6/2023
Advertisement Period *	2/6/2023 – 4/6/2023
Bid Opening	4/6/2023
Council Awards Construction Contract	5/16/2023
Notice of Award to Contractor	5/17/2023
Construction Contract Executed	6/15/2023
Notice to Proceed Issued	6/19/2023
Construction	6/2023-11/2024
Construction Close Out	10/2024-11/2024
Town Accepts Final Improvements	12/2024

*Exact advertisement period to be determined following Town’s receipt of funding approval (E-76) from Caltrans/FHWA.

Project management and inspection for a project of this magnitude greatly exceeds the Town’s existing staffing availability. Additionally, the requirements for materials testing will require the use of Caltrans certified technicians and laboratories. To address this need, staff has prepared a Request for Proposals for Construction Management, Inspection, and Materials Testing Services which outlines the additional professional consultant services deemed necessary for

SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505)

DATE: January 3, 2023

DISCUSSION (continued):

the Town's successful project delivery. Due to the federal funding involved in the project construction, the project team will follow the Consultant Selection Process as outlined in the Caltrans Local Assistance Procedures Manual for federally funded projects. Based on this process, and should Council authorize the release of the RFP, Table 2 presents the schedule for the Request for Proposal process.

TABLE 2
Anticipated Schedule for Construction Management Services
CIP No. 832-4505

Milestone Activity	Forecast Date
Town Council Authorizes Release of RFP	01/17/2023
Advertisement Period	01/23/2023 - 02/22/2023
Proposals Due	02/23/2023
Proposal Evaluation, Scoring, and Ranking	02/24/2023 - 03/03/2023
Consultant Interviews	03/09/2023
Consultant Services Agreement Negotiations	03/24/2023
Caltrans Independent Office of Audits and Investigations (IOAI) Review	03/27/2023 - 04/21/2023
Town Council Approves Consultant Services Agreement	05/16/2023
Notice to Proceed	06/01/2023

The engineer's estimate for the Construction Contract is \$4,798,182 which includes a 10 percent contingency. The estimated cost for the Construction Management, Inspection, and Materials Testing Services is anticipated to be in the range of \$700,000 to \$775,000, which is approximately 15 percent of the construction contract. The project plans and specifications can be viewed via the link at www.losgatosca.gov/lgcthw9.

CONCLUSION:

Based on the discussion above, staff recommends the approval of the project plans, specifications, and estimate, and the authorization to advertise and solicit bids for the construction of the Project upon receipt of the funding approval E-76 from Caltrans. Additionally, staff recommends authorization to release the Request for Proposals for Construction Management, Inspection, and Materials Testing Services for the Project.

ALTERNATIVES:

Council could request a postponement of the recommended actions until after the formal Caltrans funding approval (E-76) has been issued to the Town for this project, at which point

SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505)

DATE: January 3, 2023

ALTERNATIVES (continued):

staff would bring the recommendation for approval of the PS&E and authorization to solicit construction bids forward. This would allow the Council to know when the funding approval was received and the exact dates for the advertising periods.

The postponement would delay the solicitation of bids for the construction of the project and the project team would need to reduce/revise the project schedule to show the resultant advertisement period and the delayed project start and completion dates. This alternative is not recommended due to the fact that this would delay the project construction start and end dates.

COORDINATION:

This project has been coordinated with the Finance Department.

FISCAL IMPACT:

The following has been identified as the source and use of funds for the project:

Los Gatos Creek Trail to Highway 9 Trailhead Connector		
CIP No. 832-4505		
	Budget	Costs
OBAG Cycle II Grant - CMAQ	\$ 3,351,000	
GFAR	\$ 995,377	
Measure B (2016 Program Bicycle and Pedestrian Program)	\$ 693,500	
TFCA	\$ 755,921	
Total Budget	\$ 5,795,798	
Construction		\$ 4,361,984
Construction Contingency (10 percent)		\$ 436,198
Construction Management (CM)		
Consultant CM/RE/Inspection		\$ 425,926
Town Project Management		\$ 150,000
Construction Materials Testing		\$ 300,000
Specialized Testing/Monitoring		\$ 50,000
Other Project Delivery Costs		\$ 5,000
Total Expenditures		\$ 5,729,108
Remaining Budget (Budget - Estimated Costs)		\$ 66,690

PAGE 6 OF 6

SUBJECT: Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505)

DATE: January 3, 2023

FISCAL IMPACT (continued):

Staff costs are tracked for all projects. Tracking of staff costs allows for accountability in the costs of projects, recovery of costs from grant funded projects, and identification of future staffing needs. This project utilizes a combination of consultant services, temporary staffing that support fluctuating workloads, and full-time budgeted staff. The costs for consultant and temporary staff will be directly associated with this CIP project while full-time staff are accounted for in the department's operating budget.

ENVIRONMENTAL ASSESSMENT:

Caltrans opted to be the lead agency for the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) environmental clearances for the project. The project is categorically exempt per CEQA Section 15301; PRC 21084; 14 CCR 15300.