



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 12/01/2020

ITEM NO: 12

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DATE: November 25, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Highway 17 Bicycle and Pedestrian Overcrossing (Project 818-0803):

- a. Authorize the Town Manager to Negotiate and Execute a Measure B Funding Agreement with the Santa Clara Valley Transportation Authority (Attachment 1) to Accept a Measure B Grant in the Amount of \$2,754,990 for the Highway 17 Bicycle and Pedestrian Overcrossing Project Final Design Phase;
- b. Authorize Revenue and Expenditure Budget Increases in the Total Amount of \$3,701,200 (\$2,754,990 in Grant Fund and \$946,210 in General Fund Appropriated Reserve) in the Fiscal Year 2020/21 – 2024/25 Capital Improvement Program (CIP) Budget for the Highway 17 Bicycle and Pedestrian Overcrossing Project to Recognize the Receipt of Grant Funds in FY 2020/21;
- c. Authorize the Release of a Request for Proposals (Attachment 2) for the Highway 17 Bicycle and Pedestrian Overcrossing Design Project;
- d. Authorize the Town Manager to Negotiate and Execute a Consultant Agreement with the Highest Ranked Firm in an Amount Not to Exceed \$3,000,000; and
- e. Approve the Highway 17 Bicycle and Pedestrian Overcrossing Community Engagement Plan (Attachment 3).

**RECOMMENDATION:**

Highway 17 Bicycle and Pedestrian Overcrossing (Project 818-0803):

- a. Authorize the Town Manager to negotiate and execute a Measure B Funding Agreement with the Santa Clara Valley Transportation Authority (Attachment 1) to accept a Measure B Grant in the amount of \$2,754,990 for the Highway 17 Bicycle and Pedestrian Overcrossing Project Final Design Phase;

**PREPARED BY:** Ying Smith  
Transportation and Mobility Manager

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

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- b. Authorize revenue and expenditure budget increases in the total amount of \$3,701,200 (\$2,754,990 in Grant Fund and \$946,210 in General Fund Appropriated Reserve) in the Fiscal Year 2020/21 – 2024/25 Capital Improvement Program (CIP) Budget for the Highway 17 Bicycle and Pedestrian Overcrossing Project to recognize the receipt of grant funds in FY 2020/21;
- c. Authorize the release of a Request for Proposals (Attachment 2) for the Highway 17 Bicycle and Pedestrian Overcrossing Design Project;
- d. Authorize the Town Manager to negotiate and execute a Consultant Agreement with the highest ranked firm in an amount not to exceed \$3,000,000; and
- e. Approve the Highway 17 Bicycle and Pedestrian Overcrossing Community Engagement Plan (Attachment 3).

EXECUTIVE SUMMARY:

The Highway 17 Bicycle and Pedestrian Overcrossing project has been identified as a local need through the Bicycle and Pedestrian Master Plan, the Traffic Impact Mitigation Fee program, and the Connect Los Gatos program. The Blossom Hill corridor has been identified in the regional Valley Transportation Plan 2040 and the Valley Transportation Authority's (VTA) Countywide Bicycle Plan.

To date, Town staff has emphasized the community outreach portion of this project, developing a project specific outreach plan and ensuring interested parties have an opportunity at every step to provide input.

The greatest portion of project funding comes from outside sources. Recommendation "a" allows for an agreement with the VTA to support the next phases of design through Measure B funding of \$2.75M. Because of the strong ranking of this project among all projects in the County, funding is available earlier than originally anticipated. Recommendation "b" makes the necessary fiscal year timing and budget adjustments to facilitate continued progress.

The next step of the project is to take the project through the next design phases and environmental analysis. Recommendations "c, d, and e" facilitate that effort with the goal of achieving a project that solves the challenges of the corridor. This report outlines those phases, the schedule, outreach, and Council decision points.

BACKGROUND:

The Highway 17 Bicycle and Pedestrian Overcrossing Project is one of the Connect Los Gatos projects and has received strong support from the Complete Streets Commission and other community members, while the Ohlone Court neighbors remain concerned. The project location is one of the most heavily travelled bicycle and pedestrian locations in Town, serving as a main crossing of Highway 17 on what are narrow and uncomfortable shoulders and sidewalks.

BACKGROUND (continued):

The location is used by all types of users, with perhaps the most notable being students going to and from school.

The Town began a Feasibility Study for the Highway 17 Bicycle and Pedestrian Overcrossing (BPOC) in September 2019. The project is included in the Fiscal Year 2020/21 – 2024/25 CIP Budget. At its March 3, 2020 meeting, the Town Council approved the project purpose and need, and authorized staff to proceed with design alternatives for a separate bicycle and pedestrian overcrossing. Establishing the purpose and need at the onset of the project development phase helps to ensure the project reflects the Council's and community's vision and priorities.

At its September 1, 2020 meeting, the Town Council approved the Feasibility Study for the project and directed staff to proceed with the final design of a separate bridge structure between 16 and 20 feet wide located immediately south of the Blossom Hill Road Bridge.

The *Highway 17 Bicycle and Pedestrian Overcrossing Feasibility Study* includes detailed information on the alignment alternative evaluation and technical reports. The project team also conducted extensive community engagement, which is documented in the *Community Engagement Activities Report*. Both documents are posted on the project website: <https://www.losgatosca.gov/2556/Hwy-17-Bicycle-Pedestrian-Overcrossing>.

Attachment 4 provides a summary of key project background information, including the project purpose and need, alternative evaluation, and community engagement in the Feasibility Study phase.

In April, staff submitted a grant application to the Santa Clara Valley Transportation Authority (VTA) for the Measure B Bicycle and Pedestrian Competitive Grant Program. In June, the VTA Board approved the Measure B program, including the \$2,754,990 award to fund the final design phase of this project.

DISCUSSION:

The next step to move this project forward is the final design phase, which will include preliminary engineering, environmental clearance, and final design. This phase of the project will be funded by the Measure B grant and the Town's local match. The recommended actions are necessary to proceed with the grant acceptance and allocate the Measure B dollars in the project. Relevant information is provided in this staff report to support the Town Council's consideration and evaluation.

DISCUSSION (continued):Project Cost by Phase

The final design phase cost is estimated to be \$3,701,200. The construction cost is estimated to be \$24,932,000 and the total cost with all project phases combined would be \$28,867,700.

Table 1 shows the project costs by phase and funding sources.

Table 1 – Project Cost by Phase and Funding

Phase	Grant	Source	Town	Source/Year	Total
Feasibility Study	\$87,000	TDA3	\$147,000	TMF (FY19/20)	\$234,000
Final Design	\$2,755,000	Measure B	\$946,200	GFAR (FY20/21)	\$3,701,200
Construction	\$23,932,000	TBD	\$1,000,000	TBD	\$24,932,000
<b>Total</b>	<b>\$26,774,000</b>		<b>\$2,093,200</b>		<b>\$28,867,200</b>

## Notes to Table 1:

1. TMF = Traffic Mitigation Fees, GFAR = General Fund Appropriate Reserve
2. Feasibility Study and Final Design costs are in 2020 dollars. Construction costs are in 2024/25 dollars (midpoint of construction). All costs rounded to nearest \$100.
3. Total project costs include all phases.
4. Construction costs are based on the most expensive structure type, steel arch.
5. The Town's contributions in the Final Design and Construction phases are pending Town Council's budget decisions.

Project Funding Plan

The Town has been very strategic in investing in the early stage of the project development using the Town's Traffic Mitigation Fee and its share of the Transportation Development Act Article 3 (TDA 3) funds for the current phase. The progress has positioned the project to be competitive in grant programs, including the Santa Clara County 2016 Measure B program. The project was awarded \$2,754,990 in Measure B funds for the final design phase, which will require \$946,200 from the Town's contribution as local match.

The Fiscal Year 2020/21 – 2024/25 CIP Budget shows \$946,200 in General Fund Appropriated Reserve (GFAR) funds as the local match in FY 2021/22. At the time the CIP budget was approved, the VTA Measure B grant funding decision was not finalized and the timing of the Measure B grant availability was unknown. The best assumption at that time was to put both the Measure B grant and the local match in the FY2021/22 budget, setting funds aside in next year's CIP. This project was ranked number six out of 39 submitted regional projects. This competitive ranking allowed the Town to secure funding in the first fund distribution cycle due to the strength of the project. To take advantage of the Measure B funds, the fiscal portions of the staff recommendation would move the funds into the current fiscal year. The Measure B funds will be available upon the execution of the Funding Agreement (Attachment 1). The awarded Measure B grant can only be used for this project's final design, as described in the grant application.

DISCUSSION (continued):

The Town has yet to secure funding for the project construction, with an estimated cost close to \$25 million. The first opportunity to compete for grant funding was the 2021 Active Transportation Program (ATP) cycle. However, after further consultation and analysis, staff concluded that the application would not be competitive in this over-subscribed program. The ATP grant program requested detailed construction phasing and cost information that was beyond the work prepared to date. Staff will continue to seek future grant funding opportunities as the design work progresses, including the next ATP funding cycle in two to three years.

Most of the grant programs are highly specialized with project types well defined. Considering the current revenue forecast and grant programs available at the State, regional and County levels, bicycle and pedestrian projects, such as this one, have a much higher chance of getting funded. For example, the ATP program is not likely to be affected by the revenue decrease due to the COVID-19 pandemic, unlike other State and regional transportation funds. Other project types, such as highway and roadway projects, will likely face uncertainty in revenue options.

Request for Proposal for the Final Design Phase

The project design phase would involve preliminary engineering, environmental determination and clearance, and final design. A draft of the Request for Proposal (RFP) to solicit proposals from qualified engineering design consultants for the final design phase of the project is included as Attachment 2. Below is a list of few key task items included in the draft RFP as scope of services:

- Completion of the required Caltrans project development process to obtain an encroachment permit for construction of the project. This includes completion of the Project Initiation Document (PID), Environmental Documents and Project Report (PA/ED), and the final project Plans, Specifications, and Estimates (PS&E). The process will require subsequent agreements between the Town and Caltrans, along with payment to Caltrans for reimbursement of Caltrans' assistance on the PID phase documents.
- Assistance to the Town in the selection of the final bridge type.
- Provision of consultant services in line with federal project delivery and reimbursement requirements to allow the project to remain eligible for future federal construction funding opportunities.
- Assistance to the Town in the presentation of the 35%, 65%, and 95% complete PS&E to the community and Town Council/Commissions for review and comments.
- Coordination with utility companies regarding the project and any necessary utility relocations and future services.

DISCUSSION (continued):

- Surveying, civil, geotechnical, environmental, structural and other professional engineering services as needed to complete the PS&E.
- Construction support services, potentially including materials testing. The final scope of services for the construction support services task will be refined and awarded when construction funding has been secured for the project.

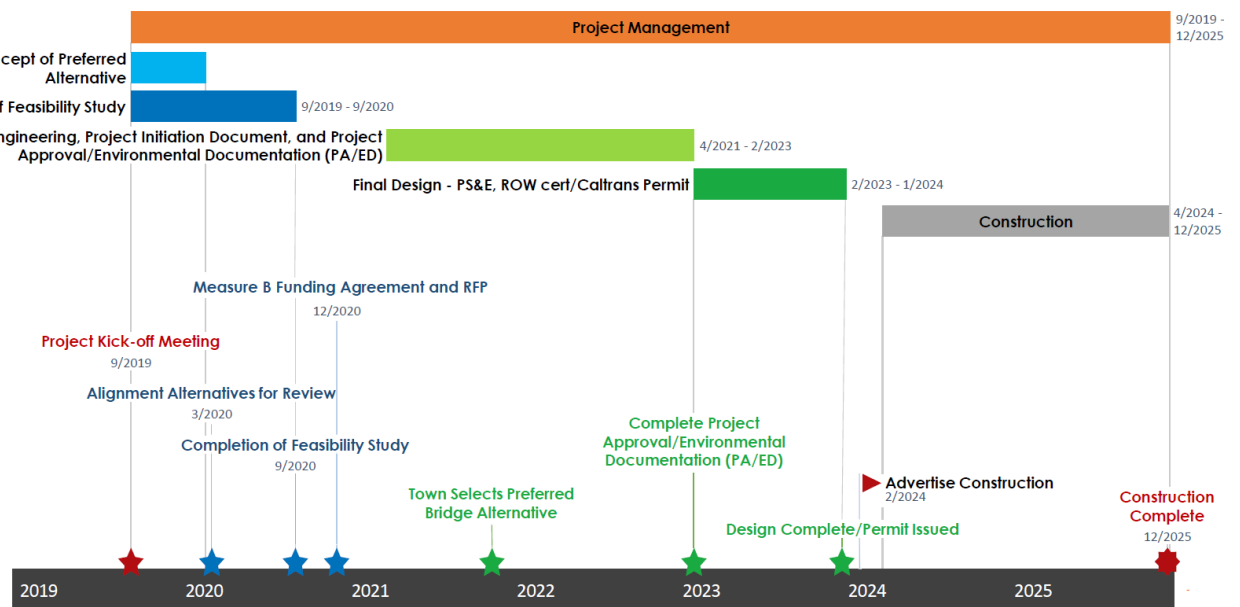
Upon the Town Council’s authorization, staff will release the RFP and conduct evaluation per the process described in the RFP. Consultant selection and contract negotiation are expected in February and March, with a target start date in April 2021.

Project Timeline

The project timeline is shown in Figure 1. The Feasibility Study phase was completed. With the Town Council’s approval, the final design work can begin in early 2021 and is expected to be completed in 2023. The last phase is construction, which could start as early as 2024 with construction completion by the end of 2025, if construction funding is available.

Figure 1 – Project Timeline

★ ★ Project milestones/Council decisions



Community Engagement Plan

In the Feasibility Study phase, community engagement for this project followed the framework identified in the *Connect Los Gatos Community Engagement Plan*, adopted by Town Council in

DISCUSSION (continued):

March 2020. The project team conducted extensive community engagement, which is documented in the Community Engagement Activities Report.

At the September 1, 2020 Town Council meeting, staff indicated that there would be ample opportunities for the community to provide input in the design and construction phases. Staff is recommending a project specific Community Engagement Plan to guide the engagement efforts in the design phase. The Highway 17 Bicycle and Pedestrian Overcrossing Community Engagement Plan (Attachment 3) provides a framework and describes specific tools and actions to maximize the opportunities for all stakeholders to provide meaningful feedback, as highlighted by the following three key components:

- Stakeholders: Identifying the key stakeholders will help ensure the community engagement efforts are comprehensive, focused, and effective. This is also one of the requirements of the Measure B Funding Agreement.
- Complete Streets and Transportation Commission: The Commission will play a more vital role in representing the community, providing input to the project team, and advising the Town Council in key decisions.
- Information Sharing and Transparency: The project webpage will be the central place for information, including project updates, meetings announcements, documents, and reports. Providing one central place for information allows for consistent and accessible information for all stakeholders.

CONCLUSION:

Approval of the staff recommendations would enable this project to continue through the design phases. In the design phases, the Project Team will present the design to the Town Council for its consideration at several decision points per the project schedule, including bridge type selection, 35% design/environmental documentation, and final design – PS&E, Right of Way certification/Caltrans permit. Upon approval of the final design, if the Town is successful in securing construction funds, the next step is issuing a construction bid, which will also require the Town Council's approval.

ALTERNATIVES:

The Town Council may reject the Measure B grant and choose not to proceed with final design. Although approving the Community Engagement Plan is not required per Town policies or the Measure B grant program, the Town Council's approval will strengthen the community engagement process. The Town Council may choose not to approve the engagement plan or request further changes.

COORDINATION:

At its November 12, 2020 meeting, the Complete Streets and Transportation Commission recommended approving the staff recommendations.

FISCAL IMPACT:

Table 2 shows a comparison between the adopted project budget vs. the proposed revised project expenditure and revenue.

Table 2 - Adopted 2020/21 Project Budget vs. Revised Expenditure and Revenue

<b>Adopted 2020/21 Project Budget</b>					
	2019/20	2020/21	2020/21	2021/22	Total
Revenue	Estimated	Revised Funding	Budget	Proposed	Project
GFAR				\$946,210	\$946,210
Traffic Mitigation	\$147,005				\$147,005
Grants	\$86,995			\$4,484,093	\$4,571,088
Total Revenue	\$234,000			\$5,430,303	\$5,664,303
Total Use of Funds	\$234,000			\$5,430,303	\$5,664,303
<b>Revised 2020/21 Project Budget</b>					
	2019/20	2020/21	2020/21	2021/22	Total
Revenue	Estimated	Revised Funding	Budget	Proposed	Project
GFAR		\$946,210	\$946,210		\$946,210
Traffic Mitigation	\$147,005				\$147,005
Grants	\$86,995	\$2,754,990	\$2,754,990		\$2,841,985
Total Revenue	\$234,000	\$3,701,200	\$3,701,200		\$3,935,200
Total Use of Funds	\$234,000	\$3,701,200	\$3,701,200		\$3,935,200

Table 2 reflects the following specific budget changes:

1. Decrease grant revenue by \$1,729,103 from \$4,484,093 to \$2,754,990 and shift the amount from FY 2021/22 to FY2020/21 to reflect the actual grant amount and year awarded;
2. Change the FY2021/22 GFAR budgeted funds of \$946,210 to FY 2020/21.
3. Shift all expenditures in FY2021/22 to FY 2020/21.

If Council approves this item, the Town will receive grant revenue of \$2,754,990 for the Highway 17 Bicycle and Pedestrian Overcrossing project final design phase. The



FISCAL IMPACT (continued):

recommendation also includes the authorization for a consultant agreement in an amount not to exceed \$3,000,000. The revised project budget and proposed uses are show on Table 3.

Table 3 – Fiscal Table

	<b>Available Budget</b>	<b>Expended/ Encumbered to Date</b>	<b>Proposed Contract Amount</b>	<b>Available Balance</b>
Traffic Mitigation	\$ 147,005	\$ 147,005		
TDA Article 3 (FY 18/19 & 19/20)	\$ 86,995	\$ 86,995		
Measure B Grant	\$ 2,754,990			
GFAR	\$ 946,210			
<b>Total Budget</b>	<b>\$ 3,935,200</b>	<b>\$ 234,000</b>	<b>\$ 3,000,000</b>	
<b>Remaining Balance</b>				<b>\$ 701,200</b>

Note to Table 3:

Measure B Grant and GFAR are only available upon the approval of recommended Council Action.

ENVIRONMENTAL ASSESSMENT:

Actions of authorizing a funding agreement, budget adjustments, approving a consultant services agreement, and approving a community engagement plan are not considered projects as defined under CEQA, and no further action is required. The construction of improvements is considered a project and environmental analysis will be prepared in the final design phase after preliminary engineering is completed.

Attachments:

1. Draft Measure B Funding Agreement with the Santa Clara Valley Transportation Authority.
2. Draft Request for Proposals for Professional Engineering Design Services.
3. Draft Highway 17 Bicycle and Pedestrian Overcrossing Community Engagement Plan.
4. Highway 17 Bicycle and Pedestrian Overcrossing Project Background.
5. Public Comment Received.