



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 11/15/22

ITEM NO: 7

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DATE: November 1, 2022

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

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

- a. Authorize the Town Manager to Execute the 2016 Measure B Funding Agreement with the Santa Clara Valley Transportation Authority to Accept Grant Funding in the Amount of \$693,500 for the Project Construction; and
- b. Authorize the Town Manager to Negotiate and Execute a Transportation Fund for Clean Air Funding Agreement with the Santa Clara Valley Transportation Authority to Accept Grant Funding in the Amount of \$755,921 for the Project Construction.

**RECOMMENDATION:**

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

- a. Authorize the Town Manager to execute the 2016 Measure B funding agreement (Attachment 1) with the Santa Clara Valley Transportation Authority (VTA) to accept grant funding in the amount of \$693,500 for the project construction; and
- b. Authorize the Town Manager to negotiate and execute a Transportation Fund for Clean Air funding agreement (Attachment 2) with VTA to accept grant funding in the amount of \$755,921 for the project construction.

**BACKGROUND:**

The adopted Fiscal Year (FY) 2022/23-2026/27 Capital Improvement Program (CIP) Budget designates funding for Los Gatos Creek Trail to Highway 9 Trailhead Connector (CIP No. 832-4505) to install bicycle and pedestrian connections between Highway 9 and the Los Gatos Creek Trail. Proposed trail connections include the installation of a bicycle and pedestrian bridge across Los Gatos Creek just south of the Highway 9 and a pedestrian switchback ramp on the

**PREPARED BY:** WooJae Kim  
Town Engineer

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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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BACKGROUND (continued):

north side of Highway 9. The Town received \$343,000 in One Bay Area Grant Cycle 2 (OBAG 2) grant funds for the design phase and the design work started in October 2019. This project has received long-standing support from the community, schools, Complete Streets and Transportation Commission, and Town Council.

The Bicycle and Pedestrian Master Plan updated in 2020 identified the trailhead connector as one of the “Connect Los Gatos” prioritized projects. Launched in 2019, Connect Los Gatos is a program and branding of bicycle and pedestrian projects that promotes connectivity and improvements to the multimodal network throughout the Town.

The preliminary project design was presented to the Complete Streets and Transportation Commission and to the community in February of 2020. Both groups provided input and support for the project. On March 3, 2020, the Town Council approved the preliminary design and authorized staff to proceed with the final design.

DISCUSSION:

The project is close to fully funded at this time and sources include funds from the One Bay Area Grant Program - Cycle 2 (OBAG 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 as approved by Council on March 1, 2022. The final distribution of funding will be presented to Council for approval once finalized within the next two months.

Following is a summary of the grant funds for construction:

Grant Program	Funding Amount
One Bay Area Grant Cycle 2 (OBAG 2)	\$3,351,000
2016 Measure B	\$693,500
Transportation Fund for Clean Air	\$755,921
<b>Total</b>	<b>\$4,800,421</b>

Subsequently, the Town’s FY 2022/23 Capital Budget included an allocation of Town General Fund Appropriated Reserve (GFAR) funding in the amount of \$928,687 to provide the balance of construction budget needed and the local matching funds necessary for the proposed grants, bringing the total construction budget to \$5,728,687.

The project design and environmental clearances have been completed, and staff is currently working with California Department of Transportation (Caltrans) to obtain the approvals and permits necessary to allow the project to move forward to construction. Staff will be

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DISCUSSION (continued):

presenting the final plans and specifications to the Town Council in the near future, following the Caltrans approvals.

In order to obtain reimbursements for project construction costs for 2016 Measure B and TFCA grant funds, the Town is required to enter into funding agreements for the two grant programs. Attachment 1 is the funding agreement with VTA for 2016 Measure B. Attachment 2 is the draft TFCA funding agreement for grant award, which was reviewed by staff but is not yet in final form for execution.

CONCLUSION:

Staff recommends that the Town Council authorize the Town Manager to execute the Measure B Funding Agreement as attached; and authorize the Town Manager to negotiate and execute the TFCA Funding Agreement in substantial compliance with the attached draft agreement.

FISCAL IMPACT:

Staff costs are tracked for all projects. Tracking of staff costs allows for accountability in the costs of the project, recovery of costs for grant funded projects, and identification of future staffing needs. This project will utilize both full-time budgeted and part-time staff. The costs for full-time staff are generally accounted for in the Department's Operating Budget. Cost for part-time staff costs incurred will be charged to the project or be reimbursed through one of the grant programs as necessary.

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FISCAL IMPACT (continued):

Los Gatos Creek Trail to Highway 9 Trailhead Connector		
CIP No. 832-4505		
	Budget	Costs
OBAG 2 Grant (2017)	\$343,000	
GFAR (Design Phase)	\$330,440	
OBAG 2 Grant (2022)	\$3,351,000	
2016 Measure B	\$693,500	
TFCA Grant Funds	\$755,921	
GFAR (Construction Phase)	\$928,687	
<b>Total Budget</b>	<b>\$6,402,548</b>	
<b>Potential Additional Funding</b>		
Potential Adjustment from Available Traffic Impact Mitigation Fund	\$ 64,689	
<b>Total Budget with Potential Adjustment</b>	<b>\$ 6,467,237</b>	
Mott MacDonald - Design		\$576,747
Part-Time Staff Cost (Design Phase)		\$90,000
Other Expenditures (Advertising)		\$490
Construction		\$5,800,000
<b>Total Expenditures</b>		<b>\$6,467,237</b>
<b>Remaining Budget</b>		<b>\$0</b>

ENVIRONMENTAL ASSESSMENT:

The funding action is not a project defined under CEQA, and no further action is required. This project has completed environmental studies and the CEQA/NEPA clearances have been obtained.

Attachments:

1. 2016 Measure B Funding Agreement
2. Draft TFCA Funding Agreement