



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 04/18/2023

ITEM NO: 14

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DATE: March 23, 2023

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Consider the Following Actions for the Shannon Road Pedestrian and Bikeway Improvements Project (CIP No. 813-0218):

- a. Approve the Plans and Specifications;
- b. Authorize Advertising the Project for Bid Contingent on Receiving Caltrans Authorization;
- c. Authorize the Town Manager to Execute the Second Amendment to the Consulting Services Agreement with ActiveWayz Engineering for Additional Engineering Services During Bid, Award, and Construction in an Amount of \$25,238, Resulting in a Total Agreement Amount Not to Exceed \$196,709;
- d. Authorize an Expenditure Budget Transfer in an Amount of \$133,380 from available Traffic Mitigation Funds;
- e. Authorize an Expenditure Budget Transfer in an Amount of \$200,000 from Available Funds in Fund 461 CIP #816-0420;
- f. Authorize an Expenditure Budget Transfer in an Amount of \$60,000 from Available Funds in CIP #813-0221;
- g. Authorize an Expenditure Budget Transfer in an Amount of \$231,524 from Available Funds in CIP #813-0231; and
- h. Authorize an Expenditure Budget Transfer in an Amount of \$219,772 from Available Funds in CIP #811-9902.

**RECOMMENDATION:**

Staff recommends the following actions for the Shannon Road Pedestrian and Bikeway Improvements Project (CIP No. 813-0218):

- a. Approve the plans and specifications;
- b. Authorize advertising the project for bid contingent on receiving Caltrans authorization;

**PREPARED BY:** James Watson  
Interim Town Engineer

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

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DATE: April 3, 2023

RECOMMENDATION (continued):

- c. Authorize the Town Manager to execute the second amendment to the consulting services agreement with ActiveWayz Engineering (Attachment 1) for additional engineering services during bid, award, and construction in an amount of \$25,238, resulting in a total agreement amount not to exceed \$196,709;
- d. Authorize an expenditure budget transfer in an amount of \$133,380 from available Traffic Mitigation Funds;
- e. Authorize an Expenditure Budget transfer in an amount of \$200,000 from available funds in Fund 461 CIP #816-0420;
- f. Authorize an expenditure budget transfer in an amount of \$60,000 from available funds in CIP #813-0221;
- g. Authorize an expenditure budget transfer in an amount of \$231,524 from available funds in CIP #813-0231; and
- h. Authorize an expenditure budget transfer in an amount of \$219,772 from available funds in CIP #811-9902.

BACKGROUND:

The Shannon Road Pedestrian and Bikeway Improvements Project would provide pedestrian and bicycle safety improvements on Shannon Road between Los Gatos Boulevard and Cherry Blossom Lane. This segment of Shannon Road is a two-lane neighborhood collector street with high volumes of bicycle and pedestrian traffic when schools are in session. The street is a popular route for students attending Blossom Hill Elementary, Louise Van Meter Elementary, and Raymond J. Fisher Middle schools. There are intermittent sections of sidewalk on both sides of the roadway. Currently, on-street parking is not allowed on Shannon Road between 7 a.m. and 6 p.m., except on Saturdays, Sundays, and holidays.

In June 2018, the Town was awarded a Vehicle Emissions Reductions Based at Schools (VERBS) federal grant in the amount of \$940,100 from the Metropolitan Transportation Commission (MTC) One Bay Area Grant (OBAG) program distributed through the Santa Clara Valley Transportation Authority (VTA) to partially fund the project. This grant is a critical source of funding for the construction phase of this project, and it is shown as such in the adopted FY 2022/23-2026/27 CIP Budget. This is a reimbursement grant whereby the Town must expend the funds and request reimbursement from VTA. The initial request for reimbursement must be received by June 30, 2023 to comply with the requirements of this grant.

On November 5, 2019, the Town Council authorized the Town Manager to solicit design consultants and negotiate and execute a design consultant agreement in an amount not to exceed \$200,000. ActiveWayz Engineering was selected as the design consultant through the

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BACKGROUND (continued):

procurement process. A consultant services agreement for an amount not to exceed \$126,631 was negotiated and executed with ActiveWayz Engineering to include project management, survey, alternative analysis and community outreach, utility coordination, final design, bid support, and construction administration support. On March 1, 2022, Council authorized the Town Manager to execute the first amendment increase of \$44,840 for additional community outreach efforts and to develop an additional design option based on the community feedback received (see Exhibit A).

This report recommends a second amendment to the agreement for additional engineering services during bid, award, construction, and post-construction (see Attachment 1 and Exhibit B). The original scope was developed with the expectation of greater Town staff involvement during bid, award, construction, and post-construction. The second amendment would facilitate greater use of the design consultant to augment Town staff resources.

ActiveWayz developed two concept designs that were presented to the community in 2021 at meetings on August 26 and September 29. During the community meeting process a third concept was added to reflect community input. These concepts and project history can be found on the PPW website at: <https://www.losgatosca.gov/2687/Shannon-Pedestrian-and-Bikeway-Improvements>. At its October 19, 2021 meeting, Town Council approved Design Concept 3 and authorized staff to proceed with final design.

Two additional community meetings were held on November 17, 2021 and January 15, 2022.

DISCUSSION:

The December 2022 engineer's estimate to complete the proposed work for the Shannon Road Pedestrian and Bikeway Improvements Project is \$1,766,826. The project would improve the safe mobility of Town residents and visitors and improve storm drainage. The Town has engaged the public and incorporated ideas generated through community involvement as much as possible. Grants have been secured to defer costs. Utility owners have been noticed of their obligation to relocate as necessary to accommodate the project plans.

The Town continues to receive correspondence from residents expressing dissatisfaction with the design, cost, and environmental impacts, while also receiving balancing general support of the idea of improvement. Suggestions to improve the plans were often provided including additional trees and variations in geometric design. Correspondences received prior to April 13, 2023 at 11 a.m. are included as Attachment 2. In an effort to address some of these concerns, staff has included an add alternate bid item for up to 14 trees along the project route. The

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DISCUSSION (continued):

exact placement and species of trees will be determined in the field in coordination with local residents and the Town Arborist.

The plans and specifications for the Shannon Road Pedestrian and Bikeway Improvements Project can be viewed on the Town's website at <https://www.losgatosca.gov/108/Capital-Improvement-Program>. Staff is asking for authorization to advertise the project for construction pending receipt of the E-76 certification from Caltrans which is expected to be provided within the next 30 days.

Once authorized by the Town Council to advertise for bid, the following is the anticipated schedule for the project, assuming receipt of the E-76 approval:

<u>Milestones</u>	<u>Anticipated Timeline</u>
Advertise the Project for Bid	April 28, 2023
Bids Due	May 18, 2023
Council to Accept Lowest Bidder	June 6, 2023
Award and Execute Agreement	June 15, 2023
Start Construction	July 5, 2023
Anticipated Completion	January 2024

CONCLUSION:

Approval of the recommendations allows the Shannon Road Pedestrian and Bikeway Improvements Project to move forward for bidding with an option for bidders to identify additional landscaping and greening opportunities as an add alternate. It is important for the Town to construct the project to utilize the grants that were received for this project.

ALTERNATIVE:

Alternatively, the Council could direct staff to revisit the design to incorporate additional comments received. Staff would consider modifications that would add environmental components to the streetscape by adding small landscape buffers that incorporate trees and allow the Town to improve water quality runoff, air quality, and neighborhood appeal. This alternative would necessitate almost complete redesign of the project, incurring additional design costs and delaying the project to at least summer of 2024. This delay would likely result in the loss of grants secured and impact the Town's ability to secure future grant funds.

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COORDINATION:

This project has been coordinated with the Complete Streets and Transportation Commission, significant public outreach has been conducted, and the project has been coordinated with the Finance Department.

FISCAL IMPACT:

The FY 2022/23 – 2026/27 CIP Budget for the Shannon Road Pedestrian and Bikeway Improvements Project requires additional funding for the construction phase. On October 19, 2021, Town Council unanimously approved (see Item 7 of the [meeting minutes](#)) the proposed alternative and a recommended funding strategy that included consolidating funds from other projects to the Shannon Road project. The scope of each of these projects aligns with corresponding scope within the Shannon Road project. Staff recommends that Town Council authorize the transfer of available funds from the CIP projects identified in the fiscal table below.

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FISCAL IMPACT (continued):

Shannon Road Pedestrian and Bikeway Improvements		
CIP No. 813-0218		
	Budget	
GFAR	\$ 230,000	
Grants	\$ 1,114,350	
Utility Undergrounding	\$ 119,204	
Transfer from Traffic Mitigation Funds	\$ 133,380	
Transfer from Fund 461 - Storm Basin #1 (Considered with this Staff Report)	\$ 200,000	
Transfer from CIP #813-0221 (Considered with this Staff Report)	\$ 60,000	
Transfer from CIP #813-0231 (Considered with this Staff Report)	\$ 231,524	
Transfer from CIP #811-9902 (Considered with this Staff Report)	\$ 219,772	
<b>Total Budget</b>	<b>\$ 2,308,230</b>	
		Costs
Misc. Expenses		\$ 500
Temporary Staff Charges		\$ 35,000
Engineering Services (Previously Approved)		\$ 171,471
Engineering Services (Approved with this Staff Report)		\$ 25,238
Construction Management Services (7.5%)		\$ 132,512
Construction		\$ 1,766,826
Construction Contingency (10%)		\$ 176,683
<b>Total Costs</b>		<b>\$ 2,308,230</b>
<b>Available Balance</b>		<b>\$ -</b>

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 full-time budgeted staff and temporary staff that support fluctuating workloads. The costs for temporary staff will be directly associated with this project while full-time staff are accounted for in the Department's operating budget.

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ENVIRONMENTAL ASSESSMENT:

This is a project defined under the California Environmental Quality Act (CEQA) as being Categorically Exempt per Section 15301(c) Existing streets, sidewalks, trails and similar facilities and 15304(h) Creation of bicycle lanes on existing rights-of-way. A Notice of Exemption will be filed. Under the National Environmental Policy Act (NEPA), the project is determined to be categorically excluded from a detailed environmental analysis.

Attachments:

1. ActiveWayz Engineering Consultant Agreement Proposed Second Amendment with Exhibit "A" – Original Agreement and First Amendment and Exhibit "B" - Scope of Services
2. Public Comment