



JOINT REPORT

DATE: June 25, 2024

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Shoreline Boulevard Interim Bus Lane and Utility Improvements, Project 16-58—Various Actions**

RECOMMENDATION

1. As recommended by the Council Transportation Committee, approve deferring the bus lane elements of the project scope for Shoreline Boulevard Interim Bus Lane and Utility Improvements, Design, Project 16-58, to be a later phase of the project.
2. Acting in its capacity as Board of Directors of the Shoreline Regional Park Community, transfer and appropriate \$407,000 from the 2018 Shoreline Series A Bond Proceeds from Northbound Shoreline/101 Off-Ramp Realignment, Project 20-37, to Shoreline Boulevard Interim Bus Lane and Utility Improvements, Design, Project 16-58, increasing the total project budget for Project 16-58 to \$4,422,331, of which 68% is from the Shoreline Regional Park Community Fund.
3. Authorize the City Manager or designee to amend the professional services agreement with William R. Gray and Company, a California corporation (Entity No. 1278766), doing business as Gray Bowen Scott, to add \$224,000 for project management services, for a total not-to-exceed amount of \$461,000.
4. Authorize the City Manager or designee to amend the professional services agreement with Mark Thomas & Company, Inc., a California corporation (Entity No. 378336), to add \$158,000 for additional design services, for a total not-to-exceed amount of \$3,375,000.

BACKGROUND

Shoreline Boulevard Interim Bus Lane and Utility Improvements, Project 16-58 (Project), is identified as a Priority Transportation Improvement in the North Bayshore Precise Plan (NBPP) intended to support commercial and residential development in the North Bayshore Area. The NBPP improvements to Shoreline Boulevard also support strategies for mode shift without adding vehicle capacity. Those strategies included a reduced 45% single-occupant vehicle (SOV) commute mode, infrastructure to encourage higher commute modes for bicycles, pedestrians, and transit users, expanded Transportation Demand Management (TDM) programs, and creation

of a Transportation Management Association (TMA). For Shoreline Boulevard, the NBPP included protected bike lanes and cycle tracks, wider sidewalks, a center median bus lane, and a bicycle and pedestrian bridge over U.S. 101.

Prior to March 2020, Shoreline Boulevard was heavily congested in the peak hours and peak directions (a.m. northbound, p.m. southbound). Substantial delays and traffic backups occurred daily, impacting transit service entering North Bayshore. Traffic studies showed a transit time savings of up to seven minutes using a dedicated median bus lane in the 0.6-mile segment of North Shoreline Boulevard from West Middlefield Road to Pear Avenue. Transit services were well used and included high commuter use of Caltrain and connecting MVgo shuttles operated by the TMA and multiple corporate shuttles operated by North Bayshore employers. The Santa Clara Valley Transportation Authority (VTA) also operates a route (Line 40) through North Bayshore. These transit services (MVgo, corporate shuttles, and VTA) could use the planned median bus lane. It was estimated at the time that about 20 buses per hour would use the bus lane in the peak hour.

Project Development

When the Project was initiated in 2016, the scope included both surface transportation and underground utility improvements. Figure 1 shows the current Project elements.

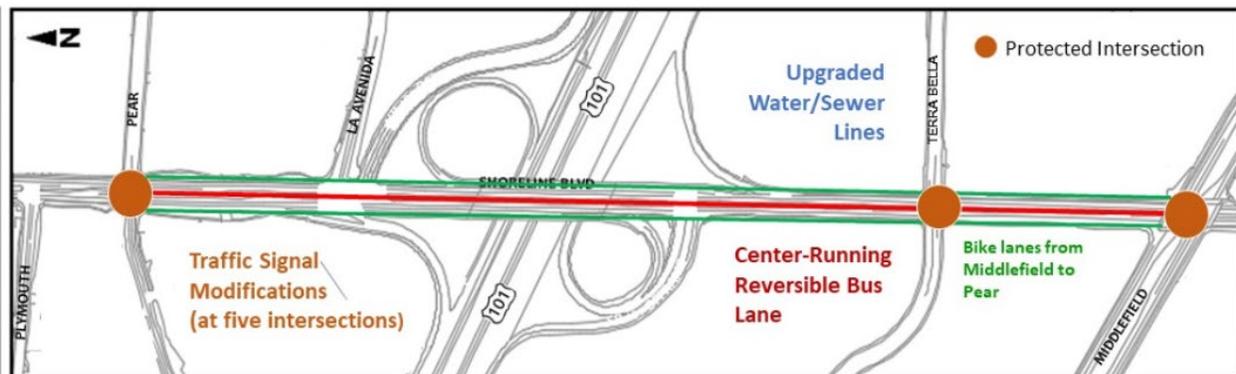


Figure 1: Shoreline Corridor Project Elements

Council has taken several actions for the design, right-of-way acquisition, and construction of the Project, as shown in Table 1.

Table 1: Project History

Date	Action/Milestone
<u>December 3, 2019</u>	Council approved plans and specifications and authorized staff to advertise the project for bids.
<u>December 8, 2020</u>	Council approved amending the project budget to add funding and awarded the construction contract to Granite Rock Construction (Contractor).
<u>October 26, 2021</u>	Council approved amending the project budget and agreement with Mark Thomas & Company, Inc. (Mark Thomas), to add design support during construction. Council also directed staff to defer constructing the second left-turn lanes on West Middlefield Road for five years and to proceed with California Environmental Quality Act (CEQA) review and NBPP Environmental Impact Report (EIR) revisions as needed for removal of the additional left-turn lanes from the construction project’s scope of work.
<u>May 24, 2022</u>	Council approved terminating the construction contract with Granite Rock Construction, transferring and appropriating \$577,331 in additional funding, and amending the Mark Thomas agreement to revise the design and repackage the plans and specifications.
<u>October 25, 2022</u>	Council accepted the completed construction elements of the Project and authorized final contract payment to Granite Rock Construction.
<u>June 27, 2023</u>	Council approved transferring and appropriating \$683,000 in additional funding, amending the Gray Bowen Scott (GBS) agreement for additional project management services, and amending the Mark Thomas agreement for additional design services.
Right-of-Way Acquisition	The City has completed the purchase of the right-of-way needed for the protected bikeways from nine parcels.

The Project is currently completing design with construction expected to start in spring 2025.

Shoreline Boulevard at U.S. 101 Bicycle and Pedestrian Overcrossing Project

This Shoreline Boulevard at U.S. 101 bicycle and pedestrian overcrossing project (Overcrossing Project) proposes to construct a bicycle and pedestrian bridge, parallel and adjacent to Shoreline Boulevard, over U.S. 101 from Terra Bella Avenue to Pear Avenue. It will provide for bicycle and pedestrian connectivity between the protected bike lanes and sidewalks constructed as part of

the Project, north and south of U.S. 101. The Overcrossing Project has not progressed beyond preliminary engineering design due to staffing vacancies and higher-priority projects. In addition, the North Bayshore Development Impact Fees and the Shoreline Fund previously appropriated for the construction phase of the Overcrossing Project have been reallocated to other projects in the North Bayshore Area further along in design that required additional funding.

ANALYSIS

Current Conditions

While upgraded bicycle and pedestrian facilities continue to be an important need, reduced vehicle traffic volumes, continuance of remote work, a suspension of planned office development, and slower job growth have affected the need for, and potential utilization of, the median bus lane in the post-COVID era. Key factors include:

- **Lower-traffic volumes**—Vehicle traffic in North Bayshore is significantly lower than pre-COVID levels. Traffic is also much lower on Mondays and Fridays compared to midweek volumes. Gateway monitoring for fall 2023 showed that midweek morning traffic was less than 80% of early 2020 volumes and less than 70% in the afternoon. As Figure 2 shows, traffic in the North Bayshore Area has been slowly increasing but remains well below pre-COVID levels.

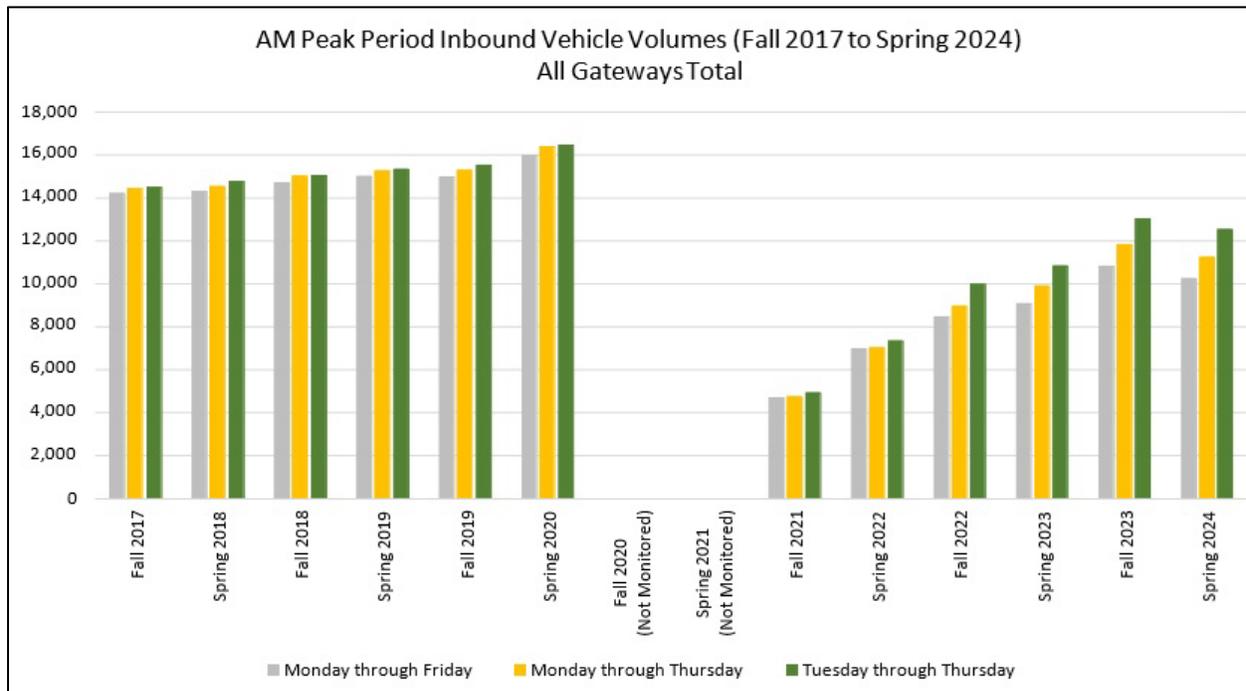


Figure 2: North Bayshore Gateway Monitoring History

- **Limited-travel time benefit**—The current lower traffic levels result in reduced delays and traffic backups. The bus lane would provide less travel time benefit under current conditions.
- **Reduced Caltrain ridership**—Before the pandemic, Caltrain ridership was at an all-time high and served many North Bayshore commuters. Many of the previous Caltrain commuters transferred to shuttles operating along Shoreline Boulevard. Today, Caltrain carries only 40% of the previous ridership and is shifting away from a commuter-focused system.
- **Reduced MVgo ridership**—MVgo shuttles operated by the TMA continue to operate, serving the Caltrain connection. Two routes serve North Bayshore with 10 trips in both the a.m. and p.m. peak periods (40 total daily trips). However, usage of these shuttles has dropped substantially. The current ridership is one to two riders per trip. As a result, the TMA is considering service reductions and schedule adjustments to accommodate reduced ridership.
- **VTA usage of bus lane**—VTA operates one all-day route through North Bayshore. With a 30-minute frequency, VTA provides two buses an hour in each direction. At recent discussions, VTA staff has indicated that they are not likely to use the median bus lane, citing minimal time savings for their customers while creating potential confusion with buses stopping at either curb-side or center locations, depending on time of day. VTA did indicate a willingness to reconsider in the future when a bus lane could provide more benefits and stressed the importance of customer outreach and driver training.
- **Reduced corporate shuttles**—The fall 2023 North Bayshore gateways monitoring report shows that the transit mode share has dropped to below 20%, likely reflecting a reduction in corporate shuttle trips and usage. The largest number of corporate shuttles arrive via San Antonio Road or Rengstorff Avenue. Additionally, the current bus lane design does not allow access from the Shoreline Boulevard/U.S. 101 on- and off-ramps, and North Bayshore employers have indicated corporate shuttles may have a lower usage of the future median bus lane as a result.
- **Delayed office development and reduced employee population**—As North Bayshore employers continue to coordinate policies of remote work and more flexible commute schedules, they are reconsidering office space needs. The largest employer, Google, is not planning any new office space at this time, has terminated the Google Landings office development project, and is focusing on housing development approved in their North Bayshore Master Plan. Additionally, several employers in the North Bayshore Area over the past year have reduced their staffing levels. As a result, the number of daily employees is

unlikely to change substantially for a few years, and those employees are less likely to be in the office every day, reducing transit demand.

Phasing of Project Scope

As outlined above, implementation of the median bus lane element of the Project may not be needed or fully utilized in the next few years. Staff has explored the potential phasing of elements of the Project to allow key pedestrian, bicycle, and utility improvements to move forward into construction while deferring the bus lane elements to a future phase.

At the Council Transportation Committee (CTC) meeting on [January 30, 2024](#), staff recommended the following three-phased approach to the Project scope:

1. **Complete the bicycle, pedestrian, and utility improvements**—The initial phase will focus on completing the bicycle, pedestrian, and utility improvements with construction targeted for 2025. The modified Project will still include protected bike lanes, protected intersections, sidewalks, traffic signal modifications, and landscaping modifications. The median bus lane improvements would be deferred to a future phase, including median curbs and paving, bus stop platform construction, and transit signals.
2. **Perform feasibility study**—A second phase will be a feasibility study of interim pedestrian or bicycle improvements through the U.S. 101 interchange. A possible element could include a two-way bicycle path to allow bicyclists to use the Shoreline Boulevard median area over U.S. 101 between Terra Bella Avenue and the La Avenida or Pear Avenue intersections. If feasible and supported by Council, this would provide a protected bike facility and would avoid the freeway on- and off-ramp merging conflicts between bicyclists and vehicles. Access to the median could be at improved intersections built with the first phase, where the improvements could be compatible with a future median bus lane phase.

This phase would also include deferring the U.S. 101 bicycle and pedestrian bridge since the median bicycle lane would provide a protected facility.

3. **Construct the median bus lane improvements**—The third phase (construction of the bus lane) would occur when conditions in North Bayshore support an effective and well-used median bus lane. This phase would also be linked to construction of the U.S. 101 pedestrian/bike bridge since the bridge would replace the interim median bicycle lane, if constructed in Phase 2. Improvements in this phase would include additional median paving and curbs, median bus stop platform construction, and transit signals and signage. This phase would also include evaluating design modifications to allow corporate shuttles access to the bus lane from U.S. 101 on- and off-ramps at Shoreline Boulevard as well as coordination with VTA to maximize usage.

Deferring implementation of the bus lane will provide interim savings to the City with removal of the median bus lane construction costs and deferred operations and enforcement costs.

The CTC reviewed staff's recommended scope phasing approach for the Project and approved recommending to Council that the median bus lane elements be deferred and the project improvements be delivered in phases. The CTC also recommended that staff continue to explore phasing options for the deferred scope elements and perform the feasibility study for the interim bicycle lane over U.S. 101 concept.

Gray Bowen Scott Agreement Amendment

GBS is providing project management services with a dedicated project manager for this project actively engaged as the project lead. The agreement funding will soon be expended. Staff has evaluated the anticipated level of effort and determined that continued project management services are required to facilitate finalization of the design phase. This includes managing additional project reviews generated by the bus lane deletion from the first phase of the project, supporting private property and utility coordination, and providing construction support.

Staff recommends increasing the GBS agreement by \$224,000 for additional project management services for a total not-to-exceed amount of \$461,000. The recommended increase will allow a dedicated project manager to continue providing project management, coordination, and oversight.

Mark Thomas Agreement Amendment

Evaluating the phasing and other needs, GBS and City staff determined additional design services were needed to finalize the design. These services will address scope changes as well as other ongoing coordination efforts needed for the project to complete the design. The details of the additional services include the following:

- An additional design submittal with revisions incorporating the project phasing, including changes to remove median curbs and paving, bus stop platform construction, and transit signals;
- Additional coordination with other projects along the corridor; and
- Additional coordination with third-party utilities.

The fee for these additional design services to revise the design and repackage the plans and specifications for bid documents is \$158,000. This fee is consistent with such services, and staff considers the fee to be fair and reasonable for the scope of work required. Staff recommends adding \$158,000 in additional services to the Mark Thomas professional services agreement for a new not-to-exceed amount of \$3,375,000.

Next Steps

Should Council approve the recommended scope phasing, the revised design is anticipated to be completed in early 2025 with construction starting in spring 2025.

FISCAL IMPACT

Shoreline Boulevard Interim Bus Lane and Utility Improvement, Design, Project 16-58, currently has a budget of \$4,015,331 and is funded from the sources shown in Table 2.

Table 2: Funding Sources, Project 16-58

	Design, Project 16-58
Shoreline Regional Park Community Fund	\$ 2,003,000
Shoreline Regional Park Community, 2018 Series A Bond	593,000
Water Fund	478,000
Water Capacity Fees	444,000
Wastewater Fund	349,331
Wastewater Capacity Fees	<u>148,000</u>
TOTAL	<u>\$4,015,331</u>

In this report, staff has identified \$407,000 in additional funding needs as shown in Table 3 and detailed below:

- Amend the GBS agreement for project management services to add \$224,000 for a new total not-to-exceed amount of \$461,000;
- Amend the Mark Thomas agreement to add \$158,000 for additional design services for a new total not-to-exceed amount of \$3,375,000, including \$10,000 for additional services; and

- Additional administrative fees.

Table 3: Project Costs, Project 16-58

	Design, Project 16-58
Design Consultant	\$3,375,000
Project Management Consultant	461,000
City Project Management	216,331
Other Consultant Services	80,000
Project Contingency	<u>20,000</u>
 Subtotal	 \$4,152,331
 Administrative Fee	 <u>270,000</u>
 TOTAL ESTIMATED COST	 <u>\$4,422,331</u>
 PROJECT BUDGET	 4,015,331
 PROJECT SHORTFALL	 \$ 407,000

An increase in appropriations of \$407,000 is requested to fund the additional design and project management efforts. Staff recommends transferring and appropriating \$407,000 from the 2018 Shoreline Series A Bond Proceeds from Northbound Shoreline/101 Off-Ramp Realignment, Project 20-37, to Shoreline Boulevard Interim Bus Lane and Utility Improvements, Design, Project 16-58. The transfer of the bond proceeds will provide for more timely use of these funds. With the recommended transfer of funds, there are sufficient funds in the project budget for the consultant amendments.

Project Costs

A separate project for the construction phase of the project is identified with Shoreline Boulevard Interim Bus Lane and Utility Improvements, Construction, Project 18-43. The estimated construction project cost is \$23 million. This estimate does incorporate the removal of the scope elements (Middlefield Road left-turn lanes) to be deferred to a later date as directed by Council in 2021. Staff has not performed a detailed analysis of the cost savings by deferring the median bus lane elements but expects the near-term savings to be between \$1.2 million and \$1.5 million, which could help cover some of the escalated costs for the bicycle and pedestrian elements of the Project. Should Council approve the deferral of the median bus lane, staff and the consultant team would perform a detailed cost-savings evaluation with the final design.

CONCLUSION

Shoreline Boulevard Interim Bus Lane and Utility Improvements, Project 16-58, is identified as a Priority Transportation Improvement in the North Bayshore Precise Plan and is currently at the 95% design stage. As a result of continued remote work transition, current North Bayshore conditions show a reduction in vehicle traffic volumes, ridership of Caltrain, MVgo, and corporate shuttles as well as delayed office development. There is a benefit to the phasing of elements of the Project, allowing pedestrian, bicycle, and utility improvements to move forward while deferring the median bus lane elements to a future phase. Additional funding is requested for amendments to the consultant agreements for additional project management and design efforts needed to incorporate the recommended scope phasing.

ALTERNATIVES

1. Do not approve phasing the project scope for the Project and direct staff to continue with the construction of the median bus lane and related improvements as part of the project starting construction in 2025.
2. Do not authorize the appropriation of \$407,000 from Northbound Shoreline/101 Off-Ramp Realignment, Project 20-37, and direct staff to use other funding sources.
3. Do not authorize the amendments to the professional services agreements with GBS and Mark Thomas and direct staff to negotiate different amendment amounts.
4. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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RG/LL/6/CAM
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