



**DATE:** June 26, 2018

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **Stevens Creek Temporary Trail Detour, Project 17-56 – Amend Project Budget and Approve Cost-Share Agreement with the Santa Clara Valley Water District**

### **RECOMMENDATION**

1. Appropriate and transfer \$420,000 from the Capital Improvement Program Reserve Fund to Stevens Creek Temporary Trail Detour, Project 17-56. (Five votes required)
2. Authorize the City Manager to execute a cost-sharing agreement with the Santa Clara Valley Water District for repair work to the Stevens Creek Trail, damaged in the flood of winter 2017.

### **BACKGROUND**

In January 2017, heavy flows in Stevens Creek caused a bank failure that undermined a section of Stevens Creek Trail between El Camino Real and Yuba Drive. The Santa Clara Valley Water District (Water District) owns and maintains the creek, and the City has a Joint-Use Agreement with the Water District that allows for construction, operation, and maintenance of the trail. The Water District is responsible for funding creek bank repairs and the City is responsible for replacement of the damaged trail. Following the bank failure, the impacted section of the trail was closed and a detour to El Camino Real was implemented. On June 8, 2017, the City opened a temporary bypass trail on the adjacent Extended Stay Hotel property to provide access until permanent repairs are complete.

### **ANALYSIS**

The Water District agreed to manage repairs to the creek bank and trail, with the City reimbursing for costs related to the trail. The Water District opened bids on June 6, 2018 and awarded the construction contract on June 12, 2018. Construction is expected to begin in summer 2018 and be complete by winter 2018. During construction, both the permanent and temporary trails will be closed to provide construction access, and the

detour will again be used. Both the Water District and the City will conduct outreach to inform the public about the detour.

The one-year lease with Extended Stay expired in May 2018, and the City continues to lease the property for \$1,000 per month on a month-to-month basis. Staff is requesting additional funding of \$12,000 for the lease to cover potential delays in the construction schedule. Any Extended Stay lease costs after May 2018 will be reimbursed by the Water District.

The recommended terms of the cost sharing agreement include:

1. The Water District will design, contract, and provide construction management for the bank repairs and trail replacement;
2. The City will reimburse the Water District for the costs of the trail replacement based on actual costs, including construction, project/construction management, and design; and
3. The Water District will reimburse the City for costs of the Extended Stay lease after May 2018.

The City's total estimated costs, including the temporary trail and permanent repair, are as follows:

Temporary Trail	
Construction	\$129,070
Temporary Easement (Extended Stay)	32,000
Project Contingency	15,900
Permanent Trail	
Water District Construction (including contingency)	251,000
Water District Project Management, Design, and Construction Management	115,000
City Construction Inspection	15,730
City Administration (6.5%)	<u>36,300</u>
TOTAL PROJECT COST	<u>\$595,000</u>
CURRENT PROJECT BUDGET	\$175,000

**BUDGET SHORTFALL**

**\$420,000**

The recommended actions will provide funding for the permanent repair and allow staff to execute the cost-sharing agreement.

**FISCAL IMPACT**

Stevens Creek Trail Detour, Project 17-56, is funded with \$175,000 from the Capital Improvement Program (CIP) Reserve Fund. An additional \$420,000 from the CIP Reserve Fund is recommended for a total budget of \$595,000. As of the Proposed Budget for Fiscal Year 2018-19, the CIP Reserve Fund has an estimated available balance of \$6.1 million.

The City has applied for two Federal Emergency Management Agency (FEMA) grants, one for the permanent repair and the other for the temporary trail. FEMA has authorized the City to receive up to \$239,063 for costs related to the permanent trail repair. The City is waiting for a final determination on grant eligibility for the temporary trail work.

The grants are reimbursements. Grant funding received will be used to reimburse the CIP Reserve Fund.

**ALTERNATIVES**

1. Provide alternative direction on the cost-sharing agreement with the Water District.
2. Provide other direction.

**PUBLIC NOTICING**

Agenda posting and a copy to the Santa Clara Valley Water District.

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