



COUNCIL REPORT

DATE: June 27, 2023
CATEGORY: Consent
DEPT.: Public Works
TITLE: **Shoreline Boulevard Interim Bus Lane and Utility Improvements, Project 16-58—Various Actions**

RECOMMENDATION

1. Transfer and appropriate \$150,000 from the Water Fund to Shoreline Boulevard Interim Bus Lane and Utility Improvements, Design, Project 16-58. (Five votes required)
2. Acting in its capacity as Board of Directors of the Shoreline Regional Park Community, transfer and appropriate \$533,000 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.
3. Authorize the City Manager or designee to amend the professional services agreement with Grey Bowen Scott, LLC, to add \$137,000 for project management services for a total not-to-exceed amount of \$237,000.
4. Authorize the City Manager or designee to amend the professional services agreement with Mark Thomas & Company, Inc., to add \$396,000 for additional design services for a total not-to-exceed amount of \$3,217,000.

BACKGROUND

The Shoreline Boulevard Reversible Bus Lane is a complex multi-phase project that is a Priority Transportation Improvement in the North Bayshore Precise Plan (NBPP) intended to support commercial and residential development in the North Bayshore Area. In addition to transit, bicycle, and pedestrian improvements, the project includes new water lines that support growth in North Bayshore and sewer lines for growth outside of North Bayshore. The elements originally approved and included in the first phase of the project are shown in Figure 1.

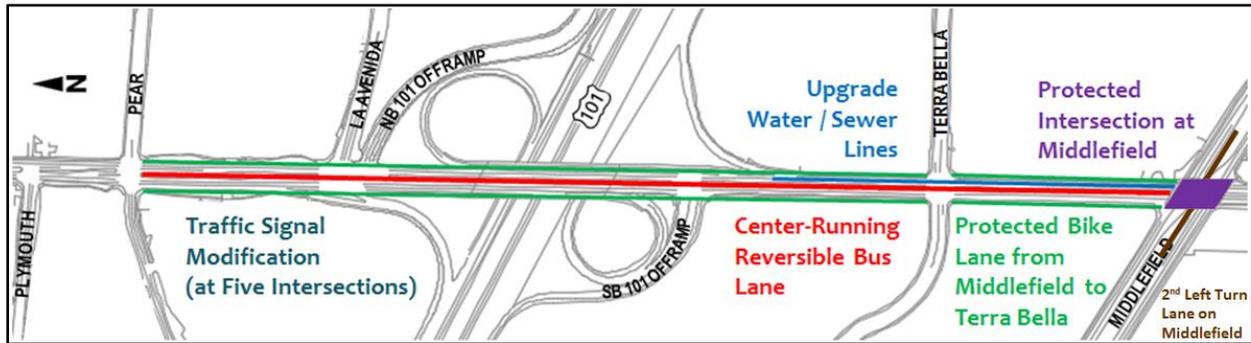


Figure 1: Project Elements (Approved in December 2019)

Council has taken several actions for the design, right-of-way acquisition, and construction of the project. Recent key actions include:

- [December 3, 2019](#): Council approved plans and specifications and authorized staff to advertise the project for bids.
- [December 8, 2020](#): Council approved amending the project budget to add funding and awarded the construction contract to Granite Rock Construction (Contractor).
- [October 26, 2021](#): 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.
- [May 24, 2022](#): 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.
- [Right-of-way acquisition](#): The City has completed the purchase of the right-of-way needed from nine parcels for the protected bikeways.

ANALYSIS

Grey Bowen Scott Agreement Amendment

There have been significant staffing resource challenges in the Engineering Division of the Public Works Department, where available resources have been shifted to priority projects with grant

funding deadlines and other critical needs to be addressed. Due to unsuccessful recruitment efforts to fill the vacancy for a project manager for this project, the position has been vacant since January 2022. In an effort to not further delay this project, staff solicited informal proposals from several consultant firms to provide project management services. After reviewing qualifications and conducting three consultant interviews to review the firms' qualifications and understanding of the services, staff found Gray Bowen Scott (GBS) as the most qualified firm based on their experience in project management, work on similar infrastructure projects, and understanding of the project goals. In February 2023, the City entered into an agreement with GBS in an amount not to exceed \$100,000 to provide project management and construction support services for this project.

A GBS project manager has familiarized themselves with the project, the City's practices, and is now 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. Staff recommends increasing the GBS agreement by \$137,000 for additional project management services for a total not-to-exceed amount of \$237,000. The recommended increase will allow a dedicated project manager to continue providing project management, coordination, and oversight.

Mark Thomas Agreement Amendment

Through further evaluation of the design, GBS and City staff determined additional design services were needed to finalize the design. These services are to address the increased costs for potholing and ensure the design package incorporates current field information, added design details for clarity, and an additional submittal review cycle. The details of the additional services include the following:

- Additional potholing costs—Potholing is field work to excavate at a focused spot location and identify underground conditions to confirm potential conflicts with other utilities, which will help avoid change orders and increased costs during construction. Added potholing is needed to confirm the locations planned for the utilities and new traffic signal pole locations at the intersections of West Middlefield Road, Terra Bella Avenue, and Pear Avenue. In the previous Mark Thomas amendment authorized in 2022, potholing costs were estimated based on expected costs without obtaining bids. Labor costs have increased significantly, and the cost to perform this work was underestimated.
- Groundwater sampling and testing—During the previous construction contract, unforeseen conditions revealed the groundwater table was higher than expected, and metal contaminants were found in the groundwater sampled and tested. This would have resulted in two added efforts by the contractor during construction: water pumping to provide construction access to install the new utility mains, and water treatment to remove

the metal contaminants and allow groundwater to be properly discharged. To confirm the current groundwater levels and potential contaminants, groundwater sampling and testing will be performed, with the information to be included in the design package for contractors to properly bid the project.

- Additional surveying—Since the initial survey by Mark Thomas, there has been ongoing work by utility companies to relocate various utilities throughout the corridor. Added survey work to confirm these conditions is needed as well as obtaining further topographical information for locations along the corridor, such as the transition areas between the new planned sidewalk improvements and on-site private property frontages. This topographical information will be utilized to provide the contractor with accurate and clear information in the design package.
- Additional design details and review—GBS and City staff determined that including focused and refined details at various locations along the corridor, such as along on-site property frontages, would further reduce the potential for increased construction costs from contractor change orders. Additionally, an extra design review submittal is needed to allow City staff to review these new details and other added details from the surveying and groundwater sampling to be incorporated into the design.

The fee for these additional design services to revise the design and repackage the plans and specifications for bid documents is \$396,000. 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 \$396,000 in additional services to the Mark Thomas professional services agreement for a new not-to-exceed amount of \$3,217,000.

Other Consultant Services and City Staff Costs

To provide quality control of the plans and specifications for this large and complex project, special subject matter expertise is needed for review of certain elements of the documents and to provide a detailed review of the entire set of plans and specifications. Though GBS will provide project management, coordination, and oversight, GBS does not have staff available for this type of specialized review. There are other consultant firms the City has experience with that can perform this type of work; therefore, additional project funding in the amount of \$100,000 is requested to contract with a consultant firm to provide this detailed review. Lastly, the project has expended the budget amount for City staff time to charge toward this project, and project funding is requested in the amount of \$50,000 to cover these costs.

Next Steps

Should Council approve staff’s recommendations, design is anticipated to be completed in early 2024 with construction starting in summer 2024.

FISCAL IMPACT

Shoreline Boulevard Interim Bus Lane and Utility Improvement, Design, Project 16-58, currently has a budget of \$3,332,331 and is funded from the sources shown in Table 1.

Table 1: Funding Sources, Project 16-58

| | Design, Project 16-58 |
|--|----------------------------------|
| Shoreline Regional Park Community Fund | \$2,003,000 |
| Water Capacity Fees | 444,000 |
| Wastewater Fund | 349,331 |
| Water Fund | 328,000 |
| Wastewater Capacity Fees | 148,000 |
| Shoreline Regional Park Community, 2018 Series A Bond | <u>60,000</u> |
| TOTAL | <u>\$3,332,331</u> |

In this report, staff has identified \$683,000 in additional funding needs as shown in Table 2 and detailed below:

- Amend the Mark Thomas agreement to add \$396,000 for additional design services for a new total not-to-exceed amount of \$3,217,000, including \$35,000 for additional services;
- Amend the GBS agreement for project management services to add \$137,000, for a new total not-to-exceed amount of \$237,000; and
- Additional staff costs, other consultant services, and project contingency in the amounts of \$50,000, \$80,000, and \$20,000, respectively.

Table 2: Project Costs, Project 16-58

| | Design, Project 16-58 |
|-------------------------------|----------------------------------|
| Design Consultant | \$3,217,000 |
| Project Management Consultant | 237,000 |
| City Project Management | 216,331 |
| Other Consultant Services | 80,000 |
| Project Contingency | <u>20,000</u> |
| Subtotal | \$3,770,331 |
| Administrative Fee | <u>245,000</u> |
| TOTAL ESTIMATED COST | <u>\$4,015,331</u> |
| PROJECT BUDGET | 3,332,331 |
| PROJECT SHORTFALL | \$683,000 |

An increase in appropriations of \$683,000 is requested to fund the additional design efforts. Staff recommends transferring and appropriating \$150,000 from the Water Fund and \$533,000 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/agreements, staff charges, and contingency to complete design.

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. As presented to Council at the [April 3, 2023](#) Study Session review of the Fiscal Year 2023-24 to 2027-28 Capital Improvement Program (Five-Year CIP), the recommended Five-Year CIP to be considered by Council on June 27, 2023 includes amending the construction phase to add \$6 million. Based on the utility conflicts identified and inflation, staff anticipates total project construction costs to be approximately \$18 million. Once a construction cost estimate is better defined and the plans and specifications are finalized, staff will return to Council with the approval of the plans and specifications.

CONCLUSION

The Shoreline Boulevard Interim Bus Lane and Utility Improvements project is an ambitious and complex project with improvements for all major modes of transportation and essential utility improvements to serve many areas of the City. The project has experienced significant delays due to the lack of a project manager since January 2022. Continued design efforts have determined that additional utility potholing, surveying, groundwater sampling, and design coordination is necessary with an additional \$683,000 in appropriations needed. The redesign effort is anticipated to be complete by early 2024, at which time staff will return to Council to seek to modify the NBPP EIR Mitigation Monitoring and Reporting Program, confirm the construction cost estimate, approve the plans and specifications, and authorize rebidding the project.

ALTERNATIVES

1. Do not authorize the transfer and appropriation of funding or the amendments to the professional services agreements.
2. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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