



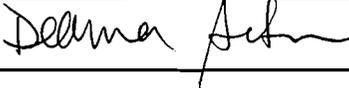
Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 01-17-07

Approved 

Date 1/25/07

COUNCIL DISTRICT: 2

SUBJECT: BAILEY AVENUE EXTENSION – SEGMENT C PROJECT (BAILEY AVENUE OVERHEAD AT MONTEREY ROAD)

RECOMMENDATION

Approval of an increase in contingency for the Bailey Avenue Extension Segment C Project in the amount of \$45,000, from \$238,000 to \$283,000.

OUTCOME

The increase in contingency will allow payment for Contract Change Orders to complete the project.

BACKGROUND

On October 24, 2000, Council approved the rezoning for the properties of Coyote Valley Research Park (CVRP) for the development of 6,600,000 square feet of campus industrial uses on 688 acres of land that CVRP owns within the 1,444-acre North Coyote Valley Campus Industrial Area. One of the major improvements necessary for the development of North Coyote Valley is the Bailey Extension Project, which has involved extending Bailey Avenue east across Highway 101 and connecting it with Malech Road in the County of Santa Clara.

Construction of the Bailey Extension Project consists of four segments. Segment A involves construction of a six-lane Bailey Avenue bridge over Coyote Creek and a full interchange at Highway 101. Segment B involves an at-grade connection ramp between the elevated Bailey Avenue and Monterey Road including a traffic signal at Monterey Road. Valley Transportation Authority (VTA) constructed Segments A and B pursuant to a cooperative agreement with the City.

Segment C (map attached) involves a four-lane grade separation over Union Pacific Railroad (UPRR) tracks and Monterey Road. The City received grants from the State and UPRR for the

construction of this Segment. The grants provide for the City to be reimbursed up to a maximum of \$5,403,000 upon completion of construction. The City and CVRP agreed that the City would advance any remaining costs and that CVRP would reimburse the City when it obtains its first building permit within North Coyote Valley development. The City awarded the Segment C Project on June 15, 2004 to Shasta Constructors Inc. in the amount of \$4,750,602.20 with \$238,000 in contingency. The construction of the project has been completed and is currently in its final acceptance phase.

Segment D involves expanding the grade separation over UPRR tracks and Monterey Road from four to seven lanes and adding an additional connecting ramp at Monterey Road. This segment will be constructed after the new building space in North Coyote Valley has reached 2 million square feet.

ANALYSIS

Public Works is recommending that the Segment C construction contingency be increased by \$45,000. The reason for the additional contingency is because the majority of the original contingency was used for extra work due to construction delays caused by PG & E's utility relocation work and the lengthy rainy season. There are currently two items of work remaining prior to acceptance of the project. First is additional work items requested by Municipal Water, and second is to repair a leak in a Municipal Water waterline. The additional contingency is for the completion of these items.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this action does not meet the \$1 million threshold for Criteria 1, this memorandum will be posted on the City's website for the February 6, 2007 Council agenda.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office the City Manager's Budget Office and the Departments of Transportation and Planning, Building and Code Enforcement.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$45,000

2. COST ELEMENTS OF CONSTRUCTION CONTRACT

Construction	\$ 4,750,600
Construction Contingency (original amount)	238,000
Construction Contingency (additional amount)	45,000
Design and Construction Management	786,400
Utility Service and Relocation	100,000
Engineering Consultant	<u>478,000</u>
TOTAL	\$ 6,398,000

3. SOURCE OF FUNDING: 429 – Building & Structure Construction Tax Fund

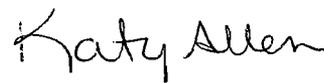
4. OPERATING COSTS: This project will have no impact on the General Fund operating budget. All of the costs for the Bailey Avenue Extension - Segment C project will be reimbursed by the State, UPRR and CVRP.

BUDGET REFERENCE

Fund #	Appn. #	RC #	Appn. Name	Total Appn.	Amt. for Contract	2006-07 Adopted Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
429	4595	138825	Bailey / Route 101 Improvements	\$1,013,000	\$45,000	V-1067	10/17/2006, 27888

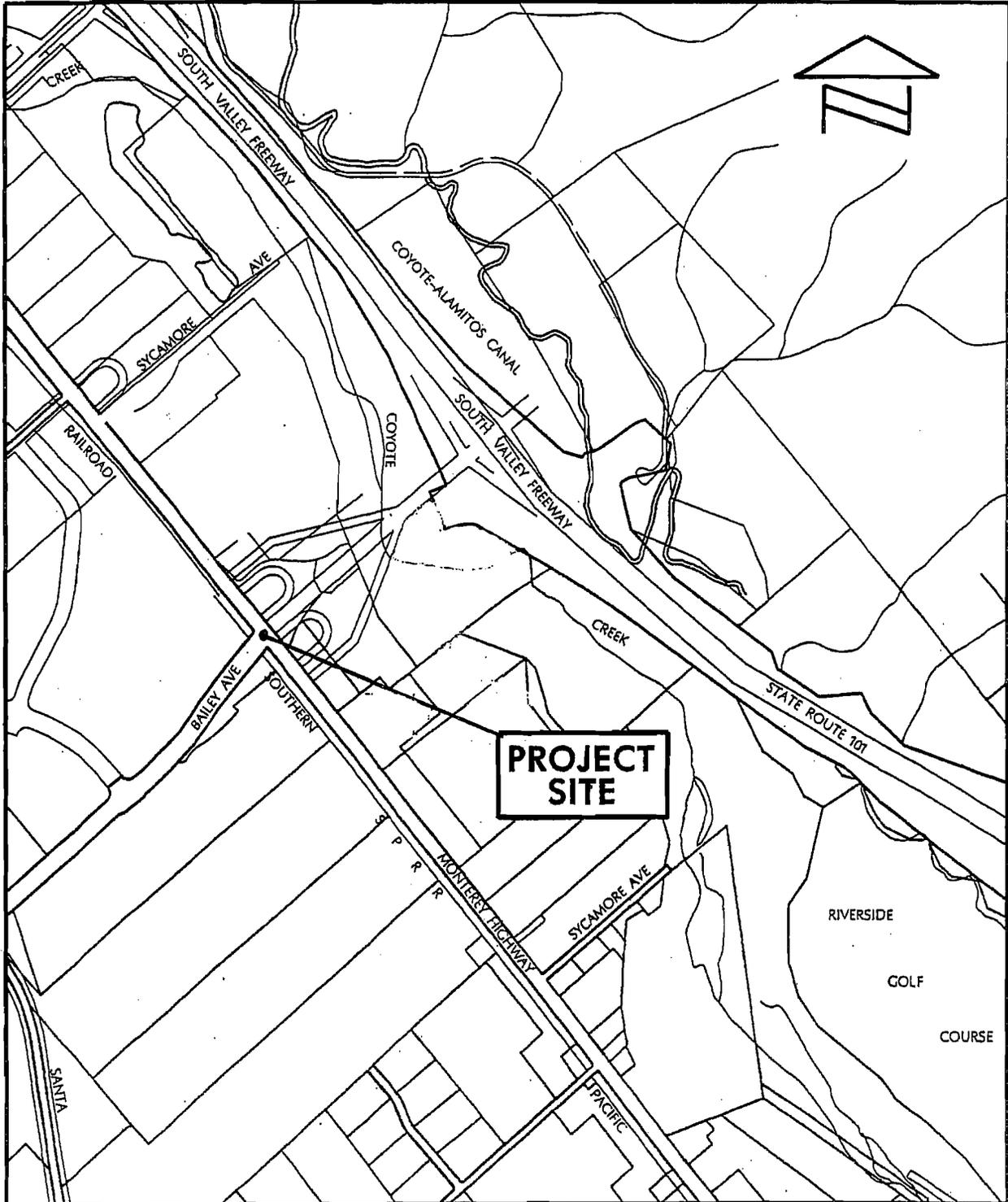
CEQA

CEQA : Resolution No. 68705.



KATY ALLEN
Director, Public Works Department

For questions please contact TIMM BORDEN, DEPUTY DIRECTOR, PUBLIC WORKS DEPARTMENT, at 535-8300.



**BAILEY AVENUE EXTENSION - SEGMENT C PROJECT
(BAILEY AVENUE OVERHEAD AT MONTEREY ROAD)
LOCATION MAP**

NOT TO SCALE