

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: William F. Sherry
Katy Allen
Larry D. Lisenbee
James R. Helmer

SUBJECT: I-880/COLEMAN AVENUE
INTERCHANGE LANDSCAPING

DATE: 02-24-06

Approved

Date 3/2/06

Council District: Citywide

RECOMMENDATION

1. Approve the third amendment to the Cooperative Agreement between the City of San José and the Santa Clara Valley Transportation Authority for utility relocation as part of the I-880/Coleman Avenue Interchange Project, decreasing the agreement amount by \$300,000 from \$4,000,000 to \$3,700,000.
2. Adopt the following Appropriation Ordinance amendments to the Building and Structure Construction Tax Fund:
 - a) Decrease Ending Fund Balance by \$300,000.
 - b) Establish an appropriation in the Department of Public Works for the in-house design of the I-880/Coleman Avenue Interchange Landscape Design Project in the amount of \$300,000.

BACKGROUND

In partnership with the City of San José and the California Department of Transportation (Caltrans), the Santa Clara Valley Transportation Authority (VTA) is the lead agency responsible for the design and construction of the I-880/Coleman Avenue Interchange Upgrade project. Construction of the \$81 million project began in March 2004, and is expected to be fully operational by this summer. As the last phase of the interchange project, landscape construction was originally scheduled to begin in late summer 2006 and to be complete by the fall of 2007. The estimated construction cost of the landscaping is \$2.7 million.

The purpose of this report is to seek Council's authorization to utilize a portion of the City's contributed funds for a redesign of the landscape component of the project. The City has directly

contributed \$11.5 million toward the project, \$4.0 million of which is to be repaid to the City by VTA through the allocation of future regional funds for a repayment project.

ANALYSIS

To qualify for federal funding under a program referred to as the Grant Anticipation Revenue Vehicle (GARVEE) financing, the design of the I-880/Coleman Avenue Interchange project, including the landscape portion, had to be substantially complete in late 2002. In the development of the landscape design, VTA's consultant coordinated the landscaping with the City's Transportation, Public Works and Aviation Departments as well as Caltrans and the Federal Aviation Administration (FAA). The design consists primarily of ivy groundcover, mass shrub planting areas, trees, irrigation systems and a decorative fence.

After construction began on the utility relocation and earthwork components of the project, the City requested VTA to suspend final document preparation for the interchange landscape design so as to provide an opportunity for additional input based on subsequent developments. These developments included:

- The Mineta-San José International Airport's Landscape Master Plan Report and Design Guidelines (ALMP): The ALMP was accepted by the City Council on April 12, 2005. It recommends an agricultural theme for landscape design for the airport properties and its major gateways, with specific inclusion of the I- 880/Coleman Avenue interchange.
- Consistency with the I-880/U.S. 101 Landscape Improvement Project: The landscape design of this project was specifically developed by Caltrans and intended to reflect the agricultural history of the Santa Clara Valley. The project is currently under construction and should be completed by summer 2006.
- Regional efforts to create a more litter-free environment along major freeway corridors: The conditions of the landscaped and shoulder areas of our freeways is worsening from a lack of maintenance and litter control. Efforts are underway to combat litter through education, enforcement and smarter, more sustainable designs of landscaped medians, shoulders and interchanges.
- Market Place Development on Coleman Avenue: The Market Place development is currently installing new landscaping and lighting improvements along the median of Coleman Avenue and sidewalk areas south of Taylor Street. A revised I-880/Coleman Avenue Interchange landscape design can take this theme and the ALMP into consideration where the prior plan did not.

Because of the developments above, staffs from several agencies strongly supported creation of a new landscape design of the 880/Coleman Avenue interchange. A series of meetings with VTA, Caltrans and City representation from the City Manager's Office, the Office of Cultural Affairs, Airport and the Departments of Public Works and Transportation have been held. From these

meetings, a strategy to fund the redesign of the 880/Coleman interchange landscaping plan was developed and presented to the Building Better Transportation (BBT) Committee on October 3, 2005. Subsequently, on October 18, 2005, the BBT Committee's report to the City Council concerning this item was deferred to provide staff additional time to further define and coordinate the landscape redesign with project stakeholders, VTA, FAA and Caltrans.

This report recommends the City Council approve an amendment to the "Cooperative Agreement between the City of San José and the Santa Clara Valley Transportation Authority for Utility Relocation as part of the I-880/Coleman Avenue Interchange Project". As VTA estimates a cost savings to the utility relocation work in the amount of \$300,000, the recommended amendment to the agreement would recognize those savings and reduce the agreement from \$4 million to \$3.7 million. The recommended actions would enable the City to reduce the funding associated with the utility relocation work and allocate these funds to support a collaborative effort between an artist consultant and the City's Department of Public Works staff for the redesign of the I-880/Coleman Avenue interchange landscape plan. It should be noted, however, that this action would also reduce the anticipated funding from VTA for a future repayment project by \$300,000.

VTA would continue to serve as the lead agency responsible for the construction of the landscape improvements. The City and its artist will strive to design a project with an estimated construction cost of \$2.4 million instead of the original \$2.7 million. This will be possible with less intensive groundcovers, a reduction to mass shrub plantings, and lower irrigation costs. As the owner of the interchange, Caltrans has indicated that the proposed agricultural theme will be much easier to operate, maintain and keep clean. They believe substantial cost savings can be achieved over time.

The estimated cost breakdown for the landscape redesign of the interchange project by the Department of Public Works is as follows:

<u>ITEM</u>	<u>COST</u>	<u>ACTION</u>
Design/Construction Documents	\$190,000	Developed by the Dept of Public Works
Artist Design Services	\$50,000	Separately contracted through Office of Cultural Affairs
<u>City, VTA, Caltrans Coordination</u>	<u>\$60,000</u>	Requires separate City/VTA agreement
TOTAL	\$300,000	

In coordination with the Office of Cultural Affairs, this funding recommendation includes approximately \$50,000 for an artist to work directly and collaboratively with the Public Works landscape design team. Due to numerous project constraints, which include height and lighting restrictions and roadway setback requirements, the collaborative effort between the landscape architects and an artist will focus on "the landscape is the art" design development concept. The design team will also coordinate signage with the existing downtown signage plan, Coleman Avenue corridor and the airport signage plan.

OUTCOME

Approval of the recommendation will provide funding for the redesign of the I-880/Coleman Avenue Interchange landscape plan that is consistent with City Council direction as it relates to the Airport Landscape Masterplan, Report and Design Guidelines, presented to Council on April 12, 2005. Further, the redesign of the landscape plan provides a one-time opportunity to create a coordinated visual statement along the I-880 corridor linking the interchanges at I-880/U.S.101 and I-880/Coleman with the airport and its environs. The redesign of the interchange landscaping will delay completion of the landscape construction to spring 2008.

PUBLIC OUTREACH

A publicly noticed informational briefing for Councilmembers, their staffs and members of the public was held on January 26, 2006, regarding the I-880/Coleman Avenue interchange landscaping. Additional outreach, managed through VTA and coordinated with the City, will be included in the development of the landscape redesign.

COORDINATION

This report has been prepared as a coordinated effort between the Airport, Public Works, and Transportation departments, the Office of Cultural Affairs, and the City Attorney's Office. Prior discussions concerning this item have been held with VTA, the FAA and Caltrans.

COST IMPLICATIONS

The purpose of the relocation agreement was to provide VTA with the estimated \$4 million necessary to accelerate utility relocation work in advance of project construction. Funding for the advance utility work was provided to the VTA, with the expectation that VTA would program an equivalent level of regional funds for repayment project in San José. The agreement specifically stated, "The VTA shall use its best efforts to seek and provide to the CITY, \$4,000,000 from various discretionary federal, state or regional funds available to VTA and approved by VTA's Board of Directors, to serve as a repayment of the \$4,000,000 provided by CITY".

This agreement was subsequently amended on September 28, 2004, extending the term to June 30, 2005, and again on June 28, 2005, extending the term to June 30, 2006. A future amendment to the agreement is planned, extending the term of the agreement to coincide with the repayment project schedule date of no later than March 2007.

By reducing the agreement amount by \$300,000 to be re-appropriated toward the recommended landscape redesign, the future funding to the City by VTA for the repayment project would be correspondingly reduced to \$3,700,000.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
429	7999	Ending Fund Balance*	\$4,302,852	V-1034	10/18/05 Ord. 27580

*The Route 880/Coleman Interchange Utility Relocation project was fully encumbered in prior years and has a carryover budget of \$2,158,357. It is recommended that \$300,000 of this carryover encumbrance be liquidated to reflect project cost savings. These liquidated funds would then provide additional ending fund balance.

CEQA

The VTA Board of Directors approved and certified the California Environmental Quality Act Environmental Impact Report for the I-880/Coleman Interchange project on May 2, 2002.



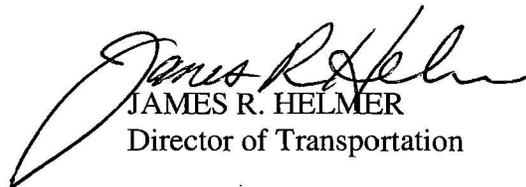
for WILLIAM F. SHERRY A.A.E.
Director of Aviation



KATY ALLEN
Director of Public Works



LARRY D. LISENBEE
Budget Director



JAMES R. HELMER
Director of Transportation