

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

SUBJECT: SILICON VALLEY ITS PROJECT - **DATE:** 05-12-08
KIMLEY-HORN AGREEMENT

Approved:

Date:

5/16/08

COUNCIL DISTRICT: 1, 6

SNI AREA: Burbank/Del Monte,
Winchester

RECOMMENDATION

Approval of a fourth amendment to the Consultant Services Agreement between the City of San José and Kimley-Horn and Associates, Inc. (Consultant), for the design and development of the Silicon Valley Intelligent Transportation Systems (ITS) West Corridor Project (Project), to modify the cost reimbursement terms with no change in maximum compensation.

OUTCOME

Approval of the proposed amendment will allow the City to reimburse the Consultant for fair overhead expenses incurred in performance of the Agreement. This will enable the completion of the Project, which will result in the installation of communications infrastructure and traffic surveillance cameras that will enable the City and its project partners to actively manage traffic signals and monitoring systems along the Stevens Creek Boulevard corridor.

BACKGROUND

The City executed an Agreement with the Consultant on May 18, 2002 for design services towards the development of plans, specifications, and estimates (PS&E) for a project to install ITS infrastructure along Stevens Creek Boulevard between State Route 85 and Bascom Avenue.

When the Project is complete, Stevens Creek Boulevard from Bascom Avenue to State Route 85 will be equipped with traffic surveillance cameras and communication infrastructure necessary to enable all agencies responsible for the operation of the corridor to actively monitor and adjust signal operations in order to respond to day-to-day and incident traffic demands. Within San José, this project will enable staff to better monitor and manage seasonal traffic demands around Santana Row, Westfield Valley Fair Shopping Center, and Saratoga Avenue at Route 280.

The City is the project sponsor of this five-agency partnership project, with responsibilities for both design and construction.

Since the execution of the Agreement, Council has approved three amendments to extend the termination date and increase maximum compensation for unforeseen Project changes, including a change in construction manager (from County to City), Project scope changes as a result of modifications to grant funding, and a re-bid of the construction contract. In addition, the third amendment, approved by Council on December 18, 2007, included compensation for increased overhead cost incurred during the last four years which was above and beyond the original two-year term of the Agreement. In attempting to comply with the provisions of the third amendment regarding the increased compensation, staff realized that the contract provisions specifically authorizing payment for specific classes of increased overhead cost was inadvertently omitted from the third amendment. This proposed fourth amendment modifies the language of the third amendment to include the missing provisions.

ANALYSIS

This amendment will allow for the payment of overhead expenses incurred, and allow the consultant to be reimbursed at a higher overhead rate for future work, as intended by the third amendment which was approved by Council in December 2007. The maximum allowable compensation will not be increased by this amendment.

EVALUATION AND FOLLOW UP

The project is currently within budget and is expected to be completed by summer 2008. No additional follow up actions are expected at this time.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/OUTREACH

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**

- Criterion 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 item does not meet any of the above Criteria, it will be posted on the City's website for the June 3, 2008 Council agenda. Work performed under the scope of this amendment has been coordinated with the Project Stakeholders and Caltrans Local Assistance.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the Office of Planning, Building, and Code Enforcement, the City Manager's Budget Office, and Risk Management.

FISCAL/POLICY ALIGNMENT

The Project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The project also supports Transportation and Aviation CSA Outcome #3: Travelers have a positive, reliable, and efficient experience.

COST SUMMARY/IMPLICATIONS

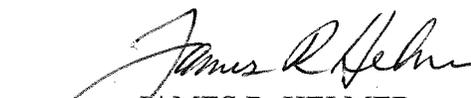
The approval of this amendment will also allow completion of a construction project that will have a beneficial impact to the economy of Silicon Valley. No General Fund operating and maintenance costs will be generated by this amendment.

BUDGET REFERENCE

Not applicable.

CEQA

Exempt, PP# 00-02-026.


JAMES R. HELMER
Director of Transportation

For questions please contact Lily Lim-Tsao, Program Manager II, at 975-3269.