



Midpeninsula Regional
Open Space District

R-20-53
Meeting 20-11
May 27, 2020

AGENDA ITEM 8

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Award of Contract to AECOM for the Project Approval and Environmental Document Phase of the Highway 17 Wildlife and Regional Trail Crossings and Trail Connections Project

GENERAL MANAGER'S RECOMMENDATION(S) *deur*

1. Authorize the General Manager to enter into a contract with AECOM for a base not-to-exceed amount of \$1,180,385 for environmental and engineering consulting services for the Highway 17 Wildlife and Regional Trail Crossings and Trail Connections Project.
2. Authorize an approximate 10% contingency of \$118,330 to be reserved for unforeseen conditions, for a total contract amount not-to-exceed \$1,580,000.
3. Authorize \$281,285 in allowances, as described in the report, for additional environmental and engineering consulting services beyond the base contract scope of work to be used only if deemed necessary.

SUMMARY

In October 2019, the Midpeninsula Regional Open Space District (District) Board of Directors (Board) approved moving forward with the environmental analysis of four crossing alternatives for the Highway 17 Wildlife and Regional Trail Crossings and Trail Connections Project (Highway 17 Project or Project) (R-19-136). The Highway 17 Project is now proceeding into the second phase to complete preliminary engineering designs and environmental review, known as the Caltrans Project Approval and Environmental Document (PA&ED) phase. Staff conducted a competitive qualification and proposal process to solicit the services of consulting firms for this PA&ED phase, which includes preparation of the following: 1) Caltrans Project Report; 2) California Environmental Quality Act (CEQA) document; and 3) National Environmental Policy Act (NEPA) document.

The District received a total of three proposals. Following proposal evaluations and interviews, the District selected AECOM as the most qualified firm based on their ability to perform key scope of work in-house and extensive experience working with Caltrans on state highway projects in the San Francisco Bay Area. AECOM's total cost proposal includes both environmental analysis and engineering services. The environmental analysis portion of the scope, at 2.0 - 3.3% of the total project cost, is similar to other District projects. Once underway, the environmental review process will take 24 to 36 months to complete. Sufficient funds will be requested in future fiscal years to cover engineering services and the environmental review process as part of the annual Budget and Action Plan process.

DISCUSSION

The Highway 17 Project is a top priority action identified by District constituents as part of the 2014 Open Space Vision Plan and voter-approved Measure AA (MAA) funding. The Project supports the District's goal of providing safe, regional wildlife and trail access across Highway 17 near the Lexington Reservoir just south of the towns of Monte Sereno and Los Gatos. District staff began working on this project in 2014, and recently completed the Caltrans Project Initiation Document phase, including finalization of the Project Study Report- Project Development Support (PSR-PDS) process.

Prior Board approval

At the time the Board progressed the Highway 17 Project into the PA&ED phase, they also authorized the General Manager to sign the cooperative agreement with Caltrans for the PA&ED phase and established the District as the CEQA lead agency and Caltrans as the NEPA lead agency. Caltrans has the authority delegated by Federal Highway Administration to act as a lead agency for NEPA, allowing the Highway 17 Project to be eligible for federal funding.

The District is the lead agency under CEQA to address the separate environmental studies and documents required for the extensive trail network portion of the Project extending outside of the Caltrans right-of-way. The District is also the sponsor agency for the draft and final Project Report, a Caltrans engineering report that includes technical studies and preliminary design of all improvements within the Caltrans right-of-way. Comparable to the environmental document, the Project Report is prepared in a two-phase process, with sequential reviews and approvals at both the draft and final phases.

Request for Proposals and Qualifications Process

The District issued a Request for Proposals and Qualifications for a firm to provide environmental and engineering services on November 22, 2019. District staff solicited proposals through the District website, BidSync, and additional outreach to a comprehensive list of 26 environmental consulting firms well-known by the District and partner agencies. District staff held a field tour in December 2019 that was well-attended by 13 people from 11 firms. Ultimately, three firms submitted proposals by the January 29, 2020 closing date, providing a description of their proposed approach, team qualifications, prior project experience, and cost proposal. A consultant selection panel composed of staff from the Planning and Natural Resources departments, and a Regional Project Manager from Caltrans, reviewed and rated the proposals using criteria to evaluate proposal quality, implementation approach, and expertise.

On February 25, 2020, the consultant selection panel interviewed the firms and requested additional information from the top two firms. Following evaluation of the additional information, the selection panel determined AECOM as the most qualified firm to assist the District with the PA&ED phase based on their inhouse expertise to cover both environmental review and engineering requirements. AECOM also possesses extensive experience working on high-profile projects with Caltrans District 4 that covers the Project Area. AECOM's knowledge of Caltrans processes is beneficial for guiding the Highway 17 Project through the PA&ED phase, especially with the development of highly technical designs and complex engineering studies and documents. AECOM also has experience working with Mitigation Credit Agreements, which afford a new funding opportunity (refer below to the Mitigation Credit Agreement section for details).

Upon selecting AECOM to initiate scope refinements and budget discussions, District staff held three conference calls with AECOM to address necessary changes to the contract scope and fee schedule. The District has always had an elevated interest in being more hands-on and engaged in decision-making and working side-by-side with consultants. Given the regional significance of the Highway 17 project and collaborative work with Caltrans and other stakeholders, District staff expects to work with the Consultant team and Caltrans at a higher level of engagement to ensure timely and effective project planning and delivery. Staff requested an increased level of document reviews and additional coordination meetings with the project team, Caltrans, and other partner agencies throughout the process to ensure quality assurances and project completeness as part of the base contract scope of work. This includes additional public outreach hours to accommodate committee and Board approval processes and the production of visual, realistic renderings of the proposed trail crossing structure design for future presentation and approval by the Board.

Recommended Allowance for Potential Additional Scope

To address detailed analyses and other Caltrans requirements that may occur during the PA&ED phase, an allowance totaling \$281,285 is recommended to cover the following optional tasks, if deemed necessary to move the Project forward:

1. A higher level of NEPA review;
2. More advanced archaeological studies and associated analysis;
3. More advanced geotechnical studies, lab testing and analysis;
4. Aerial topographic mapping;
5. Second fish passage survey;
6. Restoration plans and support (e.g. native plantings, etc.); and
7. Additional staff and partner agency meetings.

AECOM has indicated that these tasks will likely be required by Caltrans based on their extensive experience working on similar projects. The allowance would only be used for the tasks identified above. By authorizing the allowance with the base contract, the team can ensure continued project progress in the event that any of these tasks are deemed necessary.

Cost Analysis

The consultant costs for preparation of the CEQA and NEPA documents associated with the PA&ED phase comprise between 2.0% and 3.3% of the total estimated Project cost of \$31.5 to \$43.6 million, which is comparable to the environmental review cost of other similarly large projects, including Mount Umunhum, Ravenswood Bay Trail, and the Wildland Fire Resiliency Program. Additionally, the cost proposal is less than the Caltrans cost estimate for the PA&ED phase of \$1.69 - \$4.9M, identified in the Project Study Report.

Mitigation Credit Agreement

An additional component of the Highway 17 Project is the possibility of qualifying for a mitigation credit agreement (MCA). MCAs create credits that may be used as compensatory mitigation for impacts under CEQA, the California Endangered Species Act and the California Department of Fish and Wildlife (CDFW) Lake and Streambed Alteration Program. A mitigation credit agreement is developed under a CDFW-approved Regional Conservation Investment Strategy (RCIS). The RCIS Program encourages a voluntary, non-regulatory regional planning process to result in higher-quality conservation outcomes and includes an advance mitigation tool. An MCA is developed in collaboration with CDFW to create mitigation credits by implementing conservation or habitat enhancement actions identified in an RCIS.

The Santa Clara County RCIS was developed to help ensure that conservation and habitat enhancement actions are occurring in an informed and strategic manner to achieve the highest degree of conservation benefit at a regional scale. CDFW approved the Santa Clara County RCIS in November 2019. It was the first approved RCIS in the state and provides a pathway for habitat enhancement opportunities within the county--including wildlife crossings--to aid in species recovery, adaptation to climate change, and resiliency in the face of development pressures.

As part of the PA&ED phase for the Highway 17 Project, the District has requested AECOM's assistance to investigate, and if supported by CDFW, to develop a mitigation credit agreement (MCA) under the Santa Clara County RCIS. AECOM has already reached out to the appropriate staff at CDFW to discuss this effort and has received encouraging feedback. AECOM is currently supporting other RCISes and are very familiar with the MCA and RCIS processes.

Developing an MCA could allow for long-term investment in the Project, including potential funding for components that may otherwise be costly and/or difficult to fund and implement. One potential benefit would be funding for long-term operation and maintenance of the wildlife crossing and/or associated features such as the directional fencing. The current contract scope only includes time for MCA coordination at a minimal cost because an estimated cost for MCA development would be too speculative to include at this time. If CDFW and Caltrans are supportive of developing an MCA for this project, District staff will return to the Board for a contract amendment at a later time. The future cost of MCA development could result in increased external funding of the Project and appears to be a wise investment with a highly qualified team like AECOM, who have experience with MCAs.

FISCAL IMPACT

The Highway 17 Project encompasses two projects within Portfolio 20 South Bay Foothills: Wildlife Passage and Ridge Trail Improvements – *Wildlife Corridor: Highway 17 Crossing* (MAA20-001) and *Bay Area Ridge Trail: Highway 17 Crossing* (MAA20-002). For shared environmental review contracts (including AECOM), 35% of costs will be allocated to MAA20-001 with the remaining 65% allocated to MAA20-002.

Sufficient funds are projected to cover the recommended action and expenditures through FY23. The following two tables summarize MAA20-001 and MAA20-001 project budgets.

Wildlife Corridor: Highway 17 Crossing MAA20-001	Prior Year Actuals	FY20 Adopted	FY21 Projected	FY22 Projected	Estimated Future Years	TOTAL
Budget	\$325,781	\$63,593	\$114,196	\$65,000	\$15,050,000	\$15,618,570
Spent-to-Date (as of 5/5/2020):	(\$325,781)	(\$81,418)	\$0	\$0	\$0	(\$407,199)
Encumbrances:	\$0	(\$19,975)	\$0	\$0	\$0	(\$19,975)
AECOM Contract:	\$0	\$0	(\$100,000)	(\$65,000)	(\$248,135)	(\$413,135)
Allowances:	\$0	\$0	\$0	\$0	(\$98,450)	(\$98,450)
10% Contingency:	\$0	\$0	\$0	\$0	(\$41,415)	(\$41,415)
Budget Remaining (Proposed):	\$0	(\$37,800)	\$14,196	\$0	\$14,662,000	\$14,638,396

Bay Area Ridge Trail: Highway 17 Crossing MAA20-002	Prior Year Actuals	FY20 Amended	FY21 Projected	FY22 Projected	Estimated Future Years	TOTAL
Budget	\$64,422	\$97,500	\$275,452	\$175,000	\$29,160,000	\$29,772,374
Spent-to-Date (as of 5/5/2020):	(\$64,422)	(\$75,771)	\$0	\$0	\$0	(\$140,193)
Encumbrances:	\$0	(\$22,392)	\$0	\$0	\$0	(\$22,392)
AECOM Contract:	\$0	\$0	(\$200,000)	(\$135,000)	(\$432,250)	(\$767,250)
Allowances:	\$0	\$0	\$0	\$0	(\$182,835)	(\$182,835)
10% Contingency:	\$0	\$0	\$0	\$0	(\$76,915)	(\$76,915)
Budget Remaining (Proposed):	\$0	(\$663)	\$75,452	\$40,000	\$28,468,000	\$28,582,789

Staff acknowledges that the MAA Portfolio 20 allocation is insufficient to cover complete project expenses for *Wildlife Corridor: Highway 17 Crossing* (MAA20-001) and *Bay Area Ridge Trail: Highway 17 Crossing* (MAA20-002). Funding gaps have been identified and are addressed in the tables below.

The following table outlines the Measure AA Portfolio 20 South Bay Foothills: Wildlife Passage and Ridge Trail Improvements allocation, costs-to-date, projected future project expenditures and projected ending balance at the portfolio level for the *Wildlife Corridor: Highway 17 Crossing* (MAA20-001) and the *Bay Area Ridge Trail: Highway 17 Crossing* (MAA20-002) projects.

MAA20 South Bay Foothills: Wildlife Passage and Ridge Trail Improvements Portfolio Allocation:	\$13,966,000
Life-to-Date Spent (as of 5/5/2020):	(\$547,392)
Encumbrances:	(\$42,367)
AECOM contract including allowances and 10% contingency:	(\$1,580,000)
Remaining FY20 project budgets:	(\$38,463)
Future MAA20 project costs (projected through FY23+):	(43,182,722)
Total Portfolio Expenditures:	(\$45,390,944)
Portfolio Balance Remaining (Proposed):	(\$31,424,944)

The following table outlines the Measure AA Portfolio 20 allocation, costs-to-date, projected life-to-date project expenditures and projected portfolio balance remaining.

MAA20 South Bay Foothills: Wildlife Passage and Ridge Trail Improvements Projects:	\$13,966,000
Projected Project Expenditures (life of project):	
20-001 Wildlife Corridor: Highway 17 Crossing	(\$15,618,570)
20-002 Bay Area Ridge Trail: Highway 17 Crossing	(\$29,772,374)
Total Portfolio Expenditures:	(\$45,390,944)
Portfolio Balance Remaining (Proposed):	(\$31,424,944)

The funds allocated in MAA Portfolios 20 are anticipated to bring the Project through environmental review, design and permitting. It is anticipated that remaining portfolio funds at the completion of the design phase would be applied toward construction or other appropriate Project needs. The rough order of magnitude costs currently associated with Project implementation is summarized in the table below. Project components include:

- 1) Implementing two separate crossings (one each for wildlife and regional trail use);
- 2) Installing wildlife directional fencing to the crossing structures;
- 3) Constructing connecting trails; and
- 4) Improving Alma Bridge Road (owned by the County of Santa Clara) to accommodate trail connections from the proposed crossings to the regional trail network, if supported by project partners and cost-share funding is available.

Costs will continue to be refined and updated as new information arises. Refer to the table below for the most up-to-date cost estimates developed by consulting engineers and planners and approved by Caltrans during the PSR-PDS phase of the project.

Total Project in 2024 Dollars (includes areas within and beyond Caltrans Right of Way)		
Project Component	Low Cost Estimate (millions)	High Cost Estimate (millions)
Wildlife and Trail Crossings (includes planning, permitting, design, and construction)	\$15.2	\$18.7
Wildlife Directional Fencing	\$1.6	\$5.6
Trail Connections	\$14.7	\$19.3
Property Rights/Right of Way	*	*
Total	\$31.5	\$43.6

*Additional funds may be necessary for property rights.

Funding Gaps

Additional funding will be required to complete the construction of the crossings and connecting trails. Potential funding sources have already been identified and include Caltrans, Santa Clara Valley Transportation Authority, Wildlife Conservation Board, Proposition 68, private donors, and/or a combination of the above.

BOARD COMMITTEE REVIEW

This item was not previously reviewed by a Board committee.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

Retention of professional consultants will not result in a direct physical change to the environment and does not constitute Board approval of the proposed project or related proposed project elements. The contract scope includes completion of the necessary environmental review under CEQA and NEPA for the implementation of the Highway 17 Project. The Board will have the opportunity to review the findings related to CEQA at a future board meeting.

NEXT STEPS

Pending Board approval, the General Manager will execute the contract for environmental and engineering consulting services with AECOM. The General Manager has signed the Project Study Report and the cooperative agreement for the PA&ED phase, allowing work to begin immediately on the environmental review for the Highway 17 Project, starting with initial meetings with Caltrans to schedule the necessary technical studies. Staff will present the CEQA project description for the Highway 17 Project to the Board for review and acceptance in order to initiate CEQA and NEPA review, anticipated to occur in Spring 2021. The PA&ED phase is anticipated to take 24 to 36 months to complete; however, the unknown impacts of COVID-19 create uncertainties in accurately predicting a schedule.

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