

RESPONSE TO COUNCIL QUESTIONS RE: 5/23/17 CITY COUNCIL AGENDA

Agenda Item #: 1.I.

Title: Award of Bid No. PW17-18 for the Pavement Rehabilitation 2016 Project Re-Bid, Determination of Bid Non-responsiveness, and Finding of California Environmental Quality Act (CEQA) Categorical Exemption

Council Question: From the report: "Simultaneously, staff was proceeding with the initial design phase for the 2017 pavement rehabilitation project and concluded with the design engineer that one segment of roadway could be eliminated from the project due to its existing good condition." What segment of the roadway was eliminated due to existing good condition? This seems odd when staff had previously determined that the road needed additional work. Please explain.

Staff Response: Alberta Avenue is broken into three street segments. The first segment, Hollenbeck to Quebec Court is scheduled for an overlay as part of the Pavement 2016 project. The second segment, from Quebec Court to Richelieu, was partially overlaid with a development project, and was ultimately removed from the Pavement 2017 work. Instead, it will receive a chip seal next fiscal year and slurry seal the year thereafter. The last segment of Alberta Avenue, Richelieu to Sunnyvale-Saratoga, was recently slurry sealed.

Agenda Item #: 4

Title: Public Hearing and Adoption of Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for the Downtown Sunnyvale Business Improvement District for Fiscal Year 2017/2018; Public Hearing and Introduction of an Ordinance Amending Chapter 3.60, Entitled Downtown Sunnyvale Business Improvement District, of Title 3 of the Sunnyvale Municipal Code to Convert Portions of BID Zone C to BID Zone B

Council Question: Have we received any protests for the "Business Improvement District" assessment to date? I went through my e-mail, but didn't see any protest e-mails. How is notification of the BID increase/assessment done to the affected businesses?

Staff Response: No, as of today, staff has not received any protests. As required by State law, full copies of the resolutions were mailed to all affected businesses and published in the legal ads section of the *Sunnyvale Sun* on May 5. The resolutions identify May 23 as the date for the public hearing where businesses can either support or oppose the district renewal and zone conversions. Also, the district's executive director emailed affected businesses regarding the public hearing's date.

Agenda Item #: 6

Title: Award of Bid No. PW16-28 for the Primary Treatment Facility Package 2 for the Reconstruction of the Water Pollution Control Plant, Make a Finding of Bid Non-responsiveness, Amend an Existing Design/Construction Support Contract, Authorize the City Manager to Procure Insurance Coverage, and Approve Budget Modification No. 45 in the amount of \$4,810,137

Council Question: Staff is requesting a reduced 7% construction contingency rather than the standard 10%. I don't think I have seen this in any previous project. Is that correct?

Staff Response: The Package #2 project will be constructed on a site that is being cleared and prepared under the Package #1 project that is currently in progress. When Package #2 begins, the bulk of the construction will be performed in a dirt area where all the known existing infrastructure has been removed. Sequencing the projects this way minimizes the potential for encountering unknown existing conditions thereby reducing the risk on the project. Staff discussed contingency for Package #2 with the consultant who had experience working with other agencies on large (about \$100 million and greater) that were constructed in areas where there was minimized risk of existing unknown conditions. Information received from some of the other agencies showed that in these cases they reduced the contingency to less than the normal 10% and utilized this money to keep other portions of their programs moving forward. Based on this information the project team was comfortable moving forward with a 7% contingency on this project.

Council Question: Approximately how often do we end up utilizing the full contingency allotment for our projects? (meaning that the 7% contingency will not be enough) How are we monitoring this project differently to make sure that a 7% contingency fee will be adequate?

Staff Response: The majority of projects constructed in the City of Sunnyvale are completed under the typical 10% contingency allotment. Based on past data, the average use of contingency is about 5%, however, occasionally the City is involved with a project that requires the majority of the 10% contingency. The Package #2 project will not be monitored any different than the other City construction projects that have a 10% contingency. There are checks and balances in place that proactively monitor the contingency budget and use. Any changes that come up during the project are approved via a pre-authorization process that verifies the work is required and that there is budget in place to pay for it. After the preauthorization is approved, a change order is then issued to the contractor to execute along with the City.

Council Question: What past experience do we have with C. Overaa & Company? If any previous development, have they utilized the contingency fee in the past to finish the work?

Staff Response: The City has not constructed any major capital projects with C. Overaa so there is no background data regarding their use of contingency, however, C. Overaa met all the experience requirements for this project.

Agenda Item #: 7

Title: Award a Contract for Civic Center Master Planning Services to SmithGroupJJR and Approve Budget Modification No. 46 in the Amount of \$1,350,000 from the General Fund Capital Improvement Projects Reserve

Council Question: The contract specifically calls out Panorama as a Consultant. Normally contracts aren't specifying the subcontractor (in this case, I'm assuming that SmithGroupJJR is subcontracting the EIR efforts with Panorama, but is that correct?) We have evaluated SmithGroupJJR as a contractor, but do we have experience with Panorama for past EIRs?

Staff Response: Panorama does not have previous experience preparing EIRs for the City of Sunnyvale. However, Panorama has 30 years of experience with environmental

consulting and has prepared CEQA documents for numerous Bay Area public agencies. The City's agreement with SmithGroupJJR has a very detailed scope of work for preparation of the Program EIR. Staff is comfortable that Panorama has the requisite experience to complete the work.