



City of Palo Alto

City Council Staff Report

(ID # 7366)

Report Type: Consent Calendar

Meeting Date: 11/14/2016

Summary Title: C&S Engineers Contract CIP AP-16000 Apron-1B

Title: Approval of Amendment Number 3 With C&S Engineers, Inc. Contract Number C15155208A to Increase the Contract by \$350,000 for a Total Not-to-Exceed Amount of \$1,458,329 for Engineering and Design Services Related to the Airport Apron Reconstruction Design Phase 1B; and Approval of a Budget Amendment in the Airport Enterprise Fund

From: City Manager

Lead Department: Public Works

Recommended Motion

Staff recommends that Council:

1. Approve Amendment No. 3 to C&S Engineers, Inc. Contract C15155208A (Attachment A) to increase the contract by \$350,000 for a total not to exceed amount of \$1,458,329 for engineering and design services related to CIP projects; and
2. Amend the Fiscal Year 2017 Budget Appropriation for the Airport Enterprise Fund by:
 - a. Increasing the Capital Improvement Program Airport Apron Reconstruction project (AP-16000) appropriation in the amount of \$28,450; and
 - b. Decreasing the fund balance in the amount of \$28,450.

Background

Prior to transferring Palo Alto Airport (PAO) in 2014, staff analyzed PAO infrastructure and provided recommendations for important safety-related maintenance and modernization projects needed to upgrade PAO to a modern operational facility. With over 170,000 annual operations, PAO serves as an important General Aviation Reliever Airport for three primary Bay Area airports

and is identified as an important airport in the National Plan of Integrated Airport System (NPIAS). Airports in the NPIAS qualify for Federal Aviation Administration (FAA) grant money for eligible projects under the Airport Improvement Program, which includes capital improvements necessary for continued safe and efficient operation of an airport.

Contracts

The City initially entered into a contract with C&S Engineers, Inc. (C&S) in October 2014 in an amount of \$250,000 for a term of five (5) years for on-call consulting services (City Manager's Report #4948). This contract provides for a variety of design, construction administration, environmental studies and other planning functions required for FAA Airport Capital Improvement Projects. On-call consultant services that are compliant with FAA requirements are eligible for 90% reimbursement of the contract amount.

In December 2015, Council approved Amendment No. One to increase the contract amount by \$650,000 for a total not-to-exceed amount of \$900,000 for professional engineering and design services related to CIPs (City Manager's Report #6367). In August 2016, Council approved Amendment No. 2 to increase the contract amount by \$208,329 for a total not-to-exceed amount of \$1,108,329 for engineering and design services related to the CIP Airport Perimeter Fence project AP-16003 (City Manager's Report #7165).

Capital Improvement

The FAA's high priority on standard Runway Safety Areas and users concerns about deteriorating conditions of the airfield prompted a pavement inspection in September 2013. The inspection resulted in an estimate of more than \$8M to rehabilitate the apron pavement. In 2014, staff prepared and submitted an Airport Capital Improvement Plan (ACIP) to the FAA, addressing these immediate rehabilitation needs. On August 20, 2015, City staff and C&S met with the FAA to discuss the ACIP and prioritize projects.

In September 2015, the City Manager executed a grant agreement for \$509,585 for CIP projects AP-16000 and AP-16002 (Airport Apron Reconstruction and Wildlife Hazard Plan, respectively). In a meeting with staff the same month, the FAA supported an airfield electrical study and indicated the City should reapply for a grant to include it in the multi-phase of CIP project AP-16000. PAO received

the grant and increased the contract accordingly. Furthermore, on October 4, 2016, the FAA acknowledged additional scope to design the replacement of the aircraft washrack was needed to meet the latest environmental standards and should be incorporated in Phase 1B of the project apron design.

Grants

To implement the safety enhancements, rehabilitation, and infrastructure needs, assistance from available grant programs are sought.

When awarding grants, the FAA and Department of Transportation (DOT) require the City to execute and return agreements within strict timelines, sometimes within days of receiving the offer. To ensure the City is able to accept and maximize grants, Council authorized the City Manager to apply for and execute future grant agreements offered by the FAA and DOT for improvements at the airport. (City Manager's Report #5890) The FAA makes airport improvement grants available to local airport sponsors for 90% of the total costs of eligible projects and, when applicable, the California DOT will match 2.5% of the federal share. In receiving grant funds from the FAA, the City agrees to the conditions governing the use of grant funds and operates the airport in compliance with FAA requirements.

Discussion

Contract Amendment No. 3 with C&S Companies increases the contract amount by \$350,000 for engineering and design services related to Phase 1B of the apron CIP project AP-16000.

In addition to addressing the deteriorating pavement condition, Phase 1B of the project design will include the airfield electrical study and replacement of the aircraft washrack. Although the footprint of the apron will remain the same, the total number of tie-downs will be reduced to meet current FAA standards.

As Council authorized the City Manager or his designee to execute applications for and acceptance of future airport maintenance and improvement grants for existing infrastructure at PAO, in May 2016 the City applied for and received a grant from the FAA for \$436,481 or 90% of the total cost of the project for the Apron Design – Phase 1B. The additional \$28,450 design costs for the washrack are grant eligible and these costs will be added to the construction grant

application where the City will seek 90% reimbursement when the construction grant is received. If approved, this would result in a net City contribution of \$2,845 to complete this component of the improvements.

Timeline

The completion of the design work, including the airfield electrical study and aircraft washrack is expected to be completed in Spring 2017. The FAA requires staff to have bids by the first of May to apply for the first phase construction grant.

Resource Impact

Funding for the \$350,000 contract amendment is available in Airport Fund Capital Improvement Program project AP-16000 Airport Apron Reconstruction.

The cost for the additional scope to design the replacement of the aircraft washrack is \$28,450 and was not included in the FY 2017 budget for AP-16000. Ninety percent of this additional design cost is eligible for reimbursement via an FAA grant.

Staff will request reimbursement from the FAA for 90% of the cost of the washrack design as part of the construction grant application to be submitted in May 2017. They will also manage expenses in pavement maintenance and liability insurance costs during FY 2017 to ensure the Airport Enterprise Fund remains solvent, without additional General Fund support, in case additional FAA funding is not approved. A review of FY 2016 actuals and current year tracking will be completed as part of the FY 2017 Mid-Year Budget Review report and any rebalancing actions brought forward as necessary at that time.

Environmental Review

Based on FAA direction, C&S was tasked with preparing documentation necessary to comply with National Environmental Policy Act (NEPA) requirements for the airport apron design and as a project that involves only replacements of existing structure it qualifies under a categorical exclusion. The apron rehabilitation project previously received environmental approval from the FAA. Under California Environmental Quality Act (CEQA) guidelines the apron rehabilitation qualifies under "Categorical Exemption 15302 Replacement or Reconstruction." A CEQA Notice of Exemption will be filed prior to project construction.

Policy Implications

The CIP Apron Rehabilitation project is consistent with two of City Council's 2016 priorities: 1) Comprehensive planning and action on land use and transportation and 2) Infrastructure Strategy and Funding.

Attachments:

- Attachment A: CS Engineers Inc. - AMENDMENT NO. 3 (PDF)

**AMENDMENT NO. THREE TO CONTRACT NO. C15155208A
BETWEEN THE CITY OF PALO ALTO AND C & S ENGINEERS, INC.**

This Amendment No. Three to Contract No. C15155208A (“Contract”) is entered into November 14, 2016, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and C & S ENGINEERS, INC., a New York corporation, located at 499 Col. Eileen Collins Boulevard, Syracuse, New York 13212 (“CONSULTANT”).

RECITALS

A. The Contract was entered into between the parties for the provision of On-call engineering services including planning, design engineering, environmental analyses, grant management and construction management.

B. The parties wish to amend the Contract to increase the funding to cover an additional task order.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the parties agree:

SECTION 1. Section 4. NOT TO EXCEED COMPENSATION is hereby amended to read as follows:

“The compensation to be paid to CONSULTANT for performance of the Services as amended above, including payment for professional services, shall not exceed One Million Four Hundred Fifty Eight Thousand Three Hundred Twenty Nine Dollars (\$1,458,329).”

SECTION 2. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO


City Manager

APPROVED AS TO FORM:

City Attorney

Director of Public Works

C & S ENGINEERS, INC.

By: 
Name: Jessica Bryan
Title: Department Manager